The Ontario Securities Commission

OSC Bulletin

April 11, 2013

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

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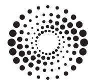

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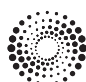
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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

April 11, 2013

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

Ontario Securities Commission
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Christopher Portner	—	CP
Judith N. Robertson	—	JNR
AnneMarie Ryan	—	AMR
Charles Wesley Moore (Wes) Scott	—	CWMS

SCHEDULED OSC HEARINGS

April 15, 2013 9:00 a.m.	**JV Raleigh Superior Holdings Inc., Maisie Smith (also known as Maizie Smith) and Ingram Jeffrey Eshun** s. 127 D. Campbell in attendance for Staff Panel: AJL
April 17, 2013 10:00 a.m.	**Portfolio Capital Inc., David Rogerson and Amy Hanna-Rogerson** s. 127 S. Horgan in attendance for Staff Panel: AJL
April 17, 2013 11:00 a.m.	**Heritage Management Group and Anna Hrynisak** s. 127 C. Rossi in attendance for Staff Panel: AJL
April 17, 2013 11:30 a.m.	**Global Consulting and Financial Services, Global Capital Group, Crown Capital Management Corp., Michael Chomica, Jan Chomica and Lorne Banks** s. 127 C. Rossi in attendance for Staff Panel: AJL
April 18, 2013 10:00 a.m.	**FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun** s. 127 C. Price in attendance for Staff Panel: CP

April 25, 2013 10:00 a.m.	**Global Consulting and Financial Services, Crown Capital Management Corporation, Canadian Private Audit Service, Executive Asset Management, Michael Chomica, Peter Siklos (also known as Peter Kuti), Jan Chomica, and Lorne Banks** s. 127 C. Rossi in attendance for Staff Panel: CP
April 26, 2013 11:00 a.m.	**Global Energy Group, Ltd., New Gold Limited Partnerships, Christina Harper, Howard Rash, Michael Schaumer, Elliot Feder, Vadim Tsatskin, Oded Pasternak, Alan Silverstein, Herbert Groberman, Allan Walker, Peter Robinson, Vyacheslav Brikman, Nikola Bajovski, Bruce Cohen and Andrew Shiff** s. 127 C. Watson in attendance for Staff Panel: EPK
April 29 – May 6 and May 8-10, 2013 10:00 a.m.	**North American Financial Group Inc., North American Capital Inc., Alexander Flavio Arconti, and Luigino Arconti** s. 127 M. Vaillancourt in attendance for Staff Panel: JDC
May 1, 2013 10:00 a.m.	**Ronald James Ovenden, New Solutions Capital Inc., New Solutions Financial Corporation and New Solutions Financial (Ii) Corporation** s. 127 Y. Chisholm in attendance for Staff Panel: TBA
May 8, 2013 10:00 a.m. May 9-13, 2013 11:00 a.m.	**Matthew Robert White and White Capital Corporation** s. 8 S. Horgan/C. Weiler in attendance for Staff Panel: JEAT/MGC
May 9, 2013 10:00 a.m.	**New Solutions Capital Inc., New Solutions Financial Corporation, New Solutions Financial (II) Corporation, New Solutions Financial (III) Corporation, New Solutions Financial (VI) Corporation and Ron Ovenden** s. 127 Y. Chisholm in attendance for Staff Panel: TBA
May 10, 2013 10:00 a.m.	**Children's Education Funds Inc.** s. 127 D. Ferris in attendance for Staff Panel: JEAT
May 14, 2013 10:00 a.m.	**York Rio Resources Inc., Brilliante Brasilcan Resources Corp., Victor York, Robert Runic, George Schwartz, Peter Robinson, Adam Sherman, Ryan Demchuk, Matthew Oliver, Gordon Valde and Scott Bassingdale** s. 127 H. Craig/C. Watson in attendance for Staff Panel: VK/EPK
May 14-17 and May 22-24, 2013 10:00 a.m.	**Energy Syndications Inc. Green Syndications Inc. , Syndications Canada Inc., Daniel Strumos, Michael Baum and Douglas William Chaddock** s. 127 C. Johnson in attendance for Staff Panel: AJL

May 15, 2013 10:00 a.m.	**Quadrexx Asset Management Inc., Quadrexx Secured Assets Inc., Offshore Oil Vessel Supply Services LP, Quibik Income Fund and Quibik Opportunities Fund** s. 127 D. Ferris in attendance for Staff Panel: JEAT
May 15-16 and May 30, 2013 10:00 a.m.	**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 Corp., (aka Liquid Gold International Inc.) and Nanotech Industries Inc.** s. 127 J. Feasby in attendance for Staff Panel: JDC
May 22-31, 2013 10:00 a.m.	**2196768 Ontario Ltd carrying on business as Rare Investments, Ramadhar Dookhie, Adil Sunderji and Evgueni Todorov** s. 127 D. Campbell in attendance for Staff Panel: EPK
May 27, 2013 10:00 a.m.	**AMTE Services Inc., Osler Energy Corporation, Ranjit Grewal, Phillip Colbert and Edward Ozga** s. 127 C. Rossi in attendance for Staff Panel: JEAT
June 3, June 5-17 and June 19-25, 2013 10:00 a.m.	**David Charles Phillips and John Russell Wilson** s. 127 Y. Chisholm in attendance for Staff Panel: JDC
June 3, 5-6, 10-12, 14-17, 19-20 and July 22-26, 2013 10:00 AM	**Jowdat Waheed and Bruce Walter** s. 127 J. Lynch in attendance for Staff Panel: CP/SBK/PLK
June 6, 2013 10:00 a.m.	**New Hudson Television Corporation, New Hudson Television L.L.C. & James Dmitry Salganov** s. 127 C. Watson in attendance for Staff Panel: MGC
June 19, 2013 11:00 a.m.	**Knowledge First Financial Inc.** s. 127 D. Ferris in attendance for Staff Panel: JEAT
July 3, 2013 10:00 a.m.	**Alexander Christ Doulis (aka Alexander Christos Doulis, aka Alexandros Christodoulidis) and Liberty Consulting Ltd.** s. 127 J. Feasby in attendance for Staff Panel: VK
July 31, 2013 10:00 a.m.	**Oversea Chinese Fund Limited Partnership, Weizhen Tang and Associates Inc., Weizhen Tang Corp., and Weizhen Tang** s. 127 and 127.1 H. Craig in attendance for Staff Panel: MGC

Date	Matter
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 10:00 a.m.	**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** s. 127 U. Sheikh in attendance for Staff Panel: JDC
October 15-21, October 23-29, 2013 10:00 a.m.	**Normand Gauthier, Gentree Asset Management Inc., R.E.A.L. Group Fund III (Canada) LP, and CanPro Income Fund I, LP** s. 127 B. Shulman in attendance for Staff Panel: TBA
November 4 and November 6-18, 2013 10:00 a.m.	**Systematech Solutions Inc., April Vuong and Hao Quach** s. 127 D. Ferris in attendance for Staff Panel: TBA
January 13, January 15-27, January 29 – February 10, February 12-14 and February 18-21, 2014 10:00 a.m.	**International Strategic Investments, International Strategic Investments Inc., Somin Holdings Inc., Nazim Gillani and Ryan J. Driscoll.** s. 127 C. Watson in attendance for Staff Panel: TBA
May 5-May 16 and May 20-June 20, 2014 10:00 a.m.	**Paul Azeff, Korin Bobrow, Mitchell Finkelstein, Howard Jeffrey Miller and Man Kin Cheng (a.k.a. Francis Cheng)** s. 127 T. Center/D. Campbell in attendance for Staff Panel: TBA
In writing	**Morgan Dragon Development Corp., John Cheong (aka Kim Meng Cheong), Herman Tse, Devon Ricketts and Mark Griffiths** s. 127 J. Feasby in attendance for Staff Panel: EPK
TBA	**Yama Abdullah Yaqeen** s. 8(2) J. Superina in attendance for Staff Panel: TBA
TBA	**Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell** s. 127 Panel: TBA
TBA	**Frank Dunn, Douglas Beatty, Michael Gollogly** s. 127 Panel: TBA
TBA	**MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric** s. 127 and 127(1) D. Ferris in attendance for Staff Panel: TBA
TBA	**Gold-Quest International and Sandra Gale** s. 127 C. Johnson in attendance for Staff Panel: TBA

TBA	**Brilliante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York** s. 127 H. Craig in attendance for Staff Panel: TBA
TBA	**Uranium308 Resources Inc., Michael Friedman, George Schwartz, Peter Robinson, and Shafi Khan** s. 127 H. Craig/C.Rossi in attendance for Staff Panel: TBA
TBA	**Innovative Gifting Inc., Terence Lushington, Z2A Corp., and Christine Hewitt** s. 127 M. Vaillancourt in attendance for Staff Panel: TBA
TBA	**David M. O'Brien** s. 37, 127 and 127.1 B. Shulman in attendance for Staff Panel: TBA
TBA	**Bunting & Waddington Inc., Arvind Sanmugam, Julie Winget and Jenifer Brekelmans** s. 127 Panel: TBA
TBA	**Colby Cooper Capital Inc., Colby Cooper Inc., Pac West Minerals Limited John Douglas Lee Mason** s. 127 B. Shulman in attendance for Staff Panel: TBA
TBA	**Beryl Henderson** s. 127 Panel: TBA
TBA	**Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)** s. 127 and 127.1 D. Ferris in attendance for Staff Panel: TBA
TBA	**Crown Hill Capital Corporation and Wayne Lawrence Pushka** s. 127 A. Perschy/A. Pelletier 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	**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** s. 127 and 127.1 D. Campbell in attendance for Staff Panel: TBA
TBA	**Ernst & Young LLP** s. 127 and 127.1 A. Clark in attendance for Staff Panel: TBA
TBA	**Newer Technologies Limited, Ryan Pickering and Rodger Frey** s. 127 and 127.1 B. Shulman in attendance for staff Panel: TBA
TBA	**Nest Acquisitions and Mergers, IMG International Inc., Caroline Myriam Frayssignes, David Pelcowitz, Michael Smith, and Robert Patrick Zuk** s. 37, 127 and 127.1 C. Price in attendance for Staff Panel: TBA
TBA	**Sino-Forest Corporation, Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho, Simon Yeung and David Horsley** s. 127 H. Craig in attendance for Staff Panel: TBA
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	**Fawad Ul Haq Khan and Khan Trading Associates Inc. carrying on business as Money Plus** s. 60 and 60.1 of the *Commodity Futures Act* T. Center in attendance for Staff Panel: TBA
TBA	**Global RESP Corporation and Global Growth Assets Inc.** s. 127 D. Ferris in attendance for Staff Panel: TBA
TBA	**Issam El-Bouji, Global RESP Corporation, Global Growth Assets Inc., Global Educational Trust Foundation and Margaret Singh** s. 127 and 127.1 M. Vaillancourt in attendance for Staff Panel: TBA

TBA

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

s. 127(1) and (5)

A. Heydon/Y. Chisholm in attendance for Staff

Panel : TBA

TBA.

Moncasa Capital Corporation and John Frederick Collins

s. 127

T. Center in attendance for Staff

Panel: EPK

TBA

Garth H. Drabinsky, Myron I. Gottlieb and Gordon Eckstein

s. 127

A. Clark/J. Friedman in attendance for Staff

Panel: TBA

TBA

Heritage Education Funds Inc.

s. 127

D. Ferris in attendance for Staff

Panel: TBA

TBA

Vincent Ciccone and Cabo Catoche Corp. (a.k.a. Medra Corp. and Medra Corporation)

s. 127

M. Vaillancourt in attendance for Staff

Panel: TBA

TBA

Onix International Inc. and Tyrone Constantine Phipps

s. 127

C. Rossi in attendance for Staff

Panel: TBA

TBA

Ground Wealth Inc., Armadillo Energy Inc., Paul Schuett, Doug DeBoer, James Linde, Susan Lawson, Michelle Dunk, Adrion Smith, Bianca Soto and Terry Reichert

s. 127

J. Feasby in attendance for Staff

Panel: TBA

TBA

Ground Wealth Inc., Michelle Dunk, Adrion Smith, Joel Webster, Douglas DeBoer, Armadillo Energy Inc., Armadillo Energy, Inc., and Armadillo Energy LLC

s. 127

J. Feasby in attendance for Staff

Panel: TBA

TBA

New Hudson Television LLC & Dmitry James Salganov

s. 127

C. Watson in attendance for Staff

Panel: TBA

TBA

Blackwood & Rose Inc., Steven Zetchus and Justin Kreller (also known as Justin Kay)

s. 37, 127 and 127.1

C. Rossi in attendance for Staff

Panel: TBA

TBA	**Myron Sullivan II formerly known as Fred Myron George Sullivan, Global Response Group (GRG) Corp., and IMC – International Marketing Of Canada Corp.** s. 127 Panel: TBA
TBA	**Michael Robert Shantz and Canada Pacific Consulting Inc.** s. 127 Panel: TBA

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

LandBankers International MX, S.A. De C.V.; Sierra Madre Holdings MX, S.A. De C.V.; L&B LandBanking Trust S.A. De C.V.; Brian J. Wolf Zacarias; Roger Fernando Ayuso Loyo, Alan Hemingway, Kelly Friesen, Sonja A. McAdam, Ed Moore, Kim Moore, Jason Rogers and Dave Urrutia

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

1.1.2 OSC Staff Notice 81-719 – Effect of Proposed Income Tax Act Amendments on Investment Funds – Character Conversion Transactions

OSC STAFF NOTICE 81-719

EFFECT OF PROPOSED INCOME TAX ACT AMENDMENTS ON INVESTMENT FUNDS – CHARACTER CONVERSION TRANSACTIONS

Purpose

This notice sets out the views of staff of the Ontario Securities Commission (Staff) on the types of considerations investment fund managers should be contemplating in response to proposed amendments to the *Income Tax Act* (Canada) (the Tax Act) that impact investment funds that engage in character conversion transactions (as described below).

Background

On March 21, 2013, the Minister of Finance presented the federal government's 2013 budget. The budget contains proposed amendments to the Tax Act (the Budget Amendments), which impact certain investment funds that use specified derivatives (generally a forward agreement) to provide investors with an economic return based on the performance of a reference fund. The Budget Amendments will apply to forward agreements entered into on or after budget day as well as forward agreements entered into before budget day if the term of the agreement is extended on or after budget day.

Through the use of a forward agreement, an investment fund characterizes the economic return of a reference fund, which would otherwise be treated as ordinary income in the hands of its securityholders, as capital gains. Investment funds that employ this structure generally have investment objectives of providing "tax advantaged" returns to securityholders.

The Budget Amendments will effectively prohibit the character conversion described above, meaning that the economic returns provided to investors will be taxable as ordinary income.

Staff's Views

Staff are of the view that investment fund managers should consider the effects of the Budget Amendments on their investment funds that use these investment structures, particularly if the income conversion feature is an essential aspect of the fund, as evidenced by the fund's investment objective, its name or the manner in which the fund is marketed. As such, we ask investment fund managers to consider their disclosure obligations under the *Securities Act* (Ontario) and National Instrument 81-106 *Investment Fund Continuous Disclosure*.

While these considerations are underway, we ask managers to consider the need to cap their affected funds to new and additional investments. Investment fund managers may also wish to consider whether any communication with current securityholders of their funds is appropriate to notify them of the Budget Amendments and their potential impact on the applicable funds.

While investment fund managers and their counsel work to better understand the full impact of the Budget Amendments, Staff are of the view that managers must also consider their longer-term response to the Budget Amendments, including whether changes to their funds' investment objectives and investment strategies will be needed or whether the funds need to be restructured, reorganized or terminated.

Further Information

Filers and their counsel are encouraged to contact Staff to discuss the issues raised in this notice.

Questions

If you have any questions, please refer them to:

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April 3, 2013

1.1.3 OSC Staff Notice 11-739 (Revised) – Policy Reformulation Table of Concordance and List of New Instruments

OSC STAFF NOTICE 11-739 (REVISED)

POLICY REFORMULATION TABLE OF CONCORDANCE AND LIST OF NEW INSTRUMENTS

The following revisions have been made to the Table of Concordance and List of New Instruments. A full version of the Table of Concordance and List of New Instruments as of March 31, 2013 has been posted to the OSC Website at www.osc.gov.on.ca.

Table of Concordance

Item Key
The third digit of each instrument represents the following: 1-National/Multilateral Instrument; 2-National/Multilateral Policy; 3-CSA Notice; 4-CSA Concept Release; 5-Local Rule; 6-Local Policy; 7-Local Notice; 8-Implementing Instrument; 9-Miscellaneous

Reformulation

Instrument	Title	Status
	None	

New Instruments

Instrument	Title	Status
11-739	Policy Reformulation Table of Concordance and List of New Instruments (Revised)	***Published January 4, 2013***
41-101	General Prospectus Requirements – **Amendments** (Implementation of a New Prospectus Form for Scholarship Plans)	***Commission approval published January 10, 2013***
11-742	Securities Advisory Committee (Revised)	***Published January 10, 2013***
31-332	Relevant Investment Management experience for Advising Representatives and Associate Advising Representatives of Portfolio Managers	***Published January 17, 2013***
81-718	Summary Report for Investment Fund Issuers	***Published January 24, 2013***
45-711	Extension of Consultation Period – OSC Staff Consultation Paper 45-710 Considerations for New Capital Raising Prospectus Exemptions	***Published January 24, 2013***
13-102	System Fees for SEDAR and NRD	***Published for comment January 24, 2013***
13-101	System for Electronic Document Analysis and Retrieval (SEDAR) – **Amendments** (related to 13-102)	***Published for comment January 24, 2013***
31-102	National Registration Database – **Amendments** (related to 13-102)	***Published for comment January 24, 2013***
55-102	System for Electronic Disclosure by Insiders (SEDI) - **Amendments** (related to 13-102)	***Published for comment January 24, 2013***
13-502	Fees – **Amendments**	***Ministerial approval published January 31, 2013***
13-503	Fees (Commodity Futures Act) - **Amendments**	***Ministerial approval published January 31, 2013***
31-333	Follow-up to Broker-Dealer Registration in the Exempt Market Dealer Category	***Published February 7, 2013***

New Instruments

Instrument	Title	Status
11-321	Business Continuity Planning – Industry Testing Exercise	***Published February 7, 2013***
54-101	Communication with Beneficial Owners of Securities of a Reporting Issuer – **Amendments**	***Ministerial approval published February 14, 2013***
41-101	General Prospectus Requirements – **Amendments**	***Commission approval published February 28, 2013***
44-101	Short Form Prospectus Distributions – **Amendments** (related to 41-101)	***Commission approval published February 28, 2013***
44-102	Shelf Distributions – **Amendments** (related to 41-101)	***Commission approval published February 28, 2013***
81-101	Mutual Fund Prospectus Disclosure – **Amendments** (related to 41-101)	***Commission approval published February 28, 2013***
52-107	Acceptable Accounting Principles and Auditing Standards – **Amendments** (related to 41-101)	***Commission approval published February 28, 2013***
51-102	Continuous Disclosure Obligations – **Amendments** (related to 41-101)	***Commission approval published February 28, 2013***
13-101	System for Electronic Document Analysis and Retrieval (related to 41-101) (related to 41-101)	***Commission approval published February 28, 2013***
54-702	Corporate Finance Guidance – Notice and access: Interaction with National Policy 11-201 Electronic Delivery of Documents and the Ontario Business Corporations Act	***Published February 28, 2013***
23-315	CSA/IIROC Joint Notice – Summary of Comments on CSA/IIROC Joint Notice 23-312 – Request for Comments – Transparency of Short Selling and Failed Trades	***Published February 28, 2013***
51-338	Continuous Disclosure and Prospectus Requirements Related to Documents Prepared under the U.S. Securities and Exchange Act of 1934	***Published March 7, 2013***
21-101CP	Marketplace Operation – **Amendments to 21-101CP** (related to 25-101)	***Commission approval published March 14, 2013***
31-103	Registration Requirements, Exemptions and Ongoing Registrant Obligations – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
33-109	Registration Information – **Amendments to 33-109F6** (related to 25-101)	***Commission approval published March 14, 2013***
41-101	General Prospectus Requirements – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
44-101	Short Form Prospectus Distributions **- Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
44-102	Shelf Distributions – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
45-106	Prospectus and Registration Exemptions – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
51-102	Continuous Disclosure Obligations – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***

New Instruments

Instrument	Title	Status
51-201	Disclosure Standards – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
81-101	Mutual Fund Prospectus Disclosure – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
81-102	Mutual Funds – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
81-106	Investment Fund Continuous Disclosure – **Amendments** (related to 25-101)	***Commission approval published March 14, 2013***
62-105	Security Holder Rights Plans	***Published for comment March 14, 2013***
62-202	Take-Over Bids – Defensive Tactics – **Amendments** (related to 62-105)	***Published for comment March 14, 2013***
62-203	Take-Over Bids and Issuer Bids – **Amendments** (related to 62-105)	***Published for comment March 14, 2013***
62-104	Take-Over Bids and Issuer Bids – **Amendments** (related to 62-105)	***Published for comment March 14, 2013***
62-504	Take-Over Bids and Issuer Bids – **Amendments** (related to 62-105)	***Published for comment March 14, 2013***
41-101	General Prospectus Requirements – **Amendments** (related to 62-105)	***Published for comment March 14, 2013***
51-102	Continuous Disclosure Obligations – **Amendments** (related to 62-105)	***Published for comment March 14, 2013***
62-104	Take-Over Bids and Issuer Bids – **Amendments**	***Published for comment March 14, 2013***
62-203	Take-Over Bids and Issuer Bids – **Amendments** (related to 62-104)	***Published for comment March 14, 2013***
62-103	Early Warning System and Related Take-Over Bid and Insider Reporting Issues – **Amendments**	***Published for comment March 14, 2013***
81-102	Mutual Funds – **Amendments**	***Published for comment March 27, 2013***
41-101	General Prospectus Requirements – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
81-106	Investment Fund Continuous Disclosure – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
81-107	Independent Review Committee for Investment Funds – **Amendments**	***Published for comment March 27, 2013***
24-101	Institutional Trade Matching and Settlement – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
31-103	Registration Requirements, Exemptions and Ongoing Registrant Obligations – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
33-109	Registration Information – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
44-102	Shelf Distributions – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
45-106	Prospectus and Registration Exemptions – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***

New Instruments

Instrument	Title	Status
62-103	The Early Warning System and Related Take-Over Bid and Insider Reporting Issues – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
81-101	Mutual Fund Prospectus Disclosure – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
81-105	Mutual Fund Sales Practices **– Amendments** (related to 81-102)	***Published for comment March 27, 2013***
31-103CP	Registration Requirements, Exemptions and Ongoing Registrant Obligations – **Amendments** (related to 81-102)	***Published for comment March 27, 2013***
11-203	Process for Exemptive Relief Applications in Multiple Jurisdictions – **Amendments**	***Published for comment March 27, 2013***
31-103	Registration Requirements, Exemptions and Ongoing Registrant Obligations **Amendments**	***Commission approval published March 28, 2013***

For further information, contact:
Darlene Watson
Project Specialist
Ontario Securities Commission
416-593-8148

April 11, 2013

1.2 Notices of Hearing

1.2.1 Ronald James Ovenden et al. – 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
RONALD JAMES OVENDEN,
NEW SOLUTIONS CAPITAL INC.,
NEW SOLUTIONS FINANCIAL CORPORATION AND
NEW SOLUTIONS FINANCIAL (II) CORPORATION

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 "*Securities Act*") at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto on May 1, 2013 at 10:00 a.m., or as soon thereafter as the hearing can be held.

AND TAKE NOTICE THAT the purpose of the hearing is to consider whether it is in the public interest for the Commission, at the conclusion of the hearing, to make orders that:

(a) the registration or recognition of each of Ronald James Ovenden ("Ovenden") and New Solutions Capital Inc. ("NSCI") be suspended or restricted for such period as is specified by the Commission, or terminated, or that terms and conditions be imposed on the registration or recognition of each of Ovenden and NSCI, pursuant to clause 1 of subsection 127(1) of the *Securities Act*;

(b) trading in any securities and derivatives by Ovenden and by or of NSCI cease permanently or for such period as is specified by the Commission, pursuant to clause 2 of subsection 127(1) of the *Securities Act*;

(c) he acquisition of any securities by each of Ovenden and NSCI be prohibited permanently or for such period as is specified by the Commission, pursuant to clause 2.1 of subsection 127(1) of the *Securities Act*;

(d) any exemptions contained in Ontario securities law shall not apply to each of Ovenden and NSCI permanently or for such period as is specified by the Commission, pursuant to clause 3 of subsection 127(1) of the *Securities Act*;

(e) each of Ovenden and NSCI shall be reprimanded pursuant to clause 6 of subsection 127(1) of the *Securities Act*;

(f) Ovenden shall resign any position that he holds as a director or officer of an issuer, registrant or investment fund manager, pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the *Securities Act*;

(g) Ovenden shall be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager, pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the *Securities Act*;

(h) each of Ovenden and NSCI shall be prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter, pursuant to clause 8.5 of subsection 127(1) of the *Securities Act*;

(i) each of Ovenden and NSCI shall pay an administrative penalty of not more than $1 million for each failure to comply with Ontario securities law, pursuant to clause 9 of subsection 127(1) of the *Securities Act*;

(j) each of Ovenden and NSCI shall disgorge to the Commission any amounts obtained as a result of their non-compliance with Ontario securities law, pursuant to clause 10 of subsection 127(1) of the *Securities Act*;

(k) each of Ovenden and NSCI shall pay the costs of the investigation and hearing, pursuant to section 127.1 of the *Securities Act*; and

(l) such further order as the Commission considers appropriate in the public interest.

BY REASON OF the allegations as set out in the Statement of Allegations of Staff of the Commission dated March 28, 2013 and such additional allegations as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this 28th day of March, 2013.

"Daisy G. Aranha"
Per: 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
RONALD JAMES OVENDEN,
NEW SOLUTIONS CAPITAL INC.,
NEW SOLUTIONS FINANCIAL CORPORATION AND
NEW SOLUTIONS FINANCIAL (II) CORPORATION**

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

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

Ovenden and the New Solutions Companies

Ovenden

1. Ronald James Ovenden ("Ovenden") is 57 years old and a resident of Georgetown, Ontario. Ovenden was registered with the Commission in various capacities throughout the relevant period, January 1, 2009 to January 5, 2012 (the "Relevant Period"). As of January 19, 2009, Ovenden was registered as a trading officer, and approved as a designated compliance officer and director of New Solutions Capital Inc. ("NSCI"). On September 28, 2009, with the implementation of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103"), the trading officer category was changed to dealing representative and officer, the designated compliance officer approval category was removed, and NSCI's registration category of limited market dealer ("LMD") was changed to exempt market dealer ("EMD").

2. Ovenden was registered as the ultimate designated person ("UDP") and chief compliance officer ("CCO") of NSCI on March 4, 2010. Ovenden's CCO category of registration was surrendered on October 13, 2010. On October 18, 2010, Ovenden's registration as a dealing representative was surrendered because he did not meet the new proficiency requirements under NI 31-103. Ovenden remained with NSCI as an officer, director and registered UDP until April 26, 2012, when his registration was suspended.

3. Ovenden was the sole director and officer of each of NSCI, New Solutions Financial Corporation ("NSFC") and New Solutions Financial (II) Corporation ("NSFII") (collectively the "New Solutions Companies") during the Relevant Period.

4. Throughout the Relevant Period, Ovenden was the sole directing and controlling mind of each of the New Solutions Companies.

New Solutions Capital Inc.

5. NSCI is an Ontario corporation, and was registered as an LMD from June 14, 2006 until January 1, 2009, when its registration was suspended for non-payment of annual participation fees. NSCI's registration as an LMD was reinstated on January 19, 2009. On September 28, 2009, NSCI's LMD registration category was changed to EMD with the implementation of NI 31-103. NSCI's registration was suspended on April 26, 2012.

6. NSCI traded in debentures issued by NSFII.

New Solutions Financial (II) Corporation

7. NSFII was incorporated federally and has never been registered with the Commission. NSFII was not a reporting issuer in Ontario during the Relevant Period.

8. NSFII issued debentures to investors throughout Canada.

New Solutions Financial Corporation

9. NSFC was incorporated in Ontario and has never been registered with the Commission.

10. NSFC managed and administered NSFII. NSFII advanced funds raised from investors who purchased NSFII debentures to NSFC. NSFC in turn advanced the funds to persons and companies in the form of factored receivables and loans.

Trades in NSFII Debentures to Investors

11. During the Relevant Period, Ovenden and the New Solutions Companies made approximately 190 trades in debentures of NSFII to new and existing investors with a value of approximately $25,000,000.00.

Misrepresentations and Omissions

12. Through interactions with investors and potential investors, and documents provided to them, referred to below, Ovenden, NSCI, NSFC and NSFII misled and/or failed to properly inform investors and potential investors about the true state of affairs of NSFC and its underlying portfolio, and the risks associated with investing in NSFII debentures.

13. Ovenden, NSCI, NSFC and NSFII also failed to properly inform investors and potential investors that their funds would be loaned to companies owned and/or controlled directly or indirectly by Ovenden, to Ovenden's associates, friends and/or family members and/or to companies owned and/or controlled directly or indirectly by Ovenden's associates, friends and/or family members.

(a) Promotional Materials and Offering Memoranda

14. During the Relevant Period, investors and potential investors were variously provided with:

- NSFC Semi-Annual Reports dated February 2009, August 2009, February 2010, Summer 2010 and Winter 2011;
- a brochure entitled "New Solutions Financial (II) Corporation 1-Year, 3-Year, 5-Year Non-Redeemable, Non-Convertible Secured Term Debentures" (the "Debentures Brochure");
- a brochure entitled "Top 5 Questions for New Solutions Financial (II) Corporation Secured Term Debentures" (the "Top 5 Brochure");
- a brochure entitled "A Conservative Entrepreneurial Investment" (the "Conservative Brochure");
- an NSFII offering memorandum dated December 15, 2008 (the "2008 OM"); and
- an NSFII offering memorandum dated August 10, 2010 (the "2010 OM").

(b) Risks Associated with Investment

15. The February 2009 Semi-Annual Report was co-signed by Ovenden as Chair and Chief Executive Officer of NSFC. It stated that NSFC offered "**safe above market returns to [its] investors**" with the objective of maximizing returns "while maintaining an acceptable risk profile in all the lending transactions [it] become[s] involved in." The same report also provided that "the **success of [its] borrowers** continue[s] to be the prime factors in [its] success."

16. The brochures included claims that:

- the investments were "**[b]acked by a portfolio of managed receivables from companies with deemed "A" credit ratings or better**" and offered "safety of investment from: [d]iversification of [the] underlying borrower pool" (Debentures Brochure);
- "[d]iversification of [an] **"A" rated or better quality accounts receivable pool**" (Debentures Brochure);
- "[NSFC]...will use proceeds to lend/factor against **"A" rated or better**[1] accounts receivables owed to borrowing merchants" (Top 5 Brochure);
- "An Investment in New Solutions Financial Corporation Debentures Provides Access to:...**[c]onservative structure and historical surplus security**" (Conservative Brochure); and
- "A stringent approach to asset based lending provides an investor **an acceptable low-risk way to generate returns**." (Conservative Brochure).

17. Contrary to the statements referred to above, NSFC provided bridge loans, asset-based financing services and other credit facilities to high risk entities.

[1] Emphasis in original. All other emphasis added in this part (b).

(c) Loans to Ovenden's Companies, His Associates' Companies and Others

18. While the 2008 and 2010 OMs each contained a section entitled "Risk Factors," neither disclosed that a substantial portion of the total dollar amount of outstanding loans were made to companies owned and/or controlled directly or indirectly by Ovenden, to Ovenden's associates, friends and/or family members and/or to companies owned and/or controlled directly or indirectly by Ovenden's associates, friends and/or family members.

19. Ovenden co-signed a certificate dated December 15, 2008 by which he certified that the 2008 OM did not contain a misrepresentation. Ovenden signed a certificate dated August 10, 2010 by which he certified that the 2010 OM did not contain a misrepresentation.

20. As at June 30, 2009, at least 34% of the outstanding advances made by NSFC were to companies owned and/or controlled directly or indirectly by Ovenden. In addition, during the same period, at least 24% of the outstanding advances made by NSFC were to Ovenden's associates, friends and/or family members and/or to companies owned and/or controlled directly or indirectly by Ovenden's associates, friends and/or family members.

(d) Quality of Loans

21. Each of the Semi-Annual Reports contained a statement that for each dollar of investment, a specified amount was held in security value. In the Semi-Annual Reports during the Relevant Period, the purported security values ranged from $1.81 to $2.20 for each dollar of investment.

22. During the course of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "*CCAA*") proceeding described below, after the sale of the most valuable asset, as at January 2013, gross realizations on the security were only $0.08 per $1.00.

Proceeding under the Companies' Creditors Arrangement Act

23. On application made by NSFC, NSFII, New Solutions Financial (III) Corporation, New Solutions Financial (VI) Corporation and 2055596 Ontario Limited (the "Companies"), pursuant to the *CCAA*, the Ontario Superior Court of Justice issued an order (the "*CCAA* Order") on April 11, 2012 granting protection to the Companies. The *CCAA* Order was subsequently extended on May 7, 2012, July 31, 2012, October 4, 2012, November 29, 2012, December 6, 2012 and January 25, 2013. Under the *CCAA* Order, MNP Ltd. was appointed as monitor for the Companies to monitor the business and financial affairs of the Companies. The *CCAA* proceeding is ongoing.

Conduct Contrary to Subsection 44(2) and Section 129.2 of the *Securities Act*, Section 2.1 of OSC Rule 31-505 and Contrary to the Public Interest

24. In the manner described above, Ovenden and NSCI made untrue statements about matters that a reasonable investor would consider relevant in deciding whether to enter into or maintain a trading or advising relationship and/or omitted information necessary to prevent the statements from being false or misleading in the circumstances in which they were made. As such, during the Relevant Period, Ovenden and NSCI breached subsection 44(2) of the *Securities Act*.

25. Further, Ovenden and NSCI breached section 2.1 of OSC Rule 31-505 – *Conditions of Registration* by failing to deal fairly, honestly and in good faith with their clients during the Relevant Period.

26. In his role as director and officer of NSCI, Ovenden authorized, permitted or acquiesced in the non-compliance of NSCI with Ontario securities law and, accordingly, failed to comply with Ontario securities law contrary to section 129.2 of the *Securities Act*.

27. Ovenden, NSCI, NSFC and NSFII engaged in conduct contrary to the public interest during the Relevant Period.

28. Staff reserve the right to amend these allegations and to make such further allegations as they deem fit and the Commission may permit.

DATED at Toronto this 28th day of March 2013.

1.2.2 Ronald James Ovenden 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
RONALD JAMES OVENDEN,
NEW SOLUTIONS CAPITAL INC.,
NEW SOLUTIONS FINANCIAL CORPORATION AND
NEW SOLUTIONS FINANCIAL (II) CORPORATION

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN STAFF OF
THE ONTARIO SECURITIES COMMISSION,
NEW SOLUTIONS FINANCIAL CORPORATION AND
NEW SOLUTIONS FINANCIAL (II) CORPORATION

NOTICE OF HEARING
(Section 127)

TAKE NOTICE THAT the Ontario Securities Commission (the “Commission”) will hold a hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “*Securities Act*”) at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto on April 10, 2013 at 2:00 p.m., or as soon thereafter as the hearing can be held.

AND TAKE NOTICE THAT the purpose of the hearing is to consider whether it is in the public interest to approve the settlement agreement dated March 28, 2013 between Staff of the Commission (“Staff”), New Solutions Financial Corporation (“NSFC”) and New Solutions Financial (II) Corporation (“NSFII”);

BY REASON OF the allegations as set out in the Statement of Allegations of Staff dated March 28, 2013 and such additional allegations as counsel may advise and the Commission may permit;

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

A**ND 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 1st day of April, 2013.

“Daisy G. Aranha”
Per: John Stevenson
Secretary to the Commission

1.2.3 Morgan Dragon Development Corp. et al. – ss. 127(1), 127.1 of the Act and Rule 12 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
MORGAN DRAGON DEVELOPMENT CORP.,
JOHN CHEONG (aka KIM MENG CHEONG),
HERMAN TSE, DEVON RICKETTS
and MARK GRIFFITHS

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN STAFF OF
THE ONTARIO SECURITIES COMMISSION and
MORGAN DRAGON DEVELOPMENT CORP.,
JOHN CHEONG (aka KIM MENG CHEONG),
and HERMAN TSE

NOTICE OF HEARING
(Subsections 127(1) & 127.1 and Rule 12 of
the Commission’s Rules of Procedure)

TAKE NOTICE that the Ontario Securities Commission (the “Commission”) will hold a hearing pursuant to section 127(1) and 127.1 of the *Securities Act*, R.S.O., 1990 c. S.5, as amended (the “Act”) at its offices at 20 Queen Street West, 17th Floor, Toronto, Ontario, commencing on April 10, 2013 at 12:30 p.m. or as soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to approve the Settlement Agreement dated April 8, 2013, between Staff of the Commission and Morgan Dragon Development Corp., John Cheong (aka Kim Meng Cheong) and Herman Tse;

BY REASON OF the allegations set out in the Statement of Allegations of Staff of the Commission dated March 22, 2012, and such additional allegations as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this 9th day of April, 2013.

“Daisy Aranha”
Per: John Stevenson
Secretary to the Commission

1.4 Notices from the Office of the Secretary

1.4.1 HEIR Home Equity Investment Rewards Inc. et al.

FOR IMMEDIATE RELEASE
April 1, 2013

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:

1. The date of April 4, 2013 scheduled for a confidential prehearing conference is vacated; and

2. The dates of April 15 to 19, 22, 25, 26, 29, 30, May 1 to 3, 6, and 8 to 10, 2013 scheduled for the hearing on the merits of this matter are vacated.

A copy of the Order dated March 28, 2013 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Alison Ford
Media Relations Specialist
416-593-8307

For investor inquiries:

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

1.4.2 Ronald James Ovenden et al.

FOR IMMEDIATE RELEASE
April 2, 2013

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

AND

IN THE MATTER OF
RONALD JAMES OVENDEN,
NEW SOLUTIONS CAPITAL INC.,
NEW SOLUTIONS FINANCIAL CORPORATION AND
NEW SOLUTIONS FINANCIAL (II) CORPORATION

TORONTO – The Office of the Secretary issued a Notice of Hearing setting the matter down to be heard on May 1, 2013 at 10:00 a.m. at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Notice of Hearing dated March 28, 2013 and Statement of Allegations of Staff of the Ontario Securities Commission dated March 28, 2013 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.3 Matthew Robert White and White Capital Corporation

FOR IMMEDIATE RELEASE
April 2, 2013

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

AND

IN THE MATTER OF
MATTHEW ROBERT WHITE AND
WHITE CAPITAL CORPORATION

TORONTO – The Commission issued an Order in the above noted matter which provides that the hearing and review of the Decision is scheduled for May 8, 9, 10 and 13, 2013 and the other terms of the Stay Order shall remain in effect.

A copy of the Order dated April 2, 2013 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.4 Ronald James Ovenden et al.

FOR IMMEDIATE RELEASE
April 2, 2013

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

AND

IN THE MATTER OF
RONALD JAMES OVENDEN,
NEW SOLUTIONS CAPITAL INC.,
NEW SOLUTIONS FINANCIAL CORPORATION AND
NEW SOLUTIONS FINANCIAL (II) CORPORATION

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN STAFF OF
THE ONTARIO SECURITIES COMMISSION,
NEW SOLUTIONS FINANCIAL CORPORATION AND
NEW SOLUTIONS FINANCIAL (II) CORPORATION

TORONTO – The Office of the Secretary issued a Notice of Hearing in the above noted matter for a hearing to consider whether it is in the public interest to approve the settlement agreement entered into between Staff of the Commission and New Solutions Financial Corporation and New Solutions Financial (II) Corporation. The hearing will be held on April 10, 2013 at 2:00 p.m. at the offices of the Commission at 20 Queen Street West, 17th Floor, Toronto, Ontario.

A copy of the Notice of Hearing dated April 1, 2013 is available at www.osc.gov.on.ca.

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1.4.5 Vincent Ciccone and Cabo Catoche Corp. (a.k.a. Medra Corp. and Medra Corporation)

FOR IMMEDIATE RELEASE
April 3, 2013

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

AND

IN THE MATTER OF
VINCENT CICCONE and CABO CATOCHE CORP.
(a.k.a. MEDRA CORP. and MEDRA CORPORATION)

TORONTO – The Commission issued an Order in the above named matter which provides that Staff shall serve and file supplementary written submissions in respect of the conduct referred to at paragraph 37 of the Amended Statement of Allegations by April 15, 2013 at 5:00 p.m.

A copy of the Order dated April 2, 2013 is available at www.osc.gov.on.ca.

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1.4.6 Anna Pyasetsky

FOR IMMEDIATE RELEASE
April 3, 2013

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

AND

IN THE MATTER OF
AN APPLICATION FOR A HEARING AND REVIEW
OF THE DECISION OF DIRECTOR
EREZ BLUMBERGER DATED FEBRUARY 28, 2012

AND

IN THE MATTER OF
THE APPLICATION FOR REGISTRATION BY
ANNA PYASETSKY

TORONTO – The Commission issued its Reasons and Decision in the above noted matter.

A copy of the Reasons and Decision dated March 28, 2013 is available at www.osc.gov.on.ca.

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1.4.7 Paul Azeff et al.

FOR IMMEDIATE RELEASE
April 4, 2013

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

AND

IN THE MATTER OF
PAUL AZEFF, KORIN BOBROW,
MITCHELL FINKELSTEIN, HOWARD JEFFREY MILLER
AND MAN KIN CHENG (a.k.a. FRANCIS CHENG)

TORONTO – The Commission issued an Order in the above named matter which provides that the hearing of the Third Party Records Motion, which was scheduled for April 8, 2013, is vacated; and the Third Party Records Motion is adjourned to July 9, 2013, at 10:00 a.m., provided that a summons has been requested of, and issued by, the Commission and a timely motion to quash the summons has been filed with the Office of the Secretary in accordance with Rule 3 and Rule 4.7.

A copy of the Order dated April 4, 2013 is available at www.osc.gov.on.ca.

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1.4.8 JV Raleigh Superior Holdings Inc. et al.

FOR IMMEDIATE RELEASE
April 4, 2013

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

AND

IN THE MATTER OF
JV RALEIGH SUPERIOR HOLDINGS INC.,
MAISIE SMITH (also known as MAIZIE SMITH)
and INGRAM JEFFREY ESHUN

TORONTO – The Commission issued an Order in the above named matter which provides that the request for an adjournment is dismissed and the Commission shall hold a hearing on April 15, 2013 at 9:00 a.m. for the sole purpose of determining whether this matter shall proceed in writing.

A copy of the Order dated April 4, 2013 is available at www.osc.gov.on.ca.

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1.4.9 MBS Group (Canada) Ltd. and Balbir Ahluwalia

FOR IMMEDIATE RELEASE
April 4, 2013

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. AND BALBIR AHLUWALIA

TORONTO – The Commission issued its Reasons and Decision on Sanctions and Costs and an Order in the above noted matter.

A copy of the Reasons and Decision on Sanctions and the Order dated April 3, 2013 are available at www.osc.gov.on.ca.

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1.4.10 Energy Syndications Inc. et al.

FOR IMMEDIATE RELEASE
April 5, 2013

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

AND

IN THE MATTER OF
ENERGY SYNDICATIONS INC.,
GREEN SYNDICATIONS INC.,
SYNDICATIONS CANADA INC.,
DANIEL STRUMOS, MICHAEL BAUM
and DOUGLAS WILLIAM CHADDOCK

TORONTO – The Commission issued an Order in the above named matter which provides that service of Baum is waived pursuant to Rule 1.5.3 of the Rules.

A copy of the Order dated April 3, 2013 is available at www.osc.gov.on.ca.

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1.4.11 Onix International Inc. and Tyrone Constantine Phipps

FOR IMMEDIATE RELEASE
April 8, 2013

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

AND

IN THE MATTER OF
ONIX INTERNATIONAL INC. and
TYRONE CONSTANTINE PHIPPS

TORONTO – The Commission issued an Order in the above named matter which provides that the hearing is adjourned to a confidential pre-hearing conference to be held on May 13, 2013 at 11:30 a.m.

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

A copy of the Order dated April 4, 2013 is available at **www.osc.gov.on.ca**.

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1.4.12 Eda Marie Agueci et al.

FOR IMMEDIATE RELEASE
April 8, 2013

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

AND

IN THE MATTER OF
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

TORONTO – Following the pre-hearing conference held on April 3, 2013, the Commission issued an Order in the above noted matter which provides that:

1. A further pre-hearing conference shall take place on a date after June 9, 2013 but before June 22, 2013 to be fixed by the Registrar;

2. Any motion regarding reading in of compelled examinations shall be brought before the panel assigned to the hearing on the merits of this matter;

3. Staff's proposed read-ins of the compelled examinations of Agueci and Wing will be delivered by Staff to counsel for each of the Respondents by April 30, 2013; and

4. Staff will provide an Agreed Statement of Facts to counsel for each of the Respondents regarding all allegations in this matter by May 30, 2013.

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

A copy of the Order dated April 8, 2013 is available at www.osc.gov.on.ca.

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1.4.13 Energy Syndications Inc. et al.

FOR IMMEDIATE RELEASE
April 8, 2013

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

AND

IN THE MATTER OF
ENERGY SYNDICATIONS INC.,
GREEN SYNDICATIONS INC.,
SYNDICATIONS CANADA INC.,
DANIEL STRUMOS, MICHAEL BAUM
and DOUGLAS WILLIAM CHADDOCK

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

1. The hearing on the merits is adjourned until 10:00 a.m. on May 14, 2013, and will continue on May 15, 16, 17, 22, 23 and 24, 2013.

2. On or before May 6, 2013, Chaddock shall provide a report to the Commission from his neurologist, detailing any cognitive deficiency of Chaddock that might affect his ability to understand and respond to evidence, what treatment plan has been undertaken and whether and when it is reasonably expected that there will be improvement in Chaddock's ability to understand and respond to evidence.

3. A copy of this order shall be forthwith provided to the neurologist.

4. This matter will come back on for hearing on May 8, 2013, at 9:00 a.m., to permit a further motion for adjournment to be made, if necessary.

A copy of the Order dated April 8, 2013 is available at www.osc.gov.on.ca.

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1.4.14 Morgan Dragon Development Corp. et al.

FOR IMMEDIATE RELEASE
April 9, 2013

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

AND

IN THE MATTER OF
MORGAN DRAGON DEVELOPMENT CORP.,
JOHN CHEONG (aka KIM MENG CHEONG),
HERMAN TSE, DEVON RICKETTS
and MARK GRIFFITHS

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN STAFF OF
THE ONTARIO SECURITIES COMMISSION and
MORGAN DRAGON DEVELOPMENT CORP.,
JOHN CHEONG (aka KIM MENG CHEONG),
and HERMAN TSE

TORONTO – The Office of the Secretary issued a Notice of Hearing in the above noted matter for a hearing to consider whether it is in the public interest to approve the settlement agreement entered into between Staff of the Commission and Morgan Dragon Development Corp., John Cheong (aka Kim Meng Cheong) and Herman Tse. The hearing will be held on April 10, 2013 at 12:30 p.m. at the offices of the Commission located at 20 Queen Street West, 17th Floor, Toronto, Ontario.

A copy of the Notice of Hearing dated April 9, 2013 is available at www.osc.gov.on.ca.

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1.4.15 New Futures Trading International Corporation and Fernando Honorate Fagundes also known as Henry Roch

FOR IMMEDIATE RELEASE
April 9, 2013

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

AND

IN THE MATTER OF
NEW FUTURES TRADING INTERNATIONAL
CORPORATION and FERNANDO HONORATE
FAGUNDES also known as HENRY ROCHE

TORONTO – The Commission issued an Order in the above noted matter which provides that (a) the motion to waive service of process on Fagundes is granted, pursuant to Rule 1.5.3 of the *Rules of Procedure*; and (b) Staff's application to proceed by way of written hearing is granted, pursuant to Rule 11 of the *Rules of Procedure*.

The Commission also issued its Reasons and Decision on Motion to Waive Service in the above noted matter.

A copy of the Order and Reasons and Decision on Motion to Waive Service dated April 9, 2013 are available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Olivut Resources Ltd. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Dual application for exemptive relief in relation to proposed distributions of securities by issuer by way of a committed equity facility (also known as an "equity line of credit") – an equity line of credit is a type of financing which permits a public company to sell newly issued securities of the company at a discount to the market price of the securities – the structure of the proposed transaction is novel in that the Purchaser will acquire shares on a monthly basis rather than pursuant to a drawdown notice as is the case with a traditional equity line financing – the transaction may be considered to be an indirect at-the-market distribution of securities of the issuer to investors in the secondary market with the equity line purchaser acting as underwriter – purchaser requires dealer registration relief – issuer and purchaser require prospectus form and prospectus delivery relief – issuer will file shelf prospectus which will qualify resales – relief granted to the issuer and purchaser from certain registration and prospectus requirements, subject to terms and conditions, including restrictions on the number of securities that may be distributed under an equity line, certain restrictions on the permitted activities of the purchaser, timely disclosure and certain notification and disclosure requirements.

Applicable Legislative Provisions

Securities Act, ss. 25, 53, 74(1).
National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1.
Form 44-101F1 Item 20.
National Instrument 44-102 Shelf Distributions, ss. 5.5.2, 5.5.3, 11.1.

Citation: Olivut Resources Ltd., Re, 2012 ABASC 507

December 5, 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
OLIVUT RESOURCES LTD. (the Issuer),
THE CANADIAN SPECIAL OPPORTUNITY FUND, LP (the Purchaser) AND
THE LIND PARTNERS CANADA, LLC
(the Purchase Manager and, together with the Issuer and the Purchaser, the Filers)

DECISION

Background

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

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

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

(ii) the statements in the Base Shelf Prospectus required by subsections 5.5(2) and (3) of National Instrument 44-102 *Shelf Distributions* (**NI 44-102**);

(b) the prohibition from acting as a dealer or underwriter unless the person or company is registered as such (the **Dealer Registration Requirement**) does not apply to the Purchaser and the Purchase Manager in connection with the Distribution (as defined below);

(c) the requirement that a dealer send a copy of the Prospectus (as defined below) to a subscriber or purchaser in the context of a distribution (the **Prospectus Delivery Requirement**), and a purchaser's right to withdrawal, revocation or rescission within two days of receipt of the Prospectus, do not apply to the Issuer, the Purchaser, the Purchase Manager or any dealer(s) through whom the Purchaser distributes the Shares (as defined below) and, as a result, rights of withdrawal or rights of rescission, price revision or damages for non-delivery of the Prospectus do not apply in connection with the Distribution (as defined below) (the relief contemplated in paragraphs (a), (b) and (c) being together referred to as the **Exemptive Relief Sought**); and

(d) the Application and this decision be held in confidence by the Decision Makers (the **Confidentiality Relief**).

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

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

(b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia; and

(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 Filers:

The Issuer

1. The Issuer is a corporation continued and validly existing under the *Business Corporations Act* (Ontario) with its head office in Hinton, Alberta.

2. The Issuer is engaged in the acquisition, exploration and development of properties for the purpose of mining diamonds.

3. The Issuer is a reporting issuer under the securities legislation of each of the Jurisdictions and is not in default of the securities legislation of any jurisdiction of Canada.

4. The Issuer's authorized share capital currently consists of an unlimited number of common shares (the **Shares**) of which 33,852,382 Shares were issued and outstanding as at July 31, 2012.

5. The Shares are listed and posted for trading on the TSX Venture Exchange Inc. (the **TSX-V**) under the symbol "OLV". Based on the closing price of $1.09 per Share on the TSX-V on July 31, 2012, the current market capitalization of the Issuer is approximately $36,899,096.

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

7. The Issuer intends to file with the securities regulatory authority in each of the Jurisdictions a base shelf prospectus pertaining to securities of the Issuer, including the Shares (such base shelf prospectus and any amendment thereto and renewal thereof being referred to herein as the **Base Shelf Prospectus**).

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

The Purchaser and the Purchase Manager

9. The Purchaser is a Delaware limited partnership with its head office in New York, New York.

10. The Purchaser is managed by the Purchase Manager, a Delaware limited liability company with its head office in New York, New York. The Purchaser is an affiliate of the Purchase Manager within the meaning of National Instrument 45-106 *Prospectus & Registration Exemptions*.

11. Neither the Purchaser nor the Purchase Manager is a reporting issuer or registered as a registered firm, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, in any jurisdiction of Canada. The Purchaser and the Purchase Manager are not in default of securities legislation in any jurisdiction of Canada.

The Securities Purchase Agreement

12. The Issuer and the Purchaser propose to enter into a securities purchase agreement (the **SPA**), pursuant to which the Purchaser will agree to subscribe for, and the Issuer will agree to issue and sell, up to $17,700,000 (the **Aggregate Commitment Amount**) of securities comprised of Shares and Share purchase warrants (**Warrants**) as described in paragraph 15 below, in a series of 36 monthly tranches (subject to adjustment or early termination as provided in the SPA).

13. The SPA will provide the Issuer with the ability to raise capital in tranches. Affiliates of the Purchaser regularly engage in such transactions with issuers listed on the Australian Securities Exchange. The Purchaser may, in certain circumstances, finance its commitment to subscribe for securities on a tranche through resales from existing holdings of the Issuer's securities.

14. Under the SPA, the Purchaser will subscribe for securities of the Issuer (as described in paragraph 15 below) on a monthly basis (subject to the terms of the SPA) in the amount of $200,000 per tranche (subject to reduction as provided in the SPA), which may be increased to up to $500,000 per tranche by the mutual consent of the Issuer and the Purchaser, subject to certain conditions including the Aggregate Commitment Amount.

15. Until such time as 500,000 Warrants are received by the Purchaser (including, for this purpose, Warrants issuable pursuant to the Convertible Security described in paragraph 21 below) pursuant to the SPA, each security issuable on a tranche Issuance Date (as defined below) shall consist of a unit comprised of one Share and one Warrant. Thereafter, each such security shall consist of one Share.

16. Securities issuable in a particular tranche under the SPA will be issued (subject to the conditions to issuance in the SPA) at a subscription price per unit or Share, as applicable (the **Purchase Price**), equal to 92.5% of the average of the five daily volume-weighted average prices of a Share on the TSX-V, chosen by the Purchaser, during the 20 trading days immediately prior to the Issuance Date (as defined below) for that tranche (the **Pricing Period**). Notwithstanding the foregoing, the Purchase Price may not be lower than the volume-weighted average price of a Share on the TSX-V on the trading day immediately preceding the relevant Cash Advance Date (as defined below), less the permitted discount under the private placement rules of the TSX-V (the **Set Floor Price**). For any tranche, if the Purchase Price is lower than the Set Floor Price, the Purchaser may, at its sole discretion subject to the terms of the SPA, elect not to purchase securities under that tranche, in which case the Issuer will refund to the Purchaser the prepayment with respect to such securities, provided that such refund may be set off against the next prepayment payable by the Purchaser.

17. The Issuer will be entitled to propose a floor price per unit or Share, as applicable, to be issued on an Issuance Date (as defined below), which floor price will be fixed for the term of the SPA (the **Issuer Floor Price**). If the Purchase Price is less than the Issuer Floor Price, the Issuer may elect not to issue that tranche's securities, provided that the Issuer repays the aggregate Purchase Price for that tranche plus a 2.5% premium and provided that the Purchaser may instead elect to subscribe for that tranche's securities at a purchase price equal to the Issuer Floor Price. If the volume-weighted average price of a Share for any five consecutive trading days during the Pricing Period is less than the Issuer Floor Price, the Purchaser may elect to postpone by 10 trading days the relevant Issuance Date (and the

issuance of securities for that tranche) and the prepayment on the Cash Advance Date (as defined below) that would otherwise immediately follow that Pricing Period, provided that the Purchaser may undertake such a postponement only once in relation to any one tranche and cannot undertake such postponements in relation to more than three tranches in any one year.

18. Subject to the terms of the SPA, the Purchaser will prepay for each tranche of securities on a date (each, a **Cash Advance Date**) determined in accordance with the SPA, each (except the initial such date) to follow the preceding Cash Advance Date by approximately 30 days (unless adjusted as provided in the SPA). The Issuer will issue the securities under each tranche to the Purchaser at the Purchase Price on the date (each, an **Issuance Date**) that is the 28th day after the Cash Advance Date on which the Purchaser prepaid for such tranche, subject to the terms (including adjustments) of the SPA.

19. Under the SPA, the Issuer will be permitted to terminate the SPA in certain circumstances, including:

    (a) at no cost after the date that is 18 months following the date of the SPA;

    (b) at no cost if the Purchase Price is less than the Issuer Floor Price; and

    (c) upon payment of a cancellation fee of $200,000.

20. If the volume-weighted average price of a Share is at or below $0.85 (the **Base Price**) for any two consecutive trading days during the term of the SPA, the Purchaser will have the right to pause prepayments and tranche securities purchases under the SPA. If at any time during the initial 60 days of such pause period, the volume-weighted average price of a Share on the TSX-V increases to above the Base Price for ten consecutive trading days and certain other conditions specified in the SPA are satisfied, the Issuer will have the right to require the Purchaser to resume its prepayments and tranche securities purchases under the SPA. Where such notice is not provided or any such conditions are not satisfied, the Purchaser has the right to elect to terminate the SPA or resume prepayments and tranche securities purchases.

21. Pursuant to the SPA, the Purchaser will also subscribe for, and the Issuer will issue, on a private placement basis at a price of $300,000, an unsecured subordinated convertible security (the **Convertible Security**), repayable 36 months after the initial Cash Advance Date. The Convertible Security may be converted into units, each unit comprised of one Share and, except in certain circumstances if the Purchase Manager terminates the SPA within 12 months of execution, one Warrant, in whole or in increments of not less than $50,000, upon the Purchaser giving notice of conversion to the Issuer during its term. The conversion price per unit will be equal to 100% of the volume-weighted average price of a Share on the five trading days immediately prior to the date of the Convertible Security's issuance. The Purchaser will have the right to elect to receive cash repayment of the Convertible Security, in whole or in part, at any time after six months following its issuance or if the Issuer terminates the SPA.

22. Each Warrant received by the Purchaser pursuant to the SPA will be non-transferable and exercisable until 36 months after the initial Cash Advance Date at an exercise price equal to 120% of the average of the volume-weighted average price of a Share during the 20 consecutive trading days prior to (i) the initial Cash Advance Date, in the case of Warrants issuable on conversion of the Convertible Security, or (ii) the date of issuance of such Warrant, in the case of Warrants issuable on an Issuance Date. The first 250,000 Warrants received by the Purchaser (including, for this purpose, Warrants issuable on conversion of the Convertible Security) pursuant to the SPA shall vest immediately, with the balance of the 250,000 Warrants issuable to the Purchaser under the SPA vesting on the earlier of (i) the first anniversary of the initial Cash Advance Date, and (ii) termination of the SPA by the Issuer. If the SPA is terminated by the Purchase Manager within 12 months of the date of the SPA, any Warrants received by the Purchaser under the SPA in excess of 250,000 Warrants will be cancelled and no more will be issuable.

23. In connection with the entering into of the SPA, the Issuer will be required, on the initial Cash Advance Date, to pay to the Purchaser a commitment fee (the **Commitment Fee**) of $200,000 payable in Shares at a price per Share equal to 92.5% of the average of the volume-weighted average price of a Share on the TSX-V on five trading days, chosen by the Purchaser, during the 20 trading days immediately prior to the initial Cash Advance Date, provided that such price shall not be less than the Set Floor Price on the trading day immediately preceding the initial Cash Advance Date.

24. The Convertible Security, and the Warrants and Shares underlying the Convertible Security, will be subject to the resale restrictions of applicable securities laws.

25. The SPA will provide that, at the time of each issuance and sale of Shares, the Issuer will represent to the Purchaser that the Base Shelf Prospectus, as supplemented (the Prospectus), contains full, true and plain disclosure of all material facts relating to the Issuer and the Shares being distributed. The Issuer would therefore be unable to issue

Shares pursuant to the Distribution (as defined below) if it is in possession of undisclosed information that would constitute a material fact or a material change.

26. On or after each Issuance Date, the Purchaser may seek to sell all or a portion of the Shares acquired in a tranche (or Shares underlying Warrants acquired in a tranche) that have been delivered by the Issuer to the Purchaser.

27. During the term of the SPA, the Purchaser and its affiliates, associates or insiders (together, the **Purchaser Entities**), as a group, will not own at any time, directly or indirectly, Shares representing more than 9.99% of the issued and outstanding Shares (excluding the Shares issuable upon the conversion of the Convertible Security and the exercise of the Warrants).

28. The Purchaser Entities will not engage in short sales of the Shares during the term of the SPA. Specifically, each of the Purchaser Entities will not:

    (a) sell Shares that it does not hold in its inventory and that it does not own outright;

    (b) pre-sell Shares that it expects to receive or has contracted to receive, where such Shares have not yet been issued and delivered to the Purchaser Entity;

    (c) borrow Shares to be sold; or

    (d) borrow Shares to cover a short position.

29. Disclosure of the restrictions on the activities of the Purchaser Entities described in paragraph 28 above will be included in the Prospectus Supplement. In addition, the Issuer will disclose in the Prospectus Supplement, as a risk factor, that the Purchaser may engage in resales or other hedging strategies to reduce or eliminate investment risks associated with a tranche and the possibility that such transactions could have a significant effect on the price of the Shares.

30. No extraordinary commission or consideration will be paid by the Purchaser or the Purchase Manager to a person or company in respect of the disposition of Shares by the Purchaser to purchasers who purchase the same on the TSX-V or another exchange recognized or exempted from recognition by the securities regulatory authorities in the Jurisdictions (each, a **Recognized Exchange**) through registered dealer(s) engaged by the Purchaser (the **Exchange Purchasers**).

31. The Purchaser and the Purchase Manager, in effecting any resale of Shares, will not engage in any sales, marketing or solicitation activities of the type undertaken by dealers or underwriters in the context of a public offering. Specifically, neither the Purchaser nor the Purchase Manager will: (a) advertise or otherwise hold itself out as a dealer; (b) purchase or sell securities as principal from or to customers; (c) carry a dealer inventory in securities; (d) quote a market in securities; (e) extend, or arrange for the extension of, dealer credit in connection with transactions of securities of the Issuer by customers; (f) run a book of repurchase and reverse repurchase agreements; (g) use a carrying broker for securities transactions; (h) lend securities for customers; (i) guarantee contract performance or indemnify the Issuer for any loss or liability from the failure of the transaction to be successfully consummated; or (j) participate in a selling group.

32. The Purchaser and the Purchase Manager will not solicit offers to purchase Shares in any jurisdiction of Canada and will sell the Shares to Exchange Purchasers via the facilities of a Recognized Exchange, through one or more registered dealer(s) unaffiliated with the Purchaser or the Purchase Manager.

The Prospectus Supplement

33. The Issuer intends to file with the securities regulatory authority in each of the Jurisdictions: (i) a prospectus supplement to the Base Shelf Prospectus (the **Prospectus Supplement**) as soon as commercially reasonable following the date on which the Base Shelf Prospectus is receipted by the applicable securities regulatory authorities; and (ii) a pricing supplement (each, a **Pricing Supplement**) within two trading days of each Issuance Date.

34. The Prospectus Supplement will disclose: (i) the Aggregate Commitment Amount; (ii) the formula to calculate the Purchase Price; (iii) in addition to the information otherwise required by NI 44-102, the disclosure prescribed by subsection 9.1(3) thereof; (iv) certain other information required by NI 44-101 omitted from the Base Shelf Prospectus in accordance with NI 44-102, and (v) the following statement (the **Amended Statement of Rights**):

    > *Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two*

business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment are not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. However, such rights and remedies will not be available to purchasers of common shares distributed under this Prospectus Supplement because the Prospectus, the Prospectus Supplement and the relevant Pricing Supplement will not be delivered to purchasers, as permitted under a decision document issued by the Alberta Securities Commission on [insert date of decision document].

The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages, if the prospectus and any amendment contain a misrepresentation, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. Such remedies remain unaffected by the non-delivery of the prospectus permitted under the decision document referred to above.

The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

35. Each Pricing Supplement will disclose: (i) the number of Shares issued to the Purchaser; (ii) the applicable Purchase Price; and (iii) the aggregate Purchase Price.

36. The Base Shelf Prospectus, as supplemented by the Prospectus Supplement and the relevant Pricing Supplement, will qualify, *inter alia*, (a) the distribution of Shares and, if applicable, Warrants (and Shares underlying such Warrants), to the Purchaser on the relevant Issuance Date and the distribution of the Shares issuable pursuant to the Commitment Fee on the initial Cash Advance Date, and (b) the disposition of Shares to Exchange Purchasers who purchase Shares from the Purchaser through the dealer(s) engaged by the Purchaser via the facilities of a Recognized Exchange during the period that commences on the relevant Cash Advance Date and ends on the earlier of (i) the date on which the distribution of such Shares has ended, and (ii) the 40th day following the relevant Issuance Date (or the initial Cash Advance Date, as the case may be) (collectively, the **Distribution**), provided that, at any particular time, the Base Shelf Prospectus, as supplemented, shall not qualify a greater number of Shares than were qualified by the Prospectus pursuant to clause (a) above and issued to the Purchaser pursuant to the SPA to that time.

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

38. The Prospectus Supplement will contain an underwriter’s certificate, signed by the Purchaser, in the form set out in section 1.2 of Appendix A to NI 44-102.

39. At least three business days prior to the filing of the Prospectus Supplement to be filed as described in paragraph 33, the Issuer will provide for comment to the Decision Makers a draft of such Prospectus Supplement.

News Releases/Continuous Disclosure

40. Within two business days after the execution of the SPA, the Issuer will:

    (a) issue and file on SEDAR a news release and a material change report disclosing the material terms of the SPA, including: (i) the Aggregate Commitment Amount; (ii) the dollar value of the monthly tranches of Shares to be issued; (iii) the Issuer Floor Price; (iv) the restrictions on short sales described in paragraph 28 above; and (v) the formula to calculate the Purchase Price; and

    (b) file on SEDAR a copy of the SPA.

41. In the event of (i) a change in the size of a monthly tranche; (ii) the cancellation of the issuance of Shares on an Issuance Date as a result of the Purchase Price being lower than the Issuer Floor Price or the Set Floor Price; (iii) the suspension of prepayments and purchases by the Purchaser if the volume-weighted average price of a Share is at or below the Base Price for two consecutive trading days; (iv) the termination of the SPA; or (v) a change in (A) the Aggregate Commitment Amount; (B) the dollar value of the monthly tranches of Shares to be issued; (C) the Issuer

Floor Price; (D) the restrictions on short sales described in paragraph 28 above; or (E) the formula to calculate the Purchase Price, the Issuer will:

(a) as soon as practicable, issue and file on SEDAR a news release disclosing such information and:

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

(ii) the Amended Statement of Rights; and

(b) within 10 days, file a material change report with respect to such event if it constitutes a material change under applicable securities legislation.

42. If the Distribution on a particular Issuance Date constitutes a material change under applicable securities legislation, the Issuer will:

(a) as soon as practicable after that Issuance Date, issue and file on SEDAR a news release disclosing at a minimum the number of Shares issued to and the Purchase Price paid by the Purchaser and the information required by subparagraphs 41(a)(i) and (ii) above; and

(b) within 10 days after that Issuance Date file a material change report with respect to such event.

43. The Issuer will disclose in its financial statements and management's discussion and analysis filed on SEDAR under National Instrument 51-102 *Continuous Disclosure Obligations*, for each financial period: (i) the number and price of Shares issued to the Purchaser pursuant to the SPA; and (ii) that the Base Shelf Prospectus, the Prospectus Supplement and the relevant Pricing Supplement are available on SEDAR and specifying where and how a copy of these documents can be obtained.

Deliveries upon Request

44. The Purchaser will make available to the securities regulatory authority in each of the Jurisdictions, upon request, full particulars of trading and hedging activities by the Purchaser or the Purchase Manager (and, if required, trading and hedging activities by their respective affiliates, associates or insiders) in relation to the securities of the Issuer during the term of the SPA.

Decisions

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

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

(a) the number of Shares distributed by the Issuer under the SPA does not exceed, in any 12 month period, 20% of the aggregate number of Shares outstanding calculated at the beginning of such period;

(b) as it relates to the Prospectus Disclosure Requirements, the Issuer complies with the representations in paragraphs 8, 29, 34, 35, 36, 38, 40, 41, 42 and 43 above;

(c) as it relates to the Prospectus Delivery Requirement and the Dealer Registration Requirement, the Purchaser and the Purchase Manager comply with the representations in paragraphs 28, 30, 31, 32, 38 (in respect of the Purchaser only) and 44 above;

(d) the Confidentiality Relief is granted until the earliest of:

(i) the date on which the Issuer issues the news release described in paragraph 40 above;

(ii) the date on which the Issuer advises the principal regulator that there is no longer a need for the application and this decision to remain confidential; and

(iii) 90 days from the date of this decision; and

(e) this decision will terminate 25 months from the date of the receipt for the final Base Shelf Prospectus.

For the Commission:

"Glenda Campbell, QC"
Vice-Chair

"Stephen Murison"
Vice-Chair

2.1.2 Molycorp Minerals Canada ULC (formerly Neo Material Technologies Inc.)

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 – issuer has outstanding debentures exercisable into securities of parent that are held by more than 51 holders in Canada – issuer is a wholly-owned indirect subsidiary of parent and has no other securities outstanding apart from common shares held by parent and debentures – parent is a reporting issuer in the Jurisdictions - debenture holders no longer require public disclosure in respect of the issuer - relief granted.

Applicable Legislative Provisions

Securities Act (Ontario), s. 1(10)(a)(ii).

April 3, 2013

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND AND NEWFOUNDLAND
(THE "JURISDICTIONS")

AND

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

AND

IN THE MATTER OF
MOLYCORP MINERALS CANADA ULC
(FORMERLY NEO MATERIAL TECHNOLOGIES INC.)
(THE "FILER")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the "**Decision Maker**") has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the "**Legislation**") to cease to be a reporting issuer (the "**Exemption Sought**").

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

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

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

Interpretation

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

Representations

This decision is based on the following facts represented by the Filer, as the case may be:

Facts

1. The Filer is a producer, processor and developer of neodymium-iron-boron magnetic powders, rare earth materials, and zirconium-based engineered materials and rare metals, continued under the laws of British Columbia, with its head office in Toronto, Ontario. The Filer is a reporting issuer in each of the Jurisdictions.

2. Molycorp Inc. ("**Molycorp**") is a rare earth oxide producer and rare metal and alloy producer, incorporated under the laws of the State of Delaware, with its head office in Greenwood Village, Colorado. Molycorp's common stock is listed for trading on the New York Stock Exchange ("**NYSE**").

3. MCP Exchangeco Inc. ("**Exchangeco**") is a wholly-owned subsidiary of Molycorp and is a corporation incorporated under the laws of British Columbia.

4. On March 8, 2012, Molycorp, Exchangeco and the Filer entered an arrangement agreement, pursuant to which Exchangeco would acquire all of the outstanding common shares of the Filer (the "**Neo Shares**") pursuant to a plan of arrangement (the "**Arrangement**"). Prior to the completion of the Arrangement, the Filer had 115,186,306 Neo Shares issued and outstanding.

5. The Arrangement was completed on June 11, 2012 (the "**Effective Date**"), pursuant to which holders of Neo Shares elected to receive: (i) cash consideration of C$11.30 per Neo Share, (ii) share consideration of either 0.4242 common shares of Molycorp ("**Molycorp Shares**") per Neo Share or 0.4242 shares of Exchangeco that are exchangeable for Molycorp Shares ("**Exchangeable Shares**") per Neo Share or (iii) a combination of cash and shares. The Exchangeable Shares are intended to be the economic equivalent of the Molycorp Shares.

6. Immediately prior to the Effective Date, the Filer had outstanding $229,990,000 aggregate principal amount of 5% Convertible Unsecured Subordinated Debentures with a maturity date of December 31, 2017 (the "**Debentures**"). The Debentures were issued pursuant to a short form prospectus offering on June 2, 2011 and were

listed for trading on the Toronto Stock Exchange. The Debentures were governed by a debenture indenture dated June 2, 2011 between the Filer and Computershare Trust Company of Canada (the "**Trustee**") (the "**Old Indenture**"). The Debentures remained outstanding following the completion of the Arrangement.

7. The Old Indenture provided for the rights of holders of Debentures ("**Holders**") and the required treatment of Debentures upon certain transactions such as the Arrangement and, therefore, the Debentures were not included in the Arrangement and Holders did not vote with respect to the Arrangement.

8. Upon the completion of the Arrangement and pursuant to the terms of the Old Indenture, Holders were entitled to: (i) require the Filer to acquire their Debentures for a cash payment, (ii) convert their Debentures in exchange for Molycorp Shares or (iii) continue to hold their Debentures under the terms of the Indentures (collectively, the "**Election**"). Holders were notified of their right to make the Election by notice (the "**Election Notice"**) delivered on July 11, 2012. Holders had up to 30 business days following the delivery of the Election Notice to make the Election.

9. Pursuant to the terms of the Old Indenture, the Board of Directors of Molycorp was authorized to enter into a new supplemental indenture to give effect to the completion of the Arrangement and to provide for the application of certain provisions of the Old Indenture to Molycorp following the Effective Date. Molycorp entered into a new indenture with the Trustee on June 11, 2012 (the "**New Indenture**" and together with the Old Indenture, the "**Indentures**").

10. The New Indenture is intended to supplement and be read together with the Old Indenture. The New Indenture provides for the guarantee and assumption of the Filer's obligations under the Old Indenture by Molycorp, subject to certain amendments necessary to give effect to the Arrangement.

11. More particularly, pursuant to Article 2 of the New Indenture, Molycorp guarantees payment punctually when due and payable of all amounts payable by the Filer to Holders arising under the Old Indenture, including amounts payable to Holders upon maturity of the Debentures, by acceleration or otherwise. Molycorp's guarantee of the payment obligations is a "guarantee of payment and not merely of collection", meaning that the payment obligations under the Debentures are direct obligations of Molycorp and enforceable against Molycorp without any requirement for the Filer to default on payment and for Holders to seek recourse against the Filer first in order to trigger Molycorp's payment obligation. Holders have direct recourse to Molycorp.

12. Additionally, pursuant to Article 2 of the New Indenture, Molycorp assumes the obligations of the Filer to Holders upon conversion of the Debentures, such that conversion obligations will be satisfied by the issuance, sale or delivery by Molycorp of cash or Molycorp Shares, rather than Neo Shares. Molycorp also assumes the obligations of the Filer, and Molycorp Shares are substituted for Neo Shares, in respect of provisions relating to conversion rights and adjustments to the conversion price, change of control provisions, and obligations of successor parties. The obligations of Molycorp relating to any issuance of Molycorp Shares under the New Indenture are directly enforceable against Molycorp and Holders are not required to seek any recourse against the Filer in order to enforce such obligations.

13. Holders and the Trustee have direct recourse against Molycorp under the Indentures in respect of all primary obligations relating to payments under the Debentures and the issuance, sale or delivery of Molycorp Shares. The Filer continues to be a party to the Old Indenture and is, therefore, still named in provisions relating to the administration of the Debentures and other secondary provisions such as covenants, defaults, cancellation and discharge of Debentures and meetings of Holders. However, such provisions do not impair Molycorp's direct responsibility for, or the Holders direct recourse against Molycorp in respect of, the primary payment and share issuance obligations under the Indentures.

14. In addition to the foregoing and in place of the Filer's obligation to maintain the listing of the Neo Shares on the Toronto Stock Exchange, Molycorp has agreed in the New Indenture to maintain the listing of the Molycorp Shares on the NYSE. Moreover, the conversion ratio for the Debentures is adjusted in the New Indenture to reflect that Molycorp Shares will be issued to Holders upon conversion of the Debentures in lieu of Neo Shares, and the change of control and successor obligations are based on Molycorp and not the Filer.

15. The effect of the Indentures, taken together, is that Molycorp guarantees and assumes all payment and share issuance obligations of the Filer with respect to the Debentures, and Molycorp Shares are issuable in all events in lieu of Neo Shares, resulting in the value of the Debentures being tied to Molycorp's business and the value of the Molycorp Shares and not to the Filer's business or share price.

16. On June 13, 2012, the Neo Shares and the Debentures were delisted from the Toronto Stock Exchange.

17. As of the date of the Election Notice and as of March 11, 2013, the sole registered holder of the Debentures was the Canadian Depositary for Securities Limited. The Trustee has advised the Filer that, based on a report of Broadridge Financial Solutions, Inc., nominee of the intermediaries for Holders of the Debentures, at the date of the Election Notice there were an estimated 950 Holders representing $229,990,000 aggregate principal amount of outstanding Debentures. As of March 11, 2013, there were 112 Holders beneficially held through Broadridge Financial Solutions, Inc., representing $2,556,000 aggregate principal amount of outstanding Debentures, and intermediaries outside of Broadridge Financial Solutions, Inc. holding $43,000 aggregate principal amount of outstanding Debentures, for a total of $2,599,000 aggregate principal amount of outstanding Debentures.

18. As of March 11, 2013, the Debentures were beneficially held by Holders resident in the following jurisdictions: Alberta (12 Holders representing $276,000 aggregate principal amount of outstanding Debentures); British Columbia (19 Holders representing $402,000 aggregate principal amount of outstanding Debentures); Manitoba (1 Holder representing $5,000 aggregate principal amount of outstanding Debentures); New Brunswick (1 Holder representing $22,000 aggregate principal amount of outstanding Debentures); Ontario (40 Holders representing $824,000 aggregate principal amount of outstanding Debentures); Quebec (22 Holders representing $456,000 aggregate principal amount of outstanding Debentures); Saskatchewan (3 Holders representing $35,000 aggregate principal amount of outstanding Debentures); and countries other than Canada (14 Holders representing $546,000 aggregate principal amount of outstanding Debentures).

19. As the Filer has greater than 51 Holders in the Jurisdictions, it is not currently eligible to use the simplified procedure to cease to be a reporting issuer described in CSA Staff Notice 12-307.

20. The Filer's only outstanding securities are the Neo Shares and the Debentures. All of the Filer's outstanding securities, excluding the Debentures, are legally and beneficially owned by Molycorp.

21. On the Effective Date and pursuant to the relevant provisions of the Legislation, Molycorp and Exchangeco each became a "reporting issuer" (as that term is defined in the Legislation) in each of the Jurisdictions. Pursuant to section 13.3 of National Instrument 51-102 – *Continuous Disclosure Obligations*, Exchangeco relies on the continuous disclosure documents filed by Molycorp on SEDAR to satisfy its continuous disclosure obligations. Pursuant to section 13.4 of National Instrument 51-102 – *Continuous Disclosure Obligations*, the Filer has primarily relied on the continuous disclosure documents filed by Molycorp on SEDAR to satisfy its continuous disclosure obligations.

22. Molycorp is an "SEC foreign issuer" as such term is defined in National Instrument 71-102 – *Continuous Disclosure and other Exemptions relating to Foreign Issuers*. As such, Molycorp satisfies its continuous disclosure obligations by filing its continuous disclosure documents required under U.S. securities laws in the Jurisdictions.

23. The Filer has no intention of accessing the capital markets in the future by issuing any further securities to the public, and has no intention of issuing any securities.

24. The Filer and Molycorp are not in default of any of their obligations under the Legislation as reporting issuers, including their respective obligations to remit all filing fees in the Jurisdictions.

25. No securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 – *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.

26. The Filer has disseminated a news release in Canada providing notice to Holders that it has applied to securities regulatory authorities for a decision that it is not a reporting issuer in the Jurisdictions and, if that decision is made, the Filer will no longer be a reporting issuer in any jurisdiction of Canada.

27. The Filer is no longer required to remain a reporting issuer in the Jurisdictions or provide continuous disclosure to Holders under any contractual arrangement between the Filer and the Holders, including the Indentures governing the Debentures. Molycorp has covenanted pursuant to the New Indenture to ensure that its common stock remains listed for trading on the NYSE.

28. The Filer is not a reporting issuer or the equivalent in any jurisdiction in Canada, other than the Jurisdictions.

29. Upon granting of the Relief, the Filer will no longer be a reporting issuer in any jurisdiction in Canada.

Decision

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

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

"C. Wesley M. Scott"
Commissioner
Ontario Securities Commission

"Vern Krishna"
Commissioner
Ontario Securities Commission

2.1.3 FAM Real Estate Investment Trust

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemption from prospectus requirements for trades by real estate investment trust in connection with its distribution reinvestment plan – The issuer has established a DRIP for the benefit of its security holders – The issuer can rely on the exemption in s. 2.2 of NI 45-106 Prospectus and Registration exemptions to distribute units to its securityholders who are participants in its DRIP – The issuer controls a limited partnership – The issuer cannot rely on the exemption for holders of exchangeable securities through the limited partnership who wish to reinvest their distributions in the issuer's DRIP.

Applicable Legislative Provisions

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

March 22, 2013

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

AND

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

AND

IN THE MATTER OF
FAM REAL ESTATE INVESTMENT TRUST
(the Filer)

DECISION

Background

1 The securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the prospectus requirement in the Legislation will not apply to any trade of the Filer's trust units (REIT Units) by the Filer (or by a trustee, custodian, or administrator acting for or on behalf of the Filer) to holders of Exchangeable LP Units (as defined below) of FAM Management Limited Partnership (the Partnership) under a distribution reinvestment plan of the Filer, under which distributions out of earnings, surplus, capital, or other sources payable by the Partnership in respect of the Exchangeable LP Units are applied to the purchase of REIT Units (the Exemption Sought).

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

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

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

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

Interpretation

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

Representations

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

1. the Filer is an unincorporated, open-ended real estate investment trust established under the laws of Ontario; the Filer was established under a declaration of trust dated August 27, 2012, as amended;

2. the Filer's head office is located at 2000-5000 Miller Road, Richmond, British Columbia, V7B 1K6;

3. the Filer is a reporting issuer in each of the Jurisdictions and is not in default of any requirements under the Legislation;

4. the Filer is authorized to issue an unlimited number of REIT Units and an unlimited number of special voting units (Special Voting Units); as at March 18, 2013, the Filer had 5,880,000 REIT Units and 2,513,700 Special Voting Units issued and outstanding;

5. the REIT Units are listed and posted for trading on the Toronto Stock Exchange (the TSX) under the trading symbol "F.UN";

6. the Partnership is a limited partnership formed under the laws of Ontario and is governed by a limited partnership agreement dated October 26, 2012, as amended (the LP Agreement); the Partnership's head office is located at 333 Bay Street, Suite 3400, Toronto, Ontario M5H 2S7;

7. the Partnership is not a reporting issuer in any jurisdiction and none of its securities have ever been traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;

8. the Partnership is authorized to issue (i) an unlimited number of Class A limited partnership units (Class A Units), of which 5,880,000 Class A Units are issued and outstanding and held by the Filer, and (ii) an unlimited number of exchangeable non-voting Class B limited partnership units (Exchangeable LP Units), of which 2,513,700 are issued and outstanding and held by Huntingdon Capital Corp. (Huntingdon); the Exchangeable LP Units were issued in connection with the Filer's initial public offering on December 28, 2012 (the IPO) to Huntingdon, the entity that indirectly sold the initial properties to the Filer in connection with the IPO;

9. the Exchangeable LP Units are intended to be, to the greatest extent practicable, the economic equivalent of the REIT Units; holders are entitled to receive distributions equal to those paid by the Filer to holders of REIT Units; the Exchangeable LP Units are not transferable but are exchangeable into REIT Units and each is accompanied by a Special Voting Unit that entitles the holder to receive notice of, attend, and to vote together with the holders of REIT Units at all meetings of voting unitholders;

10. the principal activity of the Partnership is to own income-producing real estate assets;

11. the Filer holds approximately 70% of the limited partnership units of the Partnership with the balance (being the Exchangeable LP Units) held by Huntingdon;

12. the Filer intends to make monthly cash distributions on the 15th day of a given month to persons who are holders of REIT Units (Unitholders) at the close of business on the last business day of the immediately preceding calendar month; similarly, the LP Agreement provides that the Partnership will make identical monthly cash distributions on the same terms and conditions to holders of Exchangeable LP Units (LP Unitholders);

13. the Filer proposes to establish a distribution reinvestment plan (the DRIP) to permit Unitholders and LP Unitholders, other than holders who are not eligible to participate under the laws of their jurisdiction of residency, at their discretion, to automatically reinvest cash distributions paid on their REIT Units into REIT Units, or cash distributions paid on their Exchangeable LP Units into REIT Units, as an alternative to receiving cash distributions;

14. following enrolment in the DRIP by a Unitholder or LP Unitholder (a DRIP Participant), distributions in respect of REIT Units or Exchangeable LP Units enrolled in the DRIP will be automatically paid to the agent responsible for the administration of the DRIP (the DRIP Agent) and applied to the purchase of REIT Units directly from the Filer;

15. the purchase price for a REIT Unit (or fraction thereof) acquired under the DRIP will be the weighted average of the daily closing prices of REIT Units on the TSX for the five (5) trading days immediately preceding the

applicable distribution payment date; in addition, DRIP Participants will be entitled to receive a further distribution of REIT Units equal in value to 3% of each distribution that is reinvested under the DRIP;

16. the Filer will pay the DRIP Agent's fees for administering the DRIP out of its assets and DRIP Participants will not pay any commissions, service charges, or brokerage fees in connection with the issuance of REIT Units under the DRIP;

17. DRIP Participants may terminate their participation in the DRIP by providing written notice to the DRIP Agent no later than a specified time on the day that is five (5) business days prior to the applicable record date; if received after such time, such notice will have effect for the next following distribution; after such termination is processed, distributions by the Filer or the Partnership, as the case may be, will be payable to such Unitholder or LP Unitholder in cash or otherwise in the form declared by the Filer or the Partnership, as the case may be;

18. under the terms of the DRIP, the Filer will reserve the right to amend, suspend, or terminate the DRIP at any time in its sole discretion, subject to TSX approval; the Filer will send DRIP Participants written notice of an amendment, suspension, or termination of the DRIP in accordance with its terms; and

19. the Filer would be unable to rely on the exemption from the prospectus requirement in the Legislation with respect to reinvestment plans (the DRIP Exemption) to distribute REIT Units under the DRIP to LP Unitholders enrolled in the DRIP since the DRIP Exemption only permits distributions made in respect of an issuer's securities to be applied to the purchase of the same issuer's securities; furthermore, a person who acquires a REIT Unit under the DRIP other than in reliance on the DRIP Exemption (or a prospectus) would not be able to rely on the exemption from the prospectus requirement in the Legislation with respect to the first trade or resale of such REIT Unit.

Decision

4 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) at the time of the trade, the Partnership continues to be controlled by the Filer and the Filer is the beneficial owner of all the issued and outstanding voting securities of the Partnership;

(b) the ability to purchase REIT Units under the DRIP for distributions out of earnings, surplus, capital, or other sources payable by the Partnership is available to every LP Unitholder in Canada; and

(c) the first trade of any REIT Units acquired under this decision in the Jurisdiction will be deemed to be a distribution unless the conditions in subsection 2.6(3) of National Instrument 45-102 – *Resale of Securities* are satisfied at the time of such first trade.

"Peter Brady"
Director, Corporate Finance
British Columbia Securities Commission

2.1.4 Gilead YM ULC – s. 1(10)

Headnote

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

Ontario Statutes

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

April 4, 2013

Gilead YM ULC
c/o Blake, Cassels & Graydon LLP
Barristers & Solicitors
199 Bay Street
Suite 4000, Commerce Court West
Toronto, ON M5L 1A9

Dear Sirs/Mesdames:

Re: Gilead YM ULC (the "Applicant") – Application for a decision under the securities legislation of Ontario, Alberta, Saskatchewan, Manitoba, Québec and Nova Scotia (the "Jurisdictions") that the Applicant is not a reporting issuer

The Applicant has applied to the local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions for a decision under the securities legislation (the "Legislation") of the Jurisdictions that the Applicant is not a reporting issuer.

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

The Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

(b) no securities of the Applicant, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

(c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer; and

(d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

"Kathryn J. Daniels"
Deputy Director, Corporate Finance
Ontario Securities Commission

2.1.5 Gaz Métro inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Filers applied for a variation of a decision so that they can continue to file financial statements in accordance with Canadian GAAP in Part V of the CICA Handbook for periods beginning on October 1, 2012 and ending on September 30, 2014 – Relief previously granted to the Filers for financial years commencing October 1, 2011 and ending September 30, 2012 – the Canadian Accounting Standards Board decided that entities subject subject to rate regulation, as defined in Accounting Guideline 19 Disclosures by entities subject to rate regulation, will only be required to adopt International Reporting Standards (IFRS) for annual periods beginning on or after January 1, 2014 – The Filers are seeking relief from the requirements in Part 3 of NI 52-107 Acceptable Accounting Principles and Auditing Standards to defer the mandatory IFRS changeover date to January 1, 2014 – Relief granted, subject to conditions.

Applicable Legislative Provisions

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

February 6, 2013

**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
GAZ MÉTRO INC.
(the Filer)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a variation of the decision issued on July 11, 2011 under the securities legislation of the Jurisdictions (the **Legislation**) which exempted the Filer from the requirements under section 3.2 of *Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards* (**Regulation 52-107**) to provide its financial statements in accordance with Canadian Generally Accepted Accounting Principles (**Canadian GAAP**) that apply to publicly accountable enterprises and authorized the Filer to provide its financial statements (including the financial statements of Gaz Métro Limited Partnership that are included in the financial statements of the Filer) in accordance with Generally Accepted Accounting Principles in the United States of America for its financial years commencing on or after January 1, 2012 but before January 1, 2015 (the **Initial Decision**).

The Filer applies to the Decision Maker for a variation of the Initial Decision in order to allow the Filer to defer the mandatory International Financial Reporting Standards (**IFRS**) changeover date to January 1, 2014 and to continue to file financial statements in accordance with Canadian GAAP in Part V of the Handbook of the Canadian Institute of Chartered Accounts (the **Handbook**) for the financial years commencing on October 1, 2012 and October 1, 2013 and ending on September 30, 2013 and September 30, 2014, respectively (the **Variation Sought**).

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

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

(b) the Filer has provided notice that subsection 4.7(1) of *Regulation 11-102 respecting Passport System* (MI 11-102) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon, the Northwest Territories and Nunavut (the **Passport Jurisdictions**); 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 *Regulation 14-101 respecting Definitions*, Regulation 11-102, *Regulation 51-102 respecting Continuous Disclosure Obligations* or Regulation 52-107 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 existing under the *Business Corporations Act* (Québec), R.S.Q., c. S-31.1. The head office of the Filer is in Montréal, Québec.

2. The Filer is a reporting issuer or equivalent in the Jurisdictions and each of the Passport Jurisdictions and is not in default of securities legislation in any jurisdiction.

3. The Filer is engaged in "activities subject to rate regulation" as defined in the Accounting Guideline

AcG-19 *Disclosures by entities subject to rate regulation* (**AcG-19**) – Part V of the Handbook.

4. On October 1, 2010, the Canadian Accounting Standards Board (**AcSB**) issued modifications to Part 1 of the Handbook, allowing a deferral of one year of the mandatory IFRS changeover date for entities with qualifying rate-regulated activities. These modifications allowed those entities, as defined in AcG-19 – Part V of the Handbook, to defer the adoption of IFRS to the years commencing on or after January 1, 2012.

5. As a "qualifying entity" for the purposes of section 5.4 of Regulation 52-107, the Filer was permitted by that provision to prepare its financial statements for its financial year commencing October 1, 2011 and ending September 30, 2012 in accordance with Canadian GAAP as set out in Part V of the Handbook.

6. In March 2012, the AcSB decided to defer the mandatory IFRS changeover date for an additional year for entities with qualifying rate-regulated activities, such that those entities would only be required to adopt IFRS for the years commencing on or after January 1, 2013.

7. In October 2012, the AcSB decided to defer the mandatory IFRS changeover date for another year for entities with qualifying rate-regulated activities. Thus, the entities subject to rate regulation as defined in AcG-19 – Part V of the Handbook are only required to adopt IFRS for years commencing on or after January 1, 2014.

8. The AcSB decisions issued in March 2012 and October 2012 to extend the deferral of the mandatory IFRS changeover date for additional two years for entities with qualifying rate-regulated activities are not currently reflected in Regulation 52-107 and the other regulations regarding continuous disclosure requirements. The Filer therefore requests that it be permitted to prepare its financial statements in accordance with Canadian GAAP as set out in Part V of the Handbook, for the years commencing on October 1, 2012 and October 1, 2013 and ending on September 30, 2013 and September 30, 2014, respectively.

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 Variation Sought is granted provided that:

1. the Filer remains an "entity subject to rate regulation" as defined in AcG-19 – Part V of the Handbook;

2. As a "qualifying entity" within the meaning of section 5.4 of Regulation 52-107, the Filer can apply Part 3 of Regulation 52-107 to all financial statements, financial information, operating statements and pro forma financial statements as if the expression "January 1, 2012" in subsection 3.1(2) of Regulation 52-107 were read as "January 1, 2014".

3. If the Filer relies on the above paragraph in respect of a period, Part 4 of the Regulation applies as if the expression "January 1, 2011" in subsection 4.1(2) were read as "January 1, 2014".

"Louis Morisset"
Superintendent Securities Markets
Autorité des marchés financiers

2.1.6 J.P. Morgan Clearing Corp.

Headnote

Filer exempted from section 13.12 [restriction on lending to clients] of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Variation of a previous order to extend time limitation in line with CSA Staff Notice 31-333 Follow-Up to Broker-Dealer Registration in the Exempt Market Dealer Category – The filer is registered as a restricted dealer on terms and conditions – The filer is a registered broker-dealer with the SEC and a member of FINRA – Terms and conditions on the exemptions require that: (i) the head office or principal place of business of the filer be in the USA; (ii) the filer be registered under the securities legislation of the USA in a category of registration that permits it to carry on the activities in the USA that registration as an investment dealer would permit it to carry on in Ontario, (iii) by virtue of the securities legislation of the USA, the filer is subject to requirements in respect of lending money, extending credit or providing margin to clients that result in substantially similar regulatory protections to those provided for under the capital and margin requirements of IIROC, that would be applicable if the filer if it were registered under the Act as an investment dealer and were a member of IIROC.

Instruments Cited

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. 13.12, 15.1.

April 9, 2013

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
J.P. MORGAN CLEARING CORP.
(the "Filer")

DECISION

Background

The principal regulator in the Jurisdiction has received a further application from the Filer (the "**Application**") for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "**Legislation**") to extend the existing terms and conditions (the **Existing Terms and Conditions**) placed on the Filer's registration under the Legislation as a restricted dealer pursuant to a decision of the Director dated November 11, 2011, (the **Original Decision**) so as to exempt the Filer from the requirement contained in section 13.12 [*restriction on lending to clients*] of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligation*s ("**NI 31-103**") that a registrant must not lend money, extend credit or provide margin to a client (the "**Exemption Sought**"). The extension of the Existing Terms and Conditions of the Original Decision is in line with CSA Staff Notice *Follow-Up to Broker-Dealer Registration in the Exempt Market Dealer Category*.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport review 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 Syste*m ("**MI 11-102**") is being relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (and together with the Jurisdiction, the "**Canadian Jurisdictions**").

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* and the Original Decision have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the same representations made by the Filer in the Original Decision and which remain true and complete and for convenience are repeated below:

1. Pursuant to the Original Decision, the Filer is exempt 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, provided that it complies with the Existing Terms and Conditions.

2. The Filer is a company incorporated under the laws of the State of Delaware. Its head office is located at One Metrotech Center North, Brooklyn, NY 11201, United States of America ("**USA**").

3. The Filer is a wholly owned subsidiary of J.P. Morgan Securities LLC, a Delaware corporation, and an indirect wholly owned subsidiary of JP Morgan Chase & Co., a Delaware corporation.

4. The Filer is registered as a broker-dealer with the United States ("**U.S.**") Securities and Exchange

Commission ("**SEC**"), and is a member of the Financial Industry Regulatory Authority ("**FINRA**"). This registration permits the Filer to carry on in the USA, being its home jurisdiction, substantially similar activities that registration as an investment dealer would authorize it to carry on in the Jurisdiction if the Filer were registered under the Legislation as an investment dealer.

5. The Filer is a member of major securities exchanges, including the Chicago Stock Exchange and NYSE Euronext ("**NYSE**").

6. The Filer is a Foreign Approved Participant of the Montreal Exchange and a Registered Futures Commission Merchant of ICE Futures Canada, Inc. The Filer is also a member of the CME Group (including the Chicago Board of Trade), ICE Futures U.S., Inc., and other principal U.S. commodity exchanges, and may facilitate trades through affiliated or unaffiliated member firms on all other exchanges, including exchanges in Canada, France, Italy, Japan, Singapore, Spain, Taiwan, Mexico, Korea and the United Kingdom.

7. The Filer is relying on the international dealer exemption under section 8.18 of NI 31-103 in the Canadian Jurisdictions.

8. The Filer was established for the express purpose of holding and financing customer accounts and clearing and settling transactions. The Filer does not make proprietary investments or engage in market making activities.

9. The Filer may engage in activities which may be considered lending money, extending credit or providing margin to clients. All such activities are conducted in compliance with the rules of its home jurisdiction.

10. The Filer is registered, or has applied to be registered, in the category of restricted dealer, with terms and conditions including that it may only deal with permitted clients as defined in section 1.1 of NI 31-103 in the Canadian Jurisdictions. As a restricted dealer under the securities legislation of the Canadian jurisdictions, the Filer is subject to the prohibition on lending money, extending credit or providing margin to a client in section 13.12 of NI 31-103.

11. In certain comments received on NI 31-103, after it was published for comment, it was suggested that the prohibitions in section 13.12 should not apply to certain dealers that are members of foreign self-regulatory organizations, or subject to regulatory requirements in a foreign jurisdiction, where the dealer is subject to margin regimes similar to that imposed by the Investment Industry Regulatory Organization of Canada ("**IIROC**"). The Canadian Securities Administrators responded to these comments by suggesting that these circumstances could be considered on a case-by-case basis, through exemption applications, and that an exemption should be made available to registrations who have "adequate measures in place to address the risks involved and other related regulatory concerns".

12. The Filer is subject to regulations of the Board of Governors of the USA Federal Reserve System ("**FRB**"), the SEC, FINRA and the NYSE regarding the lending of money, extension of credit and provision of margin to clients (the "**USA Margin Regulations**") that provide protections that are substantially similar to the protections provided by the requirements regarding the lending of money, extension of credit and provision of margin to clients to which dealer members of IIROC are subject. In particular, the Filer is subject to the margin requirements imposed by the FRB, including Regulations T, U and X, under applicable SEC rules and under FINRA Rule 4210. The Filer is in compliance in all material respects with all applicable USA Margin Regulations.

Decision

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

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted so long as:

(a) the head office or principal place of business of the Filer is in the USA;

(b) the Filer is registered under the securities legislation of the USA in a category of registration that permits it to carry on the activities in the USA that registration as an investment dealer would permit it to carry on in the Jurisdiction;

(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 requirements in respect of its lending money, extending credit or providing margin to clients (including clients that are located in Canada) that result in substantially similar regulatory protections to those provided for under the capital and margin requirements of IIROC that would be applicable to the Filer if it were registered under the Legislation as an investment dealer and were a member of IIROC.

It is further the decision of the principal regulator that, in line with CSA Staff Notice 31-333 *Follow-Up to Broker-Dealer Registration in the Exempt Market Dealer Category*,

the Exemption Sought shall expire on the date that is the earlier of:

(a) The date on which amendments to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* come into force limiting brokerage activities in which exempt market dealers or restricted dealers engage; and

(b) December 31, 2014.

"Erez Blumberger"
Deputy Director,
Compliance & Registrant Regulation
Ontario Securities Commission

2.1.7 Talison Lithium Limited – s. 1(10)

Headnote

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

Ontario Statutes

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

April 8, 2013

Talison Lithium Limited
Level 4, 37 St. George's Terrace
Perth, Western Australia 6000

Dear Sirs/Mesdames:

Re: Talison Lithium Limited (the Applicant) – application for a decision under the securities legislation of Ontario, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer

The Applicant has applied to the local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions for a decision under the securities legislation (the Legislation) of the Jurisdictions that the Applicant is not a reporting issuer.

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

The Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

(b) no securities of the Applicant, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

(c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer; and

(d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

"Kathryn Daniels"
Deputy Director, Corporate Finance
Ontario Securities Commission

2.1.8 SMTC Manufacturing Corporation of Canada

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – issuer not eligible for simplified procedure – issuer not a reporting issuer under applicable securities legislation.

Applicable Legislative Provisions

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

April 8, 2013

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, ALBERTA, BRITISH COLUMBIA,
SASKATCHEWAN, MANITOBA, NEW BRUNSWICK,
NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR,
PRINCE EDWARD ISLAND AND QUEBEC
(the "Jurisdictions")**

AND

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

AND

**IN THE MATTER OF
SMTC MANUFACTURING CORPORATION
OF CANADA
(the "Filer")**

DECISION

Background

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

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

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

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

Interpretation

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

Representations

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

1. The Filer is a corporation existing under the laws of the Province of Ontario.

2. The registered and head office address of the Filer is 635 Hood Road, Markham, Ontario L3R 4N6.

3. The Filer is a reporting issuer in all the provinces of Canada.

4. As at February 28, 2013, the Filer has the following securities issued and outstanding: nil exchangeable shares (the "**Exchangeable Shares**"), 9,477,847 Common Shares (the "**Common Shares**"), 6,331,517 Class C Preferred Shares (the "**Class C Shares**") and 23,092.4669 Class Y Shares (the "**Class Y Shares**"). The Common Shares, the Class C Preferred Shares and the Class Y Shares are all held by SMTC Nova Scotia Company.

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

6. It is impractical, inefficient and costly for the Filer to remain a reporting issuer with only one shareholder.

7. No securities of the Filer are trading on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* ("**NI 21-101**"). The Exchangeable Shares were previously listed on the Toronto Stock Exchange (the "**TSX**") prior to being voluntarily delisted from the TSX at the close of business on June 1, 2012.

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

9. The Filer is applying for relief to cease to be a reporting issuer in all jurisdictions of Canada in which it is currently a reporting issuer.

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

11. The Filer did not surrender its status as a reporting issuer in British Columbia pursuant to BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* (the "**BC Instrument**") in order to avoid the ten day waiting period under the BC Instrument.

12. As the Filer is a reporting issuer in British Columbia, the Filer is not eligible to file under the simplified procedure in CSA Staff Notice 12-307 *Applications For A Decision That An Issuer Is Not A Reporting Issue*r ("**CSA Notice 12-307**") in order to apply for the Exemptive Relief Sought.

13. The Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer in any jurisdiction in Canada.

Decision

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

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

"Shannon O'Hearn"
Manager, Corporate Finance
Ontario Securities Commission

2.1.9 Desjardins Investments Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Temporary relief granted to three-tier structures from multi-layering prohibition in paragraph 2.5(2)(b) of NI 81-102 to permit top mutual funds to invest in funds-of-funds, which are more than 10% of its net asset value invested in underlying funds – Transparent investment portfolio and accountability for portfolio management.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.5(2)(b), 19.1.

[Translation]

April 5, 2013

**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
DESJARDINS INVESTMENTS INC.
(the Filer)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) exempting the Diapason Funds, as hereinafter defined, from the requirement in paragraph 2.5(2)(b) of *Regulation 81-102 respecting Mutual Funds* (**Regulation 81-102**) to permit each Diapason Funds to subscribe securities of the Desjardins Completion Investments Fund (the **Completion Fund**) notwithstanding the fact that the Completion Fund holds more than 10% of its net asset value in other mutual funds (the **Exemption Sought**).

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

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

(b) the Filer has provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System* (**Regulation 11-10**2) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Nunavut, the Northwest Territories,Nunavut and Yukon, and

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

Interpretation

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

Representations

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

The Filer

1. The Filer is duly registered as an investment fund manager.

2. The Filer is a corporation governed under the *Business Corporations Act* (Quebec).

3. The Filer's head office is located in 2, Complexe Desjardins, Montréal (Québec) H5B 1H5.

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

The Diapason Portfolios

5. For several years, the Filer offers the Diapason Portfolios to investors (each a **Participant** and collectively, the **Participants**) wishing to subscribe securities of mutual funds for which the Filer is acting as investment fund manager (each a **Desjardins Fund** and collectively, the **Desjardins Funds**) in the context of an asset allocation service, as defined in section 1.1 of Regulation 81-102 (each a **Diapason Portfolio** and collectively, the **Diapason Portfolios**).

6. The Diapason Portfolios offer automatic periodic reallocation of the portfolio of the Participants according to a preset targeted allocation. Diapason Portfolios are governed by agreements and applications signed by Participants.

7. Since their creation in 2004, the Diapason Portfolios have grown to be offered to approximately 336 000 Participants that together held securities of Desjardins Funds for an amount of over CAD 8.8 billion in assets as at February 28, 2013.

8. For operational efficiency and costs reasons, the Filer has decided to cease to offer to the majority of the Participants the Diapason Portfolios and create mutual funds (each, a **Diapason Fund** and collectively, the **Diapason Funds**) to continue to offer an asset allocation service to Participants.

9. To achieve their investment objectives, the Diapason Funds will use a "fund of funds" strategy. The Diapason Funds will invest substantially all of their assets directly in other mutual funds.

10. The Filer is of the view that the "fund of funds" strategy will be operationally more efficient and provide more flexibility from an investment management point of view than the Diapason Portfolios.

11. It is expected that the securities of the Diapason Funds will be distributed to the public as of May 2013.

12. For each of the Diapason Portfolios a corresponding Diapason Fund was created. The names of the corresponding Diapason Funds are listed in Schedule A.

13. The securities of the Diapason Funds will be distributed on a continuous basis pursuant to a simplified prospectus governed by *Regulation 81-101 respecting Mutual Fund Prospectus Disclosure* (**Regulation 81-101**).

The Conversion

14. The securities of the Desjardins Funds held by the majority of the Participants will be redeemed and the proceeds of this redemption will be applied to the subscription of securities of the corresponding Diapason Funds (the **Conversion**). Participants will be given the opportunity to opt out of the Conversion.

15. At the time of the Conversion, securities of the Desjardins Funds held by the majority of the Participants will be redeemed at their respective net asset values. Simultaneously, the proceeds of the aforementioned redemption will be affected to the subscription of securities of corresponding Diapason Funds. The Diapason Funds will then use the proceeds of the subscriptions to acquire securities of the Desjardins Funds.

16. Following the Conversion, the portfolio of each Diapason Fund will consist of securities of Desjardins Funds, including the Completion Fund, that were held before the Conversion by the Participants through the Diapason Portfolios. From an investment point of view, Participants will be in the same situation after the Conversion than before the Conversion.

17. The Conversion will be carried out at no charge to Participants.

18. The Conversion and Reallocation, as defined hereinbelow, will be spread over a period of 12 months, from May 2013 to April 2014.

19. As at February 28, 2013, approximately 6% of the Participants, which represent approximately 10% of the assets of the Diapason Portfolios, are holding securities of Desjardins Funds in non-registered accounts. These Participants will not be subject to the Conversion due to inherent tax consequences. The Filer expects to continue to provide the asset allocation service to such Participants. However, as at November 2013, the asset allocation service will be closed to new investments.

20. As at February 28, 2013, between 5% and 10% of the assets of the Participants are allocated to the Completion Fund for a total of approximately CAD 737 million. This represents around 78% of the net assets of the Completion Fund;

The Underlying Funds

21. In accordance with its investment objectives and strategies, the Completion Fund invests approximately 20% of its assets into two other mutual funds subject to Regulation 81-102 namely the Desjardins Global Real Estate Fund (the **Real Estate Fund**) and the NorthWest Specialty Global High Yield Bond Fund (the N**orthWest Fund**).

22. The securities of the Real Estate Fund and the NorthWest Fund are distributed on a continuous basis pursuant to a simplified prospectus governed by Regulation 81-101.

23. None of the Completion Fund, the Real Estate Fund and the NorthWest Fund are in default of securities legislation in any Jurisdiction.

24. The Filer is acting as the investment fund manager of the Completion Fund and the Real Estate Fund.

25. Desjardins Global Asset Management Inc. (**DGAM**), an affiliate of the Filer, is acting as the portfolio manager of the Completion Fund and the Real Estate Fund. CBRE Clarion Securities, LLC is acting as portfolio subadvisor of the Real Estate Fund.

26. Northwest & Ethical Investments L.P. is acting as investment fund manager and portfolio manager of the NorthWest Fund and Aviva Investors is acting as the portfolio subadvisor. Northwest & Ethical Investments L.P.'s head office is located in Toronto and is owned 50% by an affiliate of the Filer and 50% by the Provincial Credit Union Centrals.

Reasons of the Exemption Sought

27. In the absence of the Exemption Sought, each Participant holding securities of the Completion Fund trough a Diapason Portfolio will have to redeem its securities before the Conversion in order for the Diapason Funds to comply with subparagraph 2.5(2)(b) of Regulation 81-102. Thus, the Filer would be unable to mirror the current target allocation of the Diapason Portfolios in the Diapason Funds.

28. As at February 28, 2013, the Completion Fund's investments represent approximately 63% of the net assets of the Real Estate Fund and 22% of the net assets of the NorthWest Fund.

29. As at February 28, 2013, approximately 22% of the net assets of the Completion Fund, 37% of the net assets of the Real Estate Fund and 78% of the net assets of the NorthWest Fund are held by securityholders that have not subscribed securities of these funds through a Diapason Portfolio (the **Remaining Securityholders**).

30. In October 2013, the Filer intends to progressively replace the exposure of the Diapason Funds to the Completion Fund by other mutual funds (the **Reallocation**).

31. The Exemption Sought is needed to allow the progressive transfer of exposure from the Completion Fund to other mutual funds contemplated in the Reallocation.

32. The Exemption Sought will foster a gradual and orderly transfer of the exposure of the Diapason Funds to the Completion Fund towards other mutual funds. The gradual divestment of the Diapason Funds from the Completion Fund will favor an orderly liquidation of the assets of the Completion Fund, the Real Estate Fund and NorthWest Funds and will mitigate the potential negative impacts on the Remaining Securityholders.

33. In September 2012, the Filer submitted the details of the Conversion to the Independent Review Committee of the Desjardins Funds (the IRC). After due consideration, the IRC agreed that the Conversion would benefit securityholders.

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) at any time, no more than 10% of the net asset value of any Diapason Fund will be made up of securities of Completion Fund;

(b) no management fees or incentive fees are payable by the Completion Fund that, to a reasonable person, would duplicate a fee payable by the Real Estate Fund and the NorthWest Fund for the same service;

(c) the prospectus of each of the Diapason Funds will disclose that it invests in securities of the Completion Fund and that the Completion Fund invests securities of in the Real Estate Fund and the NorthWest Fund;

(d) the prospectus of each of the Diapason Funds will disclose that there will be no duplication of fees payable by the Diapason Funds as a result of its investments in other mutual funds;

(e) the prospectus of each of the Diapason Funds will disclose that DGAM is responsible for portfolio management of the Diapason Funds which includes, notably, the selection of underlying mutual funds. Should an underlying mutual fund be a Desjardins Fund that subscribes to securities of another mutual fund, DGAM will also responsible for such selection;

(f) the Filer will include the top 25 positions disclosure of the Completion Fund, the Real Estate Fund and the NorthWest Fund in the following continuous disclosure documents of each of the Diapason Funds which holds units of the Completion Fund:

    (i) the quarterly portfolio disclosure document dated June 30th 2013;

    (ii) the annual management report of fund performance dated September 30th 2013;

    (iii) the quarterly portfolio disclosure document dated December 31st 2013;

    (iv) the interim management report of fund performance dated March 31st 2014; and

    (v) the quarterly portfolio disclosure document dated June 30th 2014;

(g) the investments made by the Diapason Funds will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of Participants of the Diapason Funds;

(h) the Exemption Sought terminates on April 30th, 2014.

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

SCHEDULE A

LIST OF DIAPASON PORTFOLIOS AND EQUIVALENT DIAPASON FUNDS

Name of the Diapason Portfolio to be converted	Name of the corresponding Diapason Fund to be established
Diapason Secure Market Portfolio	Diapason Conservative Portfolio
Diapason Balanced Income Portfolio	Diapason Balanced Income Portfolio
Diapason Balanced Growth Portfolio	Diapason Balanced Growth Portfolio
Diapason Growth Portfolio	Diapason Growth Portfolio
Diapason High Growth Portfolio	Diapason High Growth Portfolio
Diapason Maximum Growth Portfolio	Diapason Maximum Growth Portfolio
Diapason Retirement Portfolio B	Diapason Retirement Portfolio B - Conservative
Diapason Retirement Portfolio C	Diapason Retirement Portfolio C - Income
Diapason Retirement Portfolio D	Diapason Retirement Portfolio D - Balanced Income
Diapason Retirement Portfolio E	Diapason Retirement Portfolio E - Balanced Growth
Diapason Retirement Portfolio F	Diapason Retirement Portfolio F - Growth
Diapason Retirement Portfolio G	Diapason Retirement Portfolio G - High Growth

2.1.10 RBC Dominion Securities Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – offering of corporate strip securities; exemption granted from the eligibility requirements of National Instrument 44-102 Shelf Distributions and National Instrument 44-101 Short Form Prospectus Distributions to permit the filing of a shelf prospectus and prospectus supplements qualifying for distribution strip residuals, strip coupons and strip packages to be derived from debt obligations of Canadian corporations and trusts; exemption also granted from the requirements that the prospectus contain a certificate of the issuer and that it incorporate by reference documents of the underlying issuer.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 58(1).

Applicable National Instruments

National Instrument 44-101 Short Form Prospectus Distributions, ss. 2.1, 8.1.
National Instrument 44- 102 Shelf Distributionsn, ss. 2.1, 11.1.

April 8, 2013

**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
RBC DOMINION SECURITIES INC.,
BMO NESBITT BURNS INC.,
CIBC WORLD MARKETS INC.,
NATIONAL BANK FINANCIAL INC.,
SCOTIA CAPITAL INC. AND TD SECURITIES INC.
(the FILERS)**

AND

**IN THE MATTER OF
THE CARS AND PARS PROGRAMME TM
OF 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 following exemptions (the **Exemption Sought**):

1. an exemption from Section 2.1 of National Instrument 44-102 – *Shelf Distributions* and Section 2.1 of National Instrument 44-101 – *Short Form Prospectus Distributions* so that a Prospectus can be filed by the Filers to renew the CARS and PARS Programme and offer Strip Securities in the Jurisdictions; and

2. an exemption from the following requirements in respect of any Underlying Issuer whose Underlying Obligations are purchased by any one or more of the Filers on the secondary market, and Strip Securities derived therefrom and sold under the CARS and PARS Programme:

(i) the requirements of the Legislation that the Prospectus contain a certificate of the Underlying Issuer; and

(ii) the requirements of the Legislation that the Prospectus incorporate by reference documents of an Underlying Issuer.

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

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

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

Interpretation

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

CARS^{TM} means strips coupons and strips residuals.

CARS and PARS Programme^{TM} means the strip bond product programme of the Filers to be offered by Prospectus.

CDS means CDS Clearing and Depository Services Inc.

CDS Book-Entry Strip Service means the services provided by CDS to enable Participants to strip, reconstitute and package securities, as set out in the CDSX Procedures and User Guide, or any successor operating rules and procedures.

NI 44-101 means National Instrument 44-101 – *Short Form Prospectus Distribution*s.

NI 44-102 means National Instrument 44-102 – *Shelf Distributions*.

Offering Date means the time of the closing of the discrete offering in respect of the related Strip Securities.

PARS^{TM} means par adjusted rate strips, comprising an entitlement to receive the principal amount of, and a portion, equal to a market rate (at the applicable time of issuance) of the interest payable under the Underlying Obligations.

Participants means participants in the depository system of CDS.

Prospectus means a short form prospectus which is a base shelf prospectus together with the appropriate prospectus supplements.

SEDAR means the System for Electronic Document Analysis and Retrieval.

Strip Coupons means separate components of interest derived from an Underlying Obligation.

Strip Packages means packages of Strip Securities, including packages of Strip Coupons and packages of PARS.

Strip Residuals means separate components of principal derived from an Underlying Obligation.

Strip Securities means separate components of interest, principal or combined principal and interest components derived from Underlying Obligations using the CDS Book-Entry Strip Service and sold under the CARS and PARS Programme, including Strip Residuals, Strip Coupons and Strip Packages.

Underlying Issuers means Canadian corporate, trust and/or partnership issuers.

Underlying Obligations means publicly-issued debt obligations of Underlying Issuers, which obligations will carry an "approved rating" as such term is defined in NI 44-101 at the Offering Date.

Underlying Obligations Prospectus means a prospectus for which a receipt was issued by the securities regulatory authorities in British Columbia, Alberta, Ontario and Quebec.

Representations

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

1. Each of the Filers is a corporation incorporated under the laws of Canada, and all the Filers, except National Bank Financial Inc., have their head offices in Toronto. National Bank Financial Inc.'s head office is in Montreal.

2. None of the Filers are in default of securities legislation in the Jurisdictions.

3. The CARS and PARS Programme has been in effect since November 19, 2002 in reliance on a MRRS decision document dated October 31, 2002, and has subsequently been renewed and continued in reliance on decision documents dated March 6, 2003, November 19, 2004, December 18, 2006, January 15, 2009 and February 17, 2011.

4. The Filers propose to continue to operate the CARS and PARS Programme.

5. The CARS and PARS Programme will continue to be operated by purchasing, on the secondary market, Underlying Obligations of Underlying Issuers, and deriving separate components therefrom, being Strip Residuals, Strip Coupons, and/or Strip Packages.

6. The relevant Underlying Issuer will, to the best of the knowledge of each Filer participating in the relevant offering under the CARS and PARS Programme, be eligible to file a short form prospectus under NI 44-101 (whether such eligibility results from the specific qualification criteria of NI 44-101 or from the granting of an exemption from those criteria) at the Offering Date.

7. The Underlying Obligations will have been distributed under a prospectus for which a receipt was granted by the regulator in British Columbia, Alberta, Ontario, and Quebec.

8. A single short form base shelf prospectus will be established for the renewed CARS and PARS Programme as a whole, with a separate series of Strip Securities being offered under a discrete prospectus supplement for each distinct series or class of Underlying Obligations.

9. It is expected that the Strip Securities will continue to be predominantly sold to retail customers.

10. It is expected that the Filers, or certain of them, will continue to periodically identify, as demand indicates, series of outstanding debt obligations of Canadian corporations, trusts or partnerships and will purchase and "repackage" individual series of these for sale under the CARS and PARS Programme as discrete series of Strip Securities. In purchasing the Underlying Obligations and creating the Strip Securities, the Filers will not enter into any agreement or other arrangements with the Underlying Issuers.

11. The Prospectus will refer purchasers of the Strip Securities to the SEDAR website maintained by CDS (currently located at www.sedar.com) where they can obtain the continuous disclosure materials of the Underlying Issuer.

12. The Filers, or certain of them, may, from time to time, form and manage a selling group consisting of other registered securities dealers to solicit purchases of, and sell to the public, the Strip Securities.

13. The Strip Securities will be sold in series, each such series relating to separate Underlying Obligations of an Underlying Issuer. The base shelf prospectus for use with the CARS and PARS Programme will describe the CARS and PARS Programme in detail. The shelf prospectus supplement for any series of Strip Securities that are offered will describe the specific terms of the Strip Securities.

14. Each offering of Strip Securities will be derived from one or more Underlying Obligations of a single class or series of an Underlying Issuer. The Filer(s) participating in each offering under the CARS and PARS Programme intend to use the CDS Book-Entry Strip Service to separate the Underlying Obligations for such series into separate principal and interest components, or strip bonds. These components will, in connection with each series, be re-packaged using the CDS Book-Entry Strip Service if and as necessary to create the Strip Securities.

15. The Strip Residuals of a particular series, if any, will consist of the entitlement to receive payments of a portion of the principal amounts payable under the Underlying Obligations, if, as and when paid by the Underlying Issuer on the Underlying Obligations, in accordance with their respective terms.

16. The Strip Coupons of a particular series will consist of the entitlement to receive a payment of a portion of the interest payable under the Underlying Obligations, if, as and when paid by the Underlying Issuer on the Underlying Obligations, in accordance with their respective terms.

17. The Strip Packages will consist of the entitlement to receive (a) in the case of PARS, both payments of a portion of the principal amounts payable and periodic payments of a portion equal to a market rate (at the time of issuance of the PARS) of the interest payable under the Underlying Obligations, and/or (b) in the case of packages consisting of Strip Coupons, periodic payments of portions of the interest payable, or the principal amounts payable, under the Underlying Obligations, in each case, if, as and when paid by the Underlying Issuer on the Underlying Obligations, in accordance with their respective terms.

18. Holders of a series of Strip Securities will be entitled to payments from cash flows from the related Underlying Obligations if, as and when made by the respective Underlying Issuer. The Strip Securities of one series will not be entitled to receive any payments from the cash flows of Underlying Obligations related to any other series. As the Underlying Issuers will be the sole obligors under the respective Underlying Obligations, holders of Strip Securities will be entirely dependent upon the Underlying Issuers' ability to perform their respective obligations under their respective Underlying Obligations.

19. The Strip Securities will be sold at prices determined by the Filers from time to time and, as such, these may vary as between purchasers of the same series and during the offering period of Strip Securities of the same series. In quoting a price for the Strip Securities, the Filers will advise the purchaser of the annual yield to maturity thereof based on such price.

20. The Underlying Issuers will not receive any proceeds, and the Filers will not be entitled to be paid any fee or commission by the Underlying Issuers, in respect of the sale by the Filers, or the members of any selling group, of the Strip Securities. Each Filer’s overall compensation will be increased or decreased by the amount by which the aggregate price paid for a series of the Strip Securities by purchasers exceeds or is less than the aggregate price paid by such Filer for the related Underlying Obligations.

21. The payment dates of any particular series of Strip Coupons and the interest component of Strip Packages will be coincident with the interest payment dates for the Underlying Obligations for the series, with terms of up to 30 years or longer. The maturity date of a particular series of Strip Residuals and the principal component of Strip Packages, if any, will be the maturity date of the Underlying Obligations for the series.

22. The Strip Securities will be issuable in Canadian and U.S. dollars and in such minimum denomination(s) and with such maturities as may be described in the applicable shelf prospectus supplement.

23. The Underlying Issuers will be Canadian corporations, trusts or partnerships. The Underlying Obligations are securities of the Underlying Issuers. The Strip Securities will be derived without regard, except as to ratings and eligibility to file a short form prospectus under NI 44-101, for the value, price, performance, volatility, investment merit or creditworthiness of the Underlying Issuers historically or prospectively.

24. To be eligible for inclusion in the CARS and PARS Programme, the Underlying Obligations must have been qualified for distribution under a prospectus for which a receipt was issued by the regulators in British Columbia, Alberta, Ontario and Quebec, at least four months must have passed from the date of closing of the original issue of the relevant class or series of Underlying Obligations and the distribution of the Underlying Obligations must be complete.

25. The Filers will cause all Underlying Obligations from which the Strip Securities will be derived and which are not already in the CDS system to be delivered to CDS and registered in the name of CDS. The Underlying Obligations from which the Strip Securities will be derived will, except in very limited circumstances, be held by CDS until their maturity and will not otherwise be released or removed from the segregated account used by CDS to maintain the Underlying Obligations. A separate security identification number or ISIN will be assigned by CDS to each series of Strip Securities.

26. Pursuant to the operating rules and procedures of its CDSX Procedures and User Guide, or any successor operating rules and procedures, CDS will maintain book based records of ownership for the Strip Securities, entering in such records only the names of Participants. No purchaser of Strip Securities will be entitled to any certificate or other instrument from the Underlying Issuer, the Filers or CDS evidencing the Strip Securities or the ownership thereof, and no purchaser of Strip Securities will be shown on the records maintained by CDS except through the book entry account of a Participant. Upon the purchase of Strip Securities, the purchaser will receive only the customary confirmation slip that will be sent to such purchaser by one of the Filers or another Participant.

27. Transfers of beneficial ownership in Strip Securities will be effected through records maintained for Strip Securities by CDS or its nominee (with respect to interests of Participants) and on the records of Participants (with respect to interests of persons other than Participants). Beneficial holders who are not Participants, but who desire to purchase, sell or otherwise transfer beneficial ownership of, or any other interest in, such Strip Securities of a series, may do so only through Participants.

28. Payments in respect of a principal component (if any), interest component(s) (if any), or other amounts (if any) owing under a series of Strip Securities will be made from payments received by CDS in respect of the related Underlying Obligations from the relevant Underlying Issuer. Amounts payable on the maturity of the Strip Securities will be payable by the Underlying Issuer to CDS as the registered holder of the Underlying Obligations. Following receipt thereof, CDS will pay to each of its Participants shown on its records as holding matured Strip Securities the amount to which such Participant is entitled. The Filers will, and the Filers understand that each other Participant, who holds such Strip Securities on behalf of a purchaser thereof will, pay or otherwise account to such purchaser for the amounts received by it in accordance with the instructions of the purchaser to such Participant. Holders of a series of Strip Securities will not have any entitlement to receive payments under any Underlying Obligations acquired in connection with the issue of any other series of Strip Securities;

29. As the registered holder of the Underlying Securities, CDS will receive any voting rights in respect of the Underlying Obligations for the Strip Securities. CDS will allocate these rights to the holders of the Strip Securities in accordance with the operating rules and procedures of its CDSX Procedures and User Guide, or any successor operating rules and procedures, in effect at the time. These procedures currently provide for the distribution of the voting rights based on the "proportionate economic interest", determined as to be described in the base shelf prospectus for use with the CARS and PARS Programme. Such voting rights will be vested on a series by series basis. In order for a holder of Strip Securities to have a legal right to attend a meeting of holders of Underlying Obligations, or to vote in person, such holder of Strip Securities must be appointed as proxyholder for the purposes of the meeting by the CDS Participant through whom he or she holds Strip Securities.

30. In the event that an Underlying Issuer repays a callable Underlying Obligation prior to maturity in accordance with its terms, CDS will allocate the amount of proceeds it receives as the registered holder of the Underlying Obligations to the holders of the Strip Securities in accordance with the operating rules and procedures of its CDSX Procedures and User Guide, or any successor operating rules and procedures, in effect at the time. These procedures currently provide for the distribution of proceeds on the repayment of a callable Underlying Obligation based on the "proportionate economic interest".

31. Any other entitlements received by CDS with respect to the Underlying Obligations upon the occurrence of an event other than in respect of maturity, including entitlements on the insolvency or winding-up of an Underlying Issuer, the non-payment of interest or principal when due, or a default of the Underlying Issuer under any trust indenture or other agreement governing the Underlying Obligations, will be processed by CDS in accordance with the operating rules and procedures of its CDSX Procedures and User Guide, or any successor operating rules and procedures, in effect at the time. These procedures also currently provide for CDS to distribute the resulting cash and/or securities to the holders of the Strip Securities based on "proportionate economic interest". In addition, if the Underlying Issuer offers an option to CDS as the registered holder of the Underlying Obligations in connection with the event, the Filers understand that CDS will attempt to offer the same option to the holders of the Strip Securities, where feasible.

Decision

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

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

(a) the Underlying Obligations were qualified for distribution under the Underlying Obligations Prospectus, at least four months have passed from the date of closing of the original issue of the relevant class or series of Underlying Obligations and the distribution of the Underlying Obligations is complete;

(b) if the Underlying Obligations Prospectus is not available through the SEDAR website, the prospectus supplement for the series of Strip Securities derived from the Underlying Obligations for which the prospectus is not available states that a copy of the Underlying Obligations Prospectus may be obtained, upon request, without charge, from each Filer who is participating in the offering of the series of Strip Securities derived from these Underlying Obligations;

(c) to the best of the knowledge of the Filer(s) participating in a relevant offering under the CARS and PARS Programme, the relevant Underlying Issuer is eligible to file a short form prospectus under NI 44-101 (whether such eligibility results from the specific qualification criteria of NI 44-101 or from the granting of an exemption from those criteria) at the Offering Date;

(d) a receipt issued for the Prospectus filed in reliance on this decision document is not effective after May 19, 2015;

(e) the offering and sale of the Strip Securities complies with all the requirements of NI 44-102 and NI 44-101 as varied by NI 44-102, other than those from which an exemption is granted by this decision document or from which an exemption is granted in accordance with Part 11 of NI 44-102 by the securities regulatory authority or regulator in each of the Jurisdictions as evidenced by a receipt for the Prospectus;

(f) each offering of Strip Securities will be derived from one or more Underlying Obligations of only a single class or series of an Underlying Issuer and only through using the CDS Book-Entry Strip Service;

(g) the Filers issue a press release and file a material change report in respect of:

(i) a material change to the CARS and PARS Programme which affects any of the Strip Securities other than a change which is a material change to an Underlying Issuer; and

(ii) a change in the operating rules and procedures of the CDSX Procedures and User Guide of CDS, or any successor operating rules and procedures in effect at the time, which may have a significant effect on a holder of Strip Securities; and

(h) the Filers file the Prospectus, the material change reports referred to above, and all documents related thereto on SEDAR under a SEDAR profile for the Strip Securities and pay all filing fees applicable to such filings.

"Sonny Randhawa"
Manager, Corporate Finance
Ontario Securities Commission

2.2 Orders

2.2.1 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 March 29, 2011, 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 in connection with a Statement of Allegations filed by Staff of the Commission ("Staff") on March 29, 2011 in respect of HEIR Home Equity Investment Rewards Inc., FFI First Fruit Investments Inc., Wealth Building Mortgages Inc., Archibald Robertson, (collectively, the "HEIR Respondents"), 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. (collectively, the "Canyon Respondents") and Eric Deschamps ("Deschamps");

AND WHEREAS on February 25, 2013 the Commission issued an Order approving the Settlement Agreement reached between Staff of the Commission and Deschamps dated February 14, 2013;

AND WHEREAS on March 28, 2013, the Commission, issued separate Orders approving Settlement Agreements between Staff and the HEIR Respondents, and between Staff and the Canyon Respondents, both dated March 22, 2013;

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

IT IS ORDERED that:

1. The date of April 4, 2013 scheduled for a confidential prehearing conference is vacated; and

2. The dates of April 15 to 19, 22, 25, 26, 29, 30, May 1 to 3, 6, and 8 to 10, 2013 scheduled for the hearing on the merits of this matter are vacated.

DATED at Toronto this 28th day of March, 2013.

"Christopher Portner"

2.2.2 Matthew Robert White and White Capital Corporation – s. 8(4)

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

AND

IN THE MATTER OF
MATTHEW ROBERT WHITE AND
WHITE CAPITAL CORPORATION

ORDER
(Subsection 8(4) of the Securities Act)

WHEREAS on January 15, 2013, the applicants Matthew Robert White ("White") and White Capital Corporation (collectively, the "Applicants") filed with the Ontario Securities Commission (the "Commission") a notice of application pursuant to section 8 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), for a hearing and review of the decision of the Deputy Director, Compliance and Registrant Regulation Branch (the "Director") dated January 11, 2013 that suspended the Applicants' registration (the "Decision");

AND WHEREAS on January 15, 2013, the Applicants applied for an order granting a stay of the Decision (the "Stay Application");

AND WHEREAS on January 18, 2013, the Commission held a hearing to consider the Stay Application;

AND WHEREAS the Commission heard submissions from counsel for the Applicants and counsel for Staff of the Commission ("Staff");

AND WHEREAS the Commission reviewed the Applicants' request for a stay of the Decision, the book of authorities and the affidavit of White sworn January 14, 2013;

AND WHEREAS upon considering the materials submitted in support of the Stay Application and submissions of the Applicants and of Staff, the Commission was of the opinion that it was in the public interest to grant the order with conditions, pursuant to subsection 8(4) of the Act (the "Stay Order");

AND WHEREAS the Applicants and Staff agreed that the hearing and review of the Decision would be heard on April 25 and 26 and May 13, 2013, as stipulated in the Stay Order;

AND WHEREAS the Secretary of the Commission has advised that April 25 and 26, 2013 are no longer available for the hearing in this matter;

IT IS HEREBY ORDERED THAT the hearing and review of the Decision is scheduled for May 8, 9, 10 and 13, 2013 and the other terms of the Stay Order shall remain in effect.

DATED at Toronto this 2nd day of April 2013.

"Mary G. Condon"

2.2.3 Vincent Ciccone and Cabo Catoche Corp. (a.k.a. Medra Corp. and Medra Corporation)

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

AND

IN THE MATTER OF
VINCENT CICCONE and CABO CATOCHE CORP.
(a.k.a. MEDRA CORP. and MEDRA CORPORATION)

ORDER

WHEREAS on October 3, 2011, 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 September 30, 2011, with respect to Vincent Ciccone ("Ciccone") and Medra Corp.;

AND WHEREAS on May 3, 2012, the Commission issued an Amended Notice of Hearing in connection with an Amended Statement of Allegations filed by Staff on May 2, 2012, to amend the title of proceedings by replacing the name "Medra Corp." with "Cabo Catoche Corp. (a.k.a Medra Corp. and Medra Corporation)" (collectively, "Medra");

AND WHEREAS on September 7, 2012, the Commission approved a Settlement Agreement between Staff and Ciccone;

AND WHEREAS the Office of the Secretary received an e-mail dated September 5, 2012, from a representative of Medra requesting Staff disclose all relevant documents in their possession by sending copies of said documents to Medra at its offices in Mexico:

AND WHEREAS the Panel convened the hearing on the merits of the allegations against Medra (the "Merits Hearing") and, as a preliminary matter, heard submissions from Staff on September 7 and 13, 2012, on the issue of Staff's disclosure obligations with respect to Medra, including submissions on the law, policy, jurisprudence and its position on this issue, no one appearing on behalf of Medra despite proper notice having been given;

AND WHEREAS on September 20, 2012, the Panel reconvened the Merits Hearing for the purposes of giving the Panel's ruling on the disclosure issue, at which Staff appeared but no one appeared on behalf of Medra;

AND WHEREAS on September 20, 2012, the Panel ruled that Staff had not met its disclosure obligations to Medra, such obligations requiring Staff to provide copies of the disclosure material to Medra in accordance with its written request for copies of the material;

AND WHEREAS the Panel issued an Order dated September 20, 2012, that stated:

(i) Subject to the receipt from Medra of a written undertaking to comply with the terms of this Order as described in subparagraph (iii)(e) below, Staff shall provide copies of all relevant materials in their possession ("the Material") to Medra, subject to redaction of personal information relating to third parties;

(ii) If Medra believes that any of the redacted information is necessary for the purpose of making full answer and defence to the allegations made against it in these proceedings, Medra may bring a motion pursuant to Rule 3 of the Commission *Rules of Procedure* for a determination as to whether the redacted information is relevant to said allegations;

(iii) The Material will be provided to Medra on the following conditions:

  (a) Medra and its counsel shall not use the Material for any purposes other than for making full answer and defence to the allegations made against it in these proceedings;

  (b) any use of the Material other than for the purpose of making full answer and defence to the allegations made against Medra in these proceedings will constitute a violation of this order;

  (c) Medra and its counsel shall maintain custody and control over the Material, so that copies of the Material are not improperly disseminated;

(d) the Material shall not be used for a collateral or ulterior purpose, including for purposes of other proceedings; and

(e) Medra shall sign an undertaking accepting the conditions set out at subparagraphs (a) to (d) above prior to any Material being provided to Medra by Staff, which undertaking shall be signed and returned to Staff within 5 business days of receipt of this Order.

AND WHEREAS on September 28, 2012, the Panel ordered that the Merits Hearing be reconvened on October 9, 2012, for the purpose of Staff providing the Panel with a status update;

AND WHEREAS on October 9, 2012, Staff appeared before the Panel with no one appearing for Medra, at which time Staff submitted an affidavit of Allister Field sworn October 9, 2012, as evidence that the Panel's Order of September 20, 2012, had been sent to Medra on September 28, 2012, and Medra had not returned a signed undertaking in accordance with the Order;

AND WHEREAS the Panel is satisfied that Staff has met its disclosure obligations to Medra and the Merits Hearing may proceed;

AND WHEREAS on October 9, 2012, Staff requested that the Panel convert the Merits Hearing to a written hearing pursuant to Rule 11 of the Commission's *Rules of Procedure* (2010), 33 O.S.C.B. 8017 (the "Rules") and proposed a schedule for the filing of materials in support of their request;

AND WHEREAS on October 17, 2012, Staff advised the Commission that it would like to amend the schedule for the filing of materials in support of their request;

AND WHEREAS on October 19, 2012, Staff appeared before the Commission by teleconference in accordance with Rule 10.2 of the Rules and no one appeared on behalf of Medra;

AND WHEREAS the Panel issued an order dated October 19, 2012, which stated:

(i) Staff shall serve and file written submissions in support of their request to convert the Merits Hearing to a written hearing no later than October 23, 2012, such submissions to include copies of any affidavits Staff intend to rely on in the proposed written hearing;

(ii) If Medra objects to converting the Merits Hearing to a written hearing, it shall file with the Office of the Secretary, and serve upon Staff, written submissions setting out the reasons for their objection no later than November 7, 2012;

(iii) The Merits Hearing shall be reconvened on November 8, 2012, at 3:00 p.m. at the offices of the Commission at 20 Queen Street West, 17th Floor, Toronto, Ontario, for the purpose of the Panel giving its ruling on the request to convert to a written hearing and, if the request is granted, to set a schedule for the receipt of submissions in the written hearing

AND WHEREAS on October 23, 2012, Staff filed written submissions in support of their request to convert the Merits Hearing to a written hearing, including copies of the affidavits Staff intend to rely on in the proposed written hearing, which written submissions and affidavits were served on Medra on October 19 and 22, 2012 as set out in the Affidavit of Service of Michelle Spain sworn on October 23, 2012 and filed with the Commission;

AND WHEREAS Staff sought, in their written submissions, that the Merits Hearing be continued as a written hearing upon the earlier of the date when Ciccone has completed his testimony in this matter or the date when Staff files an affidavit of Ciccone;

AND WHEREAS on November 8, 2012, Staff appeared before the Panel with no one appearing for Medra, at which time Staff requested that a date be set for the continuation of the Merits Hearing for the purpose of hearing oral evidence from Ciccone;

AND WHEREAS the Panel issued an order dated November 8, 2012, which stated:

1) the Merits Hearing is adjourned to November 29, 2012, commencing at 9:30 a.m., for the purpose of hearing oral evidence from Ciccone, after which the Panel will provide its ruling on the request to convert the remainder of the Merits Hearing to a written hearing; and

2) the Merits Hearing shall, if necessary, continue on November 30, 2012, commencing at 9:30 a.m.

AND WHEREAS on November 29, 2012, Staff appeared before the Panel with no one appearing for Medra, at which time the Panel heard oral testimony from Ciccone, and Staff advised that they may wish to make a minor amendment to the Affidavit of Allister Field which was previously served on Medra and filed with the Commission;

AND WHEREAS the Panel adjourned the Merits Hearing and reserved its decision on Staff's request to convert the Merits Hearing to a written hearing in accordance with Rule 11;

AND WHEREAS the Panel issued an order dated December 3, 2012, which stated that:

1. in accordance with Rule 11, the Merits Hearing is converted to a written hearing for the purposes of taking evidence-in-chief by means of affidavit evidence from the remaining Staff witnesses, namely Allister Field, Michael Ho and Amy Tse ("Staff's Affiants");

2. If Staff wishes to amend any of the affidavits previously served and filed, Staff must serve and file such amendments no later than December 10, 2012;

3. Staff is directed to serve and file, no later than December 10, 2012, written submissions setting out Staff's position with respect to the findings of fact the Panel is asked to make in respect of the evidence from Staff's Affiants;

4. the Merits Hearing will be reconvened on December 19, 2012, at 3:30 p.m. at ASAP Reporting Services Inc., Bay Adelaide Centre, 333 Bay Street, Suite 900, Toronto, ON, for the purpose of cross-examination of Staff's Affiants and/or to allow Staff's Affiants to answer any questions from the Panel;

5. a schedule for the filing of evidence by Medra and the filing of final written submissions by both parties will be established when the hearing reconvenes on December 19, 2012; and

6. the Panel may recall Staff's Affiants for further questions on the affidavits if, in the opinion of the Panel, further clarification of the evidence is necessary.

AND WHEREAS on December 10, 2012, Staff filed the affidavit of Allister Field sworn December 10, 2012 and Staff's submissions setting out Staff's position with respect to the findings of fact the Panel is asked to make in respect of the evidence from Staff's Affiants, which submissions and affidavit were served on Medra on December 10, 2012 as set out in the Affidavit of Michelle Spain sworn on December 19, 2012 and filed with the Commission;

AND WHEREAS on December 19, 2012, Staff appeared before the Panel and no one appeared for Medra;

AND WHEREAS Staff made submissions on the affidavits of Staff's Affiants and the scheduling of the filing of evidence by Medra and the filing of final written submissions by both parties;

AND WHEREAS on December 19, 2012, the Commission ordered that:

1. Medra shall serve and file, no later than January 18, 2013, any evidence Medra seeks to file in this matter;

2. Staff shall serve and file, no later than January 25, 2013, any evidence Staff seeks to file in reply;

3. Staff shall serve and file, no later than February 15, 2013, Staff's written closing submissions;

4. Medra shall serve and file, no later than February 22, 2013, Medra's written closing submissions;

5. Staff shall serve and file, no later than February 28, 2013, Staff's reply submissions, if any;

6. the Merits Hearing will be reconvened on April 2, 2013 for the purpose of hearing oral closing submissions of Staff and Medra; and

7. the Panel may recall Staff's Affiants for further questions on the affidavits if, in the opinion of the Panel, further clarification of the evidence is necessary.

AND WHEREAS on January 4, 2013, the Commission ordered, further to the order dated December 19, 2012, that the Merits Hearing be reconvened on April 2, 2013 at 10:00 a.m. for the purpose of hearing oral closing submissions from Staff and Medra;

AND WHEREAS on April 2, 2013, Staff appeared before the Panel and made closing submissions and no one appeared for Medra;

IT IS ORDERED THAT Staff shall serve and file supplementary written submissions in respect of the conduct referred to at paragraph 37 of the Amended Statement of Allegations by April 15, 2013 at 5:00 p.m.;

DATED at Toronto this 2nd day of April, 2013.

"Vern Krishna"

2.2.4 HOMEQ Corporation – s. 1(6) of the OBCA

**IN THE MATTER OF
THE BUSINESS CORPORATIONS ACT (ONTARIO)
R.S.O. 1990, c. B.16, AS AMENDED
(the OBCA)**

AND

**IN THE MATTER OF
HOMEQ CORPORATION
(the Applicant)**

**ORDER
(Subsection 1(6) of the OBCA)**

UPON the application of the Applicant to the Ontario Securities Commission (the **Commission**) for an order pursuant to subsection 1(6) of the OBCA to be deemed to have ceased to be offering its securities to the public;

AND UPON the Applicant representing to the Commission that:

1. The head office of the Applicant is located at 45 St. Clair Avenue West, Suite 600, Toronto, Ontario, M4V 1K9.

2. On March 30, 2012, HOMEQ Corporation and Monaco Acquisition Inc. (**Monaco**) (a newly incorporated entity controlled by Birch Hill Equity Partners Management Inc. (**Birch Hill**)) entered into an arrangement agreement pursuant to which Monaco would acquire all of the issued and outstanding Common Shares of HOMEQ Corporation (the **Common Shares**) for cash consideration of $9.50 per Common Share under a court-approved plan of arrangement under Section 182 of the OBCA (the **Arrangement**).

3. The Arrangement was approved by the shareholders of HOMEQ Corporation on May 28, 2012 and by the court on May 30, 2012 and October 5, 2012.

4. In connection with the Arrangement, certain of HOMEQ Corporation's directors and officers, namely Steven Ranson (President and Chief Executive Officer and a director), Gary Krikler (Senior Vice President and Chief Financial Officer), Greg Bandler (Senior Vice President, Sales and Marketing), Celia Cuthbertson (Vice President, General Counsel and Corporate Secretary), Scott Cameron (Vice President, Finance), Wendy Dryden (Vice President, Mortgage Operations) and Daniel Jauernig (a director) and certain of their related parties (collectively, the **Rollover Shareholders**) transferred, prior to the effective time of the Arrangement, Common Shares owned or controlled directly or indirectly by them to Monaco in exchange for common shares of Monaco. On the day prior to the closing of the Arrangement, 10 Rollover Shareholders became shareholders of Monaco.

5. The Arrangement was completed on November 30, 2012 and Monaco became the sole shareholder of HOMEQ Corporation on that date. Immediately following the effective time of the Arrangement on November 30, 2012, Monaco and HOMEQ Corporation amalgamated (the **Amalgamation**) to form the Applicant and the shareholders of Monaco became the shareholders of the Applicant. Upon completion of the Amalgamation, the Applicant became a reporting issuer and an "offering corporation" as defined in the OBCA.

6. The Common Shares were de-listed from the Toronto Stock Exchange at the close of trading on December 4, 2012. No securities of the Applicant, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 – *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publically reported.

7. The Applicant has no intention of seeking public financing by way of an offering of securities in a jurisdiction of Canada by way of private placement or public offering.

8. The Applicant ceased to be a reporting issuer in the province of British Columba on December 15, 2012.

9. The Applicant is not in default of any of its obligations under securities legislation in any of the jurisdictions in Canada in which it is currently a reporting issuer. The Applicant has applied for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer (the **Reporting Issuer Relief**).

10. Subsequent to the completion of the Amalgamation, the Applicant has no securities outstanding except common shares. The Applicant has 14 registered common shareholders all of which are resident in or organized under the laws of the province of Ontario; the 10 Rollover Shareholders and 4 funds all of which are controlled or managed by Birch Hill. One of these registered shareholders, HOMEQ Co-Invest LP, a fund managed by Birch Hill, was created solely for the purpose of holding securities of the Applicant; therefore, its two limited partners counted as holders of the Applicant's shares for purposes of CSA Staff Notice 12-307 – *Applications for a Decision that an Issuer is not a Reporting Issuer*.

11. The Applicant's outstanding securities, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in

each jurisdiction of Canada (except Ontario, where it has 15 securityholders) and by fewer than 51 securityholders in total worldwide.

12. Upon the grant of the Reporting Issuer Relief, the Applicant will no longer be a reporting issuer or the equivalent in any jurisdiction of Canada.

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

IT IS HEREBY ORDERED by the Commission pursuant to subsection 1(6) of the OBCA that the Applicant be deemed to have ceased to be offering its securities to the public for the purpose of the OBCA.

DATED at Toronto on this 18th day of March, 2013.

"Eward P. Kerwin"
Ontario Securities Commission

"Paulette L. Kennedy"
Ontario Securities Commission

2.2.5 Paul Azeff et al. – Rule 9 of the OSC Rules of Procedure

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

AND

IN THE MATTER OF
PAUL AZEFF, KORIN BOBROW,
MITCHELL FINKELSTEIN, HOWARD JEFFREY MILLER
AND MAN KIN CHENG (a.k.a. FRANCIS CHENG)

ORDER
(Rule 9 of the Ontario Securities Commission's Rules of Procedure (2012), 35 O.S.C.B. 10071)

WHEREAS on September 22, 2010, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing, pursuant to ss. 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Securities Act"), accompanied by a Statement of Allegations of Staff of the Commission ("Staff") with respect to the Respondents Howard Jeffrey Miller ("Miller") and Man Kin Cheng ("Cheng") for a hearing to commence on October 18, 2010;

AND WHEREAS the Respondents were served with the Notice of Hearing and Statement of Allegations dated September 22, 2010 on September 22, 2010;

AND WHEREAS at a hearing on October 18, 2010, counsel for Staff, counsel for the Respondent Cheng, and Miller, appearing on his own behalf, consented to the scheduling of a confidential pre-hearing conference on January 11, 2011 at 3:00 p.m.;

AND WHEREAS on November 11, 2010, the Commission issued a Notice of Hearing, pursuant to ss. 127 and 127.1 of the *Securities Act*, accompanied by an Amended Statement of Allegations of Staff which added the Respondents Paul Azeff ("Azeff"), Korin Bobrow ("Bobrow") and Mitchell Finkelstein ("Finkelstein"), for a hearing to commence on January 11, 2011;

AND WHEREAS the Respondents were served with the Notice of Hearing and Amended Statement of Allegations dated November 11, 2010 on November 11, 2010;

AND WHEREAS following a hearing on January 11, 2011, counsel for Staff, counsel for the Respondents Azeff, Bobrow, Finkelstein and Cheng, and Miller, appearing on his own behalf, attended a confidential pre-hearing conference;

AND WHEREAS at the confidential pre-hearing conference on January 11, 2011, all parties made submissions regarding the disclosure made by Staff and it was ordered by the Commission, on the consent of all parties, that Staff and the Respondents would exchange written proposals concerning outstanding disclosure issues

and that a motion date would be set for February 22, 2011 regarding disclosure issues, if necessary;

AND WHEREAS at the request of the Respondents, and on the consent of Staff, it was agreed that the February 22, 2011 motion date would be adjourned to April 8, 2011;

AND WHEREAS a disclosure motion was held on April 8, 2011 and, after submissions by the parties, the Panel issued a Confidentiality Order and Adjournment Order dated April 8, 2011, adjourning the Respondents' disclosure motion and the hearing in this matter to a pre-hearing conference, the date of which was to be agreed to by the parties and provided to the Office of the Secretary;

AND WHEREAS on April 18, 2011, Staff filed an Amended Amended Statement of Allegations;

AND WHEREAS the Panel issued an amended Confidentiality Order and Adjournment Order dated April 19, 2011 scheduling, on consent of all parties, a confidential pre-hearing conference on June 2, 2011 at 10:00 a.m.;

AND WHEREAS all parties consented to an adjournment of the confidential pre-hearing conference from June 2, 2011 at 10:00 a.m. to August 17, 2011 at 10:00 a.m. to allow Staff to provide the Respondents with further disclosure in this matter;

AND WHEREAS on July 6, 2011, counsel for Finkelstein served Staff with motion materials seeking a stay of the proceeding against him (the "Stay Motion") and Staff indicated that: a) it intended to bring a motion that the Stay Motion is premature and should be heard at the hearing on the merits (the "Prematurity Motion"); and b) it intended to bring a motion to seek leave to put before the Panel at the hearing of the Stay Motion certain "without prejudice" communications (the "Privilege Motion");

AND WHEREAS counsel for Azeff and Bobrow indicated that they intend to bring a motion to compel records from a third party (the "Third Party Records Motion");

AND WHEREAS the Respondents advised that they may seek to continue the hearing of the previous disclosure motion, which had been held on April 8, 2011 and had been adjourned on April 8, 2011 and June 1, 2011, or may bring other motions relating to disclosure issues (the "Disclosure Motion");

AND WHEREAS a pre-hearing conference was held on August 17, 2011 and Staff and the Respondents made submissions regarding the scheduling of the various motions, including the Stay Motion, the Prematurity Motion, the Privilege Motion, the Third Party Records Motion and the Disclosure Motion;

AND WHEREAS on August 30, 2011, the Commission ordered that the Privilege Motion be heard on September 26, 2011; the Prematurity Motion and the Stay Motion be heard together commencing on November 9, 2011; the Third Party Records Motion be scheduled to be heard on a date after the Prematurity Motion and the Stay Motion have been heard and decided; the Disclosure Motion be adjourned to a date that will be fixed after the four motions have been heard and decided; and dates for the hearing on the merits of the matter be set after the five motions have been heard and decided (the "Scheduling Order");

AND WHEREAS the Privilege Motion, the Prematurity Motion and the Stay Motion have been heard and decided in accordance with the Scheduling Order;

AND WHEREAS Staff requested a pre-hearing conference to request, among other things, that the Scheduling Order be amended to schedule the Third Party Records Motion, the Disclosure Motion and the hearing on the merits;

AND WHEREAS a pre-hearing conference was held on October 2, 2012 at which time Staff and counsel for the Respondents attended and made submissions;

AND WHEREAS on October 2, 2012, the Commission ordered that the request for a summons to compel the production of certain records of a third party and any motion to quash such summons proceed in accordance with Rule 4.7, and that a pre-hearing conference be held on January 16, 2013 at which time the Commission would consider scheduling the Disclosure Motion and the hearing on the merits;

AND WHEREAS a pre-hearing conference was held on January 16, 2013, and Staff and the Respondents made submissions regarding the scheduling of the Third Party Records Motion, the Disclosure Motion and the hearing on the merits;

AND WHEREAS all parties have the right to bring any other motions should issues subsequently arise;

AND WHEREAS on January 16, 2013, the Commission ordered that: (i) the Third Party Records Motion to review the issuance of a summons shall be heard on April 8, 2013 at 10:00 a.m.; (ii) the Disclosure Motion shall be heard on July 17, 2013 at 10:00 a.m.; and (iii) the hearing on the merits shall commence on May 5, 2014, and continue up to and including June 20, 2014, save and except for Monday, May 19 (Victoria Day), and the alternate Tuesdays each month when meetings of the Commission are scheduled, the dates of which are unknown at this time.

AND WHEREAS on February 28, 2013, counsel for Bobrow, on notice to counsel for Azeff and Staff, requested an adjournment of the Third Party Records Motion , Staff did not oppose the adjournment request, provided that the dates for the Disclosure Motion and the hearing on the merits are preserved;

AND WHEREAS counsel for Bobrow, on notice to counsel for Azeff, the Third Party and Staff, indicated his

availability and the availability of counsel for the Third Party any day of the week of July 8-12, 2013;

AND WHEREAS the Respondents, apart from Bobrow and Azeff, do not intend to participate in the Third Party Records Motion;

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 of the Third Party Records Motion, which was scheduled for April 8, 2013, is vacated;

IT IS FURTHER ORDERED THAT the Third Party Records Motion is adjourned to July 9, 2013, at 10:00 a.m., provided that a summons has been requested of, and issued by, the Commission and a timely motion to quash the summons has been filed with the Office of the Secretary in accordance with Rule 3 and Rule 4.7.

DATED at Toronto this 4th day of April, 2013.

"Edward P. Kerwin"

2.2.6 JV Raleigh Superior Holdings Inc. et al. – Rule 9.2 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
JV RALEIGH SUPERIOR HOLDINGS INC.,
MAISIE SMITH (also known as MAIZIE SMITH)
and INGRAM JEFFREY ESHUN

ORDER
(Rule 9.2 of the Commission's Rules of Procedure
(2012), 35 O.S.C.B. 10071)

WHEREAS on February 22, 2013, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to subsections 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in respect of JV Raleigh Superior Holdings Inc. ("JV Raleigh"), Maisie Smith (also known as Maizie Smith) ("Smith") and Ingram Jeffrey Eshun ("Eshun") (together, the "Respondents");

AND WHEREAS on February 15, 2013, Staff of the Commission ("Staff") filed a Statement of Allegations in respect of the same matter;

AND WHEREAS on March 6, 2013, the Commission considered the adjournment request of Eshun and heard an application by Staff to convert the matter to a written hearing, in accordance with Rule 11.5 of the Ontario Securities Commission *Rules of Procedure* (2012), 35 O.S.C.B. 10071 (the "*Rules of Procedure*"), and subsection 5.1(2) of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended;

AND WHEREAS the Respondents did not appear, although properly served as evidenced by the affidavit of Lee Crann sworn February 28, 2013;

AND WHEREAS pursuant to Rule 9.2 of the *Rules of Procedure*, the Commission considered the relevant factors in deciding whether to grant an adjournment;

AND WHEREAS the Commission perceived no immediate threat to Ontario's capital markets and noted that Eshun has advised the Commission that he intends to retain counsel;

AND WHEREAS on March 6, 2013, the Commission ordered, without precluding Eshun or the other Respondents from objecting to a written hearing, that:

(a) Staff shall file material in respect of the hearing, and provide such material to the Respondents, no later than March 8, 2013;

(b) The Respondents shall advise the Commission whether or not they have retained counsel, and the name of such counsel, no later than April 8, 2013;

(c) Respondents' counsel, if any, shall advise the Commission whether or not the Respondents object to a written hearing, no later than April 8, 2013;

(d) If the Respondents do not object to a written hearing, the Respondents' responding materials, if any, shall be filed with the Commission and provided to all other parties no later than April 15, 2013; and

(e) If the Respondents do object to a written hearing, the Commission shall hold a hearing on April 15, 2013 at 9:00 a.m. to determine whether to continue the hearing as a written hearing pursuant to Rule 11 or as an oral hearing pursuant to Rule 10 of the *Rules of Procedure*.

AND WHEREAS on April 3, 2013 the Commission received correspondence from Eshun which indicated that he had not retained counsel and had not yet returned to Ontario and in which Eshun requested an adjournment of the hearing to May 22, 2013;

AND WHEREAS it appears to the Commission that Eshun is objecting to the application for a written hearing;

AND WHEREAS the Commission has considered the relevant factors in Rule 9.2 of the *Rules of Procedure* in deciding whether to grant an adjournment;

AND WHEREAS the Commission has also considered that it was Eshun who had requested in February 2013 that the matter be heard on April 15, 2013;

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

IT IS ORDERED that the request for an adjournment is dismissed and the Commission shall hold a hearing on April 15, 2013 at 9:00 a.m. for the sole purpose of determining whether this matter shall proceed in writing.

DATED at Toronto this 4th day of April, 2013.

"Alan J. Lenczner"

2.2.7 MBS Group (Canada) Ltd. and Balbir 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
MBS GROUP (CANADA) LTD. AND BALBIR AHLUWALIA

ORDER
(Sections 37, 127 and 127.1 of the Securities Act)

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**"), Mohinder Ahluwalia ("**Mohinder**") and Balbir Ahluwalia ("**Balbir**") (collectively, the "**Respondents**");

AND WHEREAS on September 21, 2012, Staff filed an Amended Statement of Allegations with respect to MBS and Balbir;

AND WHEREAS on October 10, 2012, the Commission ordered that Mohinder be severed from this proceeding;

AND WHEREAS the hearing on the merits relating to MBS and Balbir (the "**Merits Hearing**") commenced on October 22, 2012 and continued on October 24, 25, 26, 29 and 31, 2012;

AND WHEREAS on October 31, 2012, Staff and Balbir jointly presented a document entitled Agreed Statement of Facts and Respondents' Admissions (the "**Agreed Statement of Facts**") to the Panel in which Balbir admits and acknowledges that he and MBS acted in contravention of subections 25(1) and 53(1) and section 129.2 of the Act as alleged in Staff's Amended Statement of Allegations dated September 21, 2012;

AND WHEREAS on November 5, 2012, after considering the Agreed Statement of Facts and hearing the submissions of Staff and Balbir, the Panel found that:

(a) Any and all evidence entered in the Merits Hearing is withdrawn in its entirety and replaced by the Agreed Statement of Facts, in which Balbir admits and acknowledges that he and MBS contravened subsections 25(1) and 53(1) and section 129.2 of the Act; and

(b) A sanctions hearing in this matter will take place on January 10 and 11, 2013, which dates have been set with the

consent of the parties, exclusively in respect of the facts and admissions contained in the Agreed Statement of Facts;

AND WHEREAS on January 10, 2013, the Commission held a hearing with respect to the sanctions and costs to be imposed in this matter;

AND WHEREAS the Commission is satisfied that MBS and Balbir have not complied with Ontario securities law and have acted contrary to the public interest, as described in the Reasons and Decision on Sanctions and Costs in this matter;

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

IT IS ORDERED that:

(a) Pursuant to paragraph 2 of subsection 127(1) of the Act, the Respondents shall cease trading in securities for a period 10 years from the date of the Order provided that the entire amount of the payments set out in paragraphs (i), (j), (k), and (l) below has been paid in full. If such amounts remain unpaid, the Respondents shall cease trading in securities without limitation as to time.

(b) Pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by the Respondents is prohibited for a period of 10 years from the date of the Order provided that the entire amount of the payments set out in paragraphs (i), (j), (k), and (l) below has been paid in full. If such amounts remain unpaid, the Respondents shall be prohibited from acquiring securities without limitation as to time.

(c) Pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to the Respondents for a period of 10 years from the date of the Order provided that the payments set out in paragraphs (i), (j), (k), and (l) below has been paid in full. If such amounts remain unpaid, any exemptions contained in Ontario securities law shall not apply to the Respondents without limitation as to time.

(d) Pursuant to paragraph 6 of subsection 127(1) of the Act, Balbir is reprimanded.

(e) Pursuant to paragraph 7 of subsection 127(1) of the Act, Balbir shall resign all positions that he may hold as a director or officer of an issuer.

(f) Pursuant to paragraphs 8, 8.2, and 8.4 of subsection 127(1) of the Act, Balbir is prohibited permanently from becoming or acting as a director or officer of any issuer, registrant, and investment fund manager.

(g) Pursuant to paragraph 8.5 of subsection 127(1) of the Act, Balbir is prohibited permanently from becoming or acting as a registrant, as an investment fund manager or as a promoter.

(h) Pursuant to section 37 of the Act, Balbir shall be prohibited permanently from telephoning from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or any class of securities.

(i) Pursuant to paragraph 9 of subsection 127(1) of the Act, Balbir shall pay an administrative penalty of $100,000.

(j) Pursuant to paragraph 10 of subsection 127(1) of the Act, Balbir shall disgorge to the Commission $164,000 obtained as a result of his non-compliance with Ontario securities law.

(k) Pursuant to paragraph 10 of subsection 127(1) of the Act, Balbir and MBS shall disgorge to the Commission, on a joint and several basis, $936,000 obtained as a result of the non-compliance by MBS and Balbir with Ontario securities law.

(l) Pursuant to section 127.1 of the Act, Balbir shall pay costs incurred by the Commission in the amount of $10,000.

(m) All amounts received by the Commission in respect of the administrative penalty ordered in paragraph (i) above and the disgorgement amounts ordered in paragraphs (j) and (k) above are to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act.

Dated at Toronto this 3rd day of April, 2013.

"Christopher Portner"

2.2.8 Energy Syndications Inc. et al. – Rule 1.5.3 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
ENERGY SYNDICATIONS INC.,
GREEN SYNDICATIONS INC.,
SYNDICATIONS CANADA INC.,
DANIEL STRUMOS, MICHAEL BAUM
and DOUGLAS WILLIAM CHADDOCK**

**ORDER
(Rule 1.5.3 of the Ontario Securities Commission
Rules of Procedure (2012), 35 O.S.C.B. 10071)**

WHEREAS on March 30, 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 relation to a Statement of Allegations filed by Staff of the Commission ("Staff") on March 30, 2012 in respect of Energy Syndications Inc. ("Energy"), Green Syndications Inc. ("Green"), Syndications Canada Inc. ("Syndications") (collectively, the "Corporate Respondents"), Daniel Strumos, ("Strumos"), Michael Baum ("Baum"), and Douglas William Chaddock ("Chaddock") (collectively, the "Respondents");

AND WHEREAS the Notice of Hearing set a hearing in this matter for April 11, 2012 at 11:30 a.m.;

AND WHEREAS on April 11, 2012, Strumos, Baum, and Chaddock, on his own behalf and on behalf of the Corporate Respondents, attended the hearing;

AND WHEREAS on April 11, 2012, the Commission ordered that the matter was adjourned to a confidential pre-hearing conference to be held on July 18, 2012 at 10:00 a.m.;

AND WHEREAS on July 18, 2012, a confidential pre-hearing conference was held, at which Strumos, Baum and Chaddock, on his own behalf and on behalf of the Corporate Respondents, attended;

AND WHEREAS on July 18, 2012, the Commission ordered that the matter was adjourned to a confidential pre-hearing conference to be held on August 21, 2012 at 10:00 a.m.;

AND WHEREAS on August 21, 2012, a confidential pre-hearing conference was held, at which Baum, Chaddock, on his own behalf and on behalf of the Corporate Respondents, and Strumos and his counsel attended;

AND WHEREAS on August 21, 2012, the Commission ordered that the matter was adjourned to a confidential pre-hearing conference to be held on October 2, 2012 at 10:00 a.m. for the purpose of scheduling the hearing on the merits in this matter;

AND WHEREAS on October 2, 2012, a confidential pre-hearing conference was held, at which Baum, Chaddock, on his own behalf and on behalf of the Corporate Respondents, and Strumos and his counsel attended;

AND WHEREAS Staff requested that a motion be scheduled to resolve outstanding disclosure issues (the "Disclosure Motion");

AND WHEREAS on October 2, 2012, the Commission ordered that the Disclosure Motion take place on December 19, 2012 at 10:00 a.m.;

AND WHEREAS on October 2, 2012, the Commission further ordered that the hearing on the merits in this matter shall commence on April 8, 2013 and continue thereafter on April 10, 11, 12, 15, 16, 22, 24, 29, 30 and May 6 and 8, 2013, or on such further dates as agreed to by the parties and set by the Office of the Secretary;

AND WHEREAS on December 13, 2012, Staff withdrew the Disclosure Motion and the hearing date for the Disclosure Motion was vacated;

AND WHEREAS the parties were requested to attend a confidential case management conference scheduled for April 3, 2013 at 9:00 a.m.;

AND WHEREAS on April 3, 2013, Chaddock, on his own behalf and on behalf of the Corporate Respondents, attended the case management conference;

AND WHEREAS Staff filed an Affidavit of Attempted Service sworn April 1, 2013, which set out Staff's unsuccessful attempts to serve Baum since November 13, 2012, and requested that service be waived pursuant to Rule 1.5.3 of the Ontario Securities Commission *Rules of Procedure* (2012), 35 O.S.C.B. 10071 ("Rules");

AND WHEREAS Chaddock took no position on Staff's request for an order for waiver of service;

AND WHEREAS, upon considering the submissions of Staff, the Commission is of the opinion that it is in the public interest to make this order;

IT IS ORDERED that service of Baum is waived pursuant to Rule 1.5.3 of the Rules.

DATED at Toronto this 3rd day of April, 2013.

"Alan J. Lenczner"

2.2.9 Onix International Inc. and Tyrone Constantine Phipps – s. 127

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

AND

IN THE MATTER OF
ONIX INTERNATIONAL INC. and
TYRONE CONSTANTINE PHIPPS

ORDER
(Section 127)

WHEREAS on March 7, 2013, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing (the "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 of Staff of the Commission dated March 7, 2013 with respect to Onix International Inc. ("Onix International") and Tyrone Constantine Phipps ("Phipps") (collectively, the "Respondents");

AND WHEREAS the Notice of Hearing provided that a hearing would be held at the offices of the Commission on April 3, 2013;

AND WHEREAS on April 3, 2013, Staff attended the hearing and Phipps attended on behalf of himself and Onix International;

AND WHEREAS Staff requested that a pre-hearing conference be scheduled in this matter;

AND WHEREAS Phipps consented to the scheduling of a pre-hearing conference;

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

IT IS HEREBY ORDERED that the hearing is adjourned to a confidential pre-hearing conference to be held on May 13, 2013 at 11:30 a.m.

DATED at Toronto this 4th day of April, 2013.

"James D. Carnwath"

2.2.10 IIROC – s. 147 of the Act and s. 80 of the CFA

Headnote

Application under section 147 of the *Securities Act* (Ontario) and under section 80 of the *Commodity Futures Act* (Ontario) for an exemption from section 9 of Appendix A of IIROC's recognition order in connection with the distribution of settlement funds and interest earned on these funds paid to IIROC by a member firm under a settlement agreement that resolved proposed proceedings related to the sale of third-party asset-backed commercial paper.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 147.
Commodity Futures Act, R.S.O. 1990, c. C.20, as am., s. 80.

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

AND

IN THE MATTER OF
THE COMMODITY FUTURES ACT, R.S.O. 1990, CHAPTER C.20, AS AMENDED
(the "CFA")

AND

IN THE MATTER OF
INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA
("IIROC")

ORDER
(Section 147 of the Act and Section 80 of the CFA)

UPON the application ("the Application") of Investment Industry Regulatory Organization of Canada ("IIROC") to the Ontario Securities Commission (the "Commission") for an order pursuant to section 147 of the *Securities Act* (Ontario) (the "Act") and to section 80 of the *Commodity Futures Act* (Ontario) (the "CFA") exempting IIROC from the requirements of Section 9 of Appendix A ("Section 9") of the Commission's Order dated May 16, 2008, effective June 1, 2008, as varied and restated by an Order of the Commission dated May 28, 2010, recognizing IIROC as a self-regulatory organization ("SRO") pursuant to section 21.1 of the Act and subsection 16(1) of the CFA, in connection with the proposed distribution by IIROC of funds (including interest earned on those funds, the "Settlement Funds") paid to it by Deutsche Bank Securities Ltd. ("DBSL") under a settlement agreement accepted by an IIROC hearing panel on February 8, 2013 (the "Settlement Agreement") that resolved a proceeding related to the sale of third-party asset-backed commercial paper ("ABCP") by DBSL to clients who purchased ABCP from it in the circumstances described in the Settlement Agreement;

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

AND UPON IIROC having represented to the Commission that:

1. IIROC has been recognized as an SRO under the Act and the CFA and under similar legislation in all other provinces of Canada.

2. On February 8, 2013, IIROC announced that it had reached a settlement with DBSL, which settlement resulted from investigations into the Canadian ABCP market after August, 2007.

3. Under the Settlement Agreement, DBSL paid IIROC $1,000,000 in Settlement Funds.

4. Subsequent to the settlement, IIROC determined, with the approval of its Corporate Governance Committee, to allocate the Settlement Funds to investors who purchased ABCP from DBSL.

5. IIROC wishes to distribute the Settlement Funds to investors who purchased ABCP issued by Coventree Inc. ("Coventree ABCP") from DBSL between July 25 and August 10, 2007, inclusive, who continued to hold this ABCP on August 13, 2007, the date the third-party ABCP market froze, and who were not aware of the fact that a number of

Coventree conduits contained significant U.S. subprime exposure, as disclosed in an email sent to DBSL by Coventree on July 24, 2007.

6. Each such investor will receive a proportionate amount of the Settlement Funds, based on the purchase price paid by the investor, less any cash amounts received by the investor with respect to its Coventree ABCP on or before January 12, 2009 or from DBSL thereafter.

7. IIROC will publish a news release announcing its proposed distribution and the terms on which investors are eligible to obtain their proportionate amount of the Settlement Funds and will send a notice (the "Notice") to all such investors, describing the eligibility criteria and the method of calculating the funds to be distributed to them.

8. The eligibility criteria and terms will be the same as those in previous distributions of settlement funds paid by IIROC member firms that resulted from the same investigations, which distributions were permitted under an exemption granted by the Commission on March 23, 2012 and published in (2012) 35 OSCB 3386.

9. DBSL will not be permitted to receive any of the Settlement Funds, directly or indirectly.

10. IIROC will retain an administrator (the "Administrator") to administer the distribution of the Settlement Funds and wishes to pay the Administrator's fees and expenses from the Settlement Funds.

11. Section 9 restricts the use of the Settlement Funds to specified purposes that benefit investors; it permits IIROC to use payments made under settlement agreements for the administration of its disciplinary hearing panels or, subject to approval by IIROC's Corporate Governance Committee, the development of systems and other non-recurring capital expenditures necessary to address emerging regulatory issues and education about and research into investing and similar matters, but these purposes do not permit it to use the Settlement Funds to benefit investors by distributing the Settlement Funds or paying the costs of administration relating to distribution of the Settlement Funds.

AND UPON the Commission being satisfied that it would not be prejudicial to the public interest for the Commission to grant the requested exemption:

IT IS ORDERED pursuant to section 147 of the Act and section 80 of the CFA that IIROC is exempt from Section 9 with respect to the distribution of the Settlement Funds to clients of DBSL who satisfy the eligibility criteria in the Notice, including the costs of administration of the distribution.

DATED at Toronto this 2nd day of April, 2013.

"Christopher Portner"

"Vern Krishna"

2.2.11 Eda Marie Agueci 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
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

ORDER
(Section 127)

WHEREAS the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and Staff of the Commission ("Staff") filed a Statement of Allegations in this matter on February 7, 2012 against Eda Marie Agueci ("Agueci"), Dennis Wing ("Wing"), Santo Iacono ("Iacono"), Josephine Raponi ("Raponi"), Kimberley Stephany ("Stephany"), Henry Fiorillo ("Fiorillo"), Giuseppe (Joseph) Fiorini ("Fiorini"), John Serpa ("Serpa"), Ian Telfer ("Telfer"), Jacob Gornitzki ("Gornitzki") and Pollen Services Limited ("Pollen"), (collectively, the "Respondents");

AND WHEREAS at a pre-hearing conference held on December 17, 2012, certain scheduling matters were agreed to by the parties;

AND WHEREAS on January 28, 2013, the Commission ordered that the matter be adjourned to a pre-hearing conference to be held on April 3, 2013 at 10:00 a.m.;

AND WHEREAS at a pre-hearing conference on April 3, 2013, counsel for Staff, counsel for Wing, counsel for Iacono, counsel for Fiorillo, counsel for Fiorini, counsel for Telfer, and counsel for Gornitzki appeared before the Commission;

AND WHEREAS counsel for Agueci, counsel for Raponi and counsel for Stephany did not appear at the pre-hearing conference on April 3, 2013 but were in communication with Staff regarding their positions with respect to Staff's proposed submissions;

AND WHEREAS at the pre-hearing conference on April 3, 2013, certain scheduling matters were agreed to by the parties;

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

IT IS HEREBY ORDERED that:

1. a further pre-hearing conference shall take place on a date after June 9, 2013 but before June 22, 2013 to be fixed by the Registrar;

2. any motion regarding reading in of compelled examinations shall be brought before the panel assigned to the hearing on the merits of this matter;

3. Staff's proposed read-ins of the compelled examinations of Agueci and Wing will be delivered by Staff to counsel for each of the Respondents by April 30, 2013; and

4. Staff will provide an Agreed Statement of Facts to counsel for each of the Respondents regarding all allegations in this matter by May 30, 2013.

DATED at Toronto this 8th day of April, 2013.

"James D. Carnwath"

2.2.12 Energy Syndications Inc. et al. – Rule 9 of the OSC Rules of Procedure

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

AND

IN THE MATTER OF
ENERGY SYNDICATIONS INC.,
GREEN SYNDICATIONS INC.,
SYNDICATIONS CANADA INC.,
DANIEL STRUMOS, MICHAEL BAUM
and DOUGLAS WILLIAM CHADDOCK

ORDER
(Rule 9 of the Ontario Securities Commission Rules of Procedure (2012), 35 O.S.C.B. 10071)

WHEREAS on April 13, 2013, the Ontario Securities Commission (the "Commission") convened to conduct a hearing on the merits with respect to the allegations contained in the Statement of Allegations filed by Staff of the Commission ("Staff") on March 30, 2012 in respect of Energy Syndications Inc., Green Syndications Inc., Syndications Canada Inc., Daniel Strumos ("Strumos"), Michael Baum ("Baum"), and Douglas William Chaddock ("Chaddock");

AND WHEREAS Staff, Chaddock and Strumos attended, Baum not appearing;

AND WHEREAS Chaddock moved to adjourn the hearing on the merits as a result of his health situation;

AND WHEREAS, upon considering the submissions of Chaddock and of Staff, and upon reviewing the medical brief provided by Chaddock, the Commission is of the opinion that it is in the public interest to make this order;

IT IS ORDERED that:

1. The hearing on the merits is adjourned until 10:00 a.m. on May 14, 2013, and will continue on May 15, 16, 17, 22, 23 and 24, 2013.

2. On or before May 6, 2013, Chaddock shall provide a report to the Commission from his neurologist, detailing any cognitive deficiency of Chaddock that might affect his ability to understand and respond to evidence, what treatment plan has been undertaken and whether and when it is reasonably expected that there will be improvement in Chaddock's ability to understand and respond to evidence.

3. A copy of this order shall be forthwith provided to the neurologist.

4. This matter will come back on for hearing on May 8, 2013, at 9:00 a.m., to permit a further motion for adjournment to be made, if necessary.

DATED at Toronto this 8th day of April, 2013.

"Alan Lenczner"

2.2.13 Magna International Inc. – s. 104(2)(c)

Headnote

Clause 104(2)(c) – Issuer bid – relief from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act – Issuer proposes to purchase, at a discounted purchase price, up to 3,735,000 of its common shares from two of its shareholders – due to discounted purchase price, proposed purchases cannot be made through TSX trading system – but for the fact that the proposed purchases cannot be made through the TSX trading system, the Issuer could otherwise acquire the subject shares in reliance upon the issuer bid exemption available under section 101.2 of the Securities Act and in accordance with the TSX rules governing normal course issuer bid purchases – no adverse economic impact on or prejudice to issuer or public shareholders – proposed purchases exempt from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act, subject to conditions, including that the issuer not purchase more than one-third of the maximum number of shares to be purchased under its normal course issuer bid by way of off-exchange block purchases.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 94 to 94.8, 97 to 98.7, 104(2)(c).

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

AND

IN THE MATTER OF
MAGNA INTERNATIONAL INC.

ORDER
(Clause 104(2)(c))

UPON the application (the "**Application**") of Magna International Inc. (the "**Issuer**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to clause 104(2)(c) of the *Securities Act* (Ontario) (the "**Act**") exempting the Issuer from the requirements of sections 94 to 94.8, inclusive, and sections 97 to 98.7, inclusive, of the Act (the "**Issuer Bid Requirements**") in connection with the proposed purchases (the "**Proposed Purchases**") by the Issuer of up to 3,735,000 common shares of the Issuer (the "**Subject Shares**") in tranches, from one or both of National Bank of Canada ("**NBC**") and Royal Bank of Canada ("**RBC**") (each, a "**Selling Shareholder**" and collectively, the "**Selling Shareholders**");

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

AND UPON the Issuer (and each Selling Shareholder in respect of paragraphs 5, 6, 7, 8, 11, 22 and 23 as they relate to the Selling Shareholder) having represented to the Commission that:

1. The Issuer is a corporation governed by the *Business Corporations Act* (Ontario).

2. The registered and principal business office of the Issuer is 337 Magna Drive, Aurora, Ontario, L4G 7K1.

3. The Issuer is a reporting issuer in each of the provinces of Canada and its common shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") and the New York Stock Exchange (the "**NYSE**") under the symbols "MG" and "MGA", respectively. The Issuer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

4. The Issuer's authorized share capital consists of an unlimited number of common shares ("**Common Shares**"), of which 233,154,283 are issued and outstanding as of December 31, 2012, and 99,760,000 preference shares ("**Preference Shares**") issuable in series. As of December 31, 2012, no Preference Shares are issued or outstanding.

5. RBC has advised the Issuer that its corporate headquarters are located in the Province of Ontario. NBC has advised the Issuer that its corporate headquarters are located in the Province of Quebec. The trades contemplated by this application will be executed and settled in the Province of Ontario. The Issuer had been advised that NBC's Toronto branch office located in the Province of Ontario intends to undertake the negotiation, execution and delivery of the Agreement (defined below) and the execution and settlement of the trades contemplated thereunder.

6. Each Selling Shareholder has advised the Issuer that it does not directly or indirectly beneficially own more than 5% of the issued and outstanding Common Shares.

7. Each of NBC and RBC has advised the Issuer that it is the beneficial owner of at least 2,700,000 Common Shares and 1,035,000 Common Shares, respectively, and that the Subject Shares were not acquired by the respective Selling Shareholder in anticipation of resale pursuant to private agreements under an issuer bid exemption order by a securities regulatory authority ("**Off-Exchange Block Purchase**").

8. Each Selling Shareholder is at arm's length to the Issuer and is not an "insider" of the Issuer or an "associate" of an "insider" of the Issuer, or an "associate" or "affiliate" of the Issuer, as such terms are defined in the Act. Each Selling Shareholder is an "accredited investor" within the meaning of National Instrument 45-106 – *Prospectus and Registration Exemptions*.

9. Pursuant to a Notice of Intention to make a Normal Course Issuer Bid (the "**Notice**") accepted by the TSX effective November 9, 2012, the Issuer announced a normal course issuer bid (the "**Normal Course Issuer Bid**") to purchase up to 12,000,000 Common Shares, representing approximately 5% of the Issuer's public float of Common Shares.

10. In accordance with the Notice, the Normal Course Issuer Bid is conducted through the facilities of the TSX and purchases may also be made on the NYSE or by such other means as may be permitted by the TSX and/or the NYSE, in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX NCIB Rules**"), including, further to an amendment to the Notice made and announced by the Issuer on the date hereof, private agreements under an issuer bid exemption order issued by a securities regulatory authority.

11. The Issuer and one or more Selling Shareholder currently intend to enter into one or more agreements of purchase and sale (each, an "**Agreement**"), pursuant to which the Issuer will, subject to market conditions, agree to acquire some or all of the Subject Shares from the Selling Shareholder in tranches, such tranches to occur not more than once per calendar week and no one tranche to exceed 750,000 Common Shares, each to occur prior to November 12, 2013 (each such purchase, a "**Proposed Purchase**") for a purchase price (each, a "**Purchase Price**") that will be negotiated at arm's length between the Issuer and the Selling Shareholder. The Purchase Price will be at a discount to the prevailing market price on the TSX and below the prevailing bid-ask price for the Issuer's Common Shares at the time of each Proposed Purchase.

12. The Subject Shares acquired under each Proposed Purchase will constitute a "block", as that term is defined in section 628 of the TSX NCIB Rules.

13. The purchases of the Subject Shares by the Issuer pursuant to each Agreement will constitute an "issuer bid" for purposes of the Act, to which the Issuer Bid Requirements would apply.

14. Because the Purchase Price will be at a discount to the prevailing market price on the TSX and below the prevailing bid-ask price for the Issuer's Common Shares, at the time of each Proposed Purchase, each Proposed Purchase cannot be made through the TSX trading system and, therefore, will not occur "through the facilities" of the TSX. As a result, the Issuer will be unable to acquire the Subject Shares from the Selling Shareholders in reliance upon the exemption from the Issuer Bid Requirements that is available pursuant to section 101.2(1) of the Act.

15. But for the fact that the Purchase Price will be at a discount to the prevailing market price on the TSX and below the prevailing bid-ask price for the Issuer's Common Shares, at the time of each Proposed Purchase, the Issuer could otherwise acquire the Subject Shares as a "block purchase" (a "**Block Purchase**") in accordance with the block purchase exception in section 629(1)(7) of the TSX NCIB Rules and the exemption from the Issuer Bid Requirements available pursuant to section 101.2(1) of the Act.

16. The sale of any of the Subject Shares to the Issuer will not be a "distribution" (as defined in the Act).

17. For each Proposed Purchase, the Issuer will be able to acquire the Subject Shares from the Selling Shareholder without the Issuer being subject to the dealer registration requirements of the Act.

18. Management of the Issuer is of the view that the Issuer will be able to purchase the Subject Shares at a lower price than the price at which it would be able to purchase the Subject Shares under the Normal Course Issuer Bid, through the facilities of the TSX, and management is of the view that this is an appropriate use of funds to increase shareholder value.

19. The purchase of the Subject Shares will not adversely affect the Issuer or the rights of any of the Issuer's securityholders and will not materially affect control of the Issuer. To the knowledge of the Issuer, the Proposed Purchases will not prejudice the ability of other securityholders of the Issuer to otherwise sell Common Shares in the open market at the prevailing market price. The Proposed Purchases will be carried out with a minimum cost to the Issuer.

20. To the best of the Issuer's knowledge, as of December 31, 2012, the "public float" for the Issuer's Common Shares represented approximately 99.5% of all issued and outstanding Common Shares for purposes of the TSX NCIB Rules.

21. The market for the Common Shares is a "liquid market" within the meaning of section 1.2 of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

22. Other than the Purchase Price, no additional fee or other consideration will be paid in connection with the Proposed Purchases.

23. At the time that each Agreement is entered into by the Issuer and a Selling Shareholder neither the Issuer nor the Selling Shareholder will be aware of any undisclosed "material change" or any undisclosed "material fact" (each as defined in the

Act) in respect of the Issuer that has not been generally disclosed.

24. The Issuer will not purchase Common Shares pursuant to the Proposed Purchases or its Normal Course Issuer Bid during designated blackout periods administered in accordance with the Issuer's corporate policies.

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that the Issuer be exempt from the Issuer Bid Requirements in connection with the Proposed Purchases, provided that:

(a) the Proposed Purchases will be taken into account by the Issuer when calculating the maximum annual aggregate limit that is imposed upon the Issuer's Normal Course Issuer Bid in accordance with the TSX NCIB Rules;

(b) the Issuer will refrain from conducting a Block Purchase in accordance with the TSX NCIB Rules during the calendar week that it completes each Proposed Purchase and may not make any further purchases under its Normal Course Issuer Bid for the remainder of that calendar day on which it completes each Proposed Purchase;

(c) the Purchase Price for each Proposed Purchase is not higher than the last "independent trade" (as that term is used in paragraph 629(l)1 of the TSX NCIB Rules) of a board lot of Common Shares immediately prior to the execution of each Proposed Purchase;

(d) the Issuer will otherwise acquire any additional Common Shares pursuant to the Issuer's Normal Course Issuer Bid in accordance with the Notice and TSX NCIB Rules, as applicable;

(e) immediately following each Proposed Purchase of the Subject Shares from a Selling Shareholder, the Issuer will report the purchase of the Subject Shares to the TSX;

(f) the Issuer will issue a press release disclosing (i) its intention to make the Proposed Purchases, and where such Proposed Purchases are made in tranches, in advance of the first tranche with each Selling Shareholder, and (ii) that information regarding each Proposed Purchase, including the number of Common Shares purchased and the aggregate purchase price, will be available on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") following the completion of each Proposed Purchase;

(g) the Issuer will report information regarding each Proposed Purchase, including the number of Common Shares purchased and aggregate purchase price, on SEDAR before 5:00 p.m. (Toronto time) on the business day following such purchase;

(h) at the time that each Agreement is entered into by the Issuer and the Selling Shareholder and at the time of each Proposed Purchase, neither the Issuer nor the Selling Shareholder will be aware of any "material change" or "material fact" (each as defined in the Act) in respect of the Issuer that has not been generally disclosed; and

(i) the Issuer does not purchase, pursuant to Off-Exchange Block Purchases, more than one-third of the maximum number of Common Shares that the Issuer can purchase under its Normal Course Issuer Bid.

DATED at Toronto this 22nd day of March, 2013.

"Paulette Kennedy"
Commissioner
Ontario Securities Commission

"Judith Robertson"
CommissionerOntario Securities Commission

2.2.14 Whitemud Resources Inc. – s. 144

Headnote

Application by an issuer for a revocation of a cease trade order – Issuer subject to cease trade order as a result of its failure to file financial statements – Issuer has brought its filings up-to-date – Issuer is otherwise not in default of applicable securities legislation – The Issuer carries on the business of developing a process to mine and process kaolin into a High-Reactivity Metakaolin (HRM) that imparts beneficial properties to concrete mixtures containing up to 20% replacement of Portland cement. The Issuer has launched industrial production from its facility.

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, CHAPTER S.5, AS AMENDED
(the "Act")

AND

IN THE MATTER OF
WHITEMUD RESOURCES INC.

ORDER
(Section 144)

WHEREAS the securities of Whitemud Resources Inc. (the "**Issuer**") are subject to a cease trade order of the Director under the Act dated December 20, 2010 made under paragraph 2 of subsection 127(1) of the Act (the "**Cease Trade Orde**r") ordering that trading in the securities of the Issuer whether direct or indirect cease until the Cease Trade Order is revoked;

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

AND WHEREAS the Issuer has represented to the Commission that:

1. The Issuer was incorporated on April 28, 2005 pursuant to the *Business Corporations Act* (Alberta). The business of the Issuer commenced on April 28, 2005 as the Whitemud Resources Limited Partnership (the ''**Limited Partnership**''), an Alberta limited partnership, of which the Issuer was the general partner. Effective July 31, 2006, the Issuer acquired all of the outstanding units of the Limited Partnership in exchange for common shares of the Issuer. The restructuring resulted in the Issuer being a continuation of business of the Limited Partnership.

2. The Issuer is a reporting issuer under the securities legislation of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba and Quebec. The Issuer is subject to cease trade orders in British Columbia, Alberta, Manitoba and Quebec.

3. The Issuer's authorized capital consists of an unlimited number of Class A voting common shares (the "**Common Shares**"), Class B non-voting common shares and preferred shares, of which 34,026,300 Common Shares are issued and outstanding. Other than the Common Shares, the Issuer has no securities, including debt securities, outstanding.

4. In December 2010, the TSX Venture Exchange (the "**TSXV**") issued a bulletin suspending the listing of the Issuer's shares and reclassifying the Issuer's listing from a Tier 1 company to a Tier 2 company. On February 25, 2011, the TSXV issued a further bulletin transferring the Issuer's listing to NEX effective February 28, 2011, where its listing, to date, remains suspended.

5. The Issuer carries on the business of developing a process to mine and process kaolin into a High-Reactivity Metakaolin (HRM) that imparts beneficial properties to concrete mixtures containing up to 20% replacement of Portland cement. The Issuer has launched industrial production from its facility, however the Issuer has not earned significant revenues to date.

6. On December 15, 2010, Deloitte & Touche Inc. (the "**Receiver**") was appointed as receiver and manager of the Issuer pursuant to an Order of the Court of Queen's Bench of Alberta ("**Queen's Bench**"). The Receiver has since issued a final report confirming among other things, completion of the proposal approved by the Issuer's creditors. The Receiver was discharged by order of the Queen's Bench dated December 15, 2011.

7. The Cease Trade Order was issued as a result of the Issuer's failure to file interim financial statements, interim management discussion and analysis and certification of interim filings for the interim periods ended September 30, 2010.

8. Subsequently, the Issuer failed to file the audited annual financial statements for the financial years ended December 31, 2010 and December 31, 2011, interim periods since December 31, 2010 and related management's discussion and analysis and certificates under National Instrument 52-109.

9. The audited annual financial statements, interim financial statements and related management discussion and analysis and NI 52-109 certificates were not filed with the Commission due to the Issuer being placed into receivership in December 2010 and due to a lack of funds to pay for the

preparation and audit of the relevant financial statements.

10. In 2012, following the discharge of the Receiver, the Issuer remedied its continuous disclosure defaults. On July 31, 2012, the Issuer filed its audited annual financial statements, management discussion and analysis, certifications of its chief executive officer ("**CEO**") and chief financial officer ("**CFO**") for the years ended December 31, 2010 and December 31, 2011. On August 2, 2012 the Issuer filed its interim financial statements, management discussion and analysis, and certifications of its CEO and CFO for the period ended March 31, 2012. On August 28, 2012 the Issuer filed its interim interim financial statements, management discussion and analysis, and certifications of its CEO and CFO for the period ended June 30, 2012. On November 29, 2012, 2012 the Issuer filed its interim financial statements, management discussion and analysis, and certifications of its CEO and CFO for the period ended September 30, 2012.

11. The Issuer has not filed any outstanding interim financial statement, management discussion and analysis and certification disclosures for the fiscal year ended December 31, 2010, because the Issuer believes that the length of time that has elapsed since the date of the Cease Trade Order makes the filing of the outstanding disclosure for these periods of limited use to investors since the Issuer has been in receivership.

12. As a result of the filings described in paragraph 10 above and with the exceptions noted in paragraph 11, the Issuer is up-to-date in its continuous disclosure filings with the Commission and has paid all outstanding participation fees, late fees and other fees and is not in default of any requirement in applicable securities legislation in any jurisdiction, except for the existence of the Cease Trade Order.

13. The last management information circular of the Issuer was dated August 8, 2012 and was in respect of an annual and special meeting of shareholders held on September 4, 2012. The shareholders received the financial statements for the years ended December 31, 2010 and December 31, 2011, approved the appointment of auditors, elected directors and approved a stock option plan.

14. The Issuer's current directors elected at the annual and special meeting held on September 4, 2012 are Al Kroontje, Randy Findlay, Vincent Davoli and Stanley Owerko. The current officers of the Issuer are Stanley Owerko as Chief Executive Officer and David Storoshenko as Chief Operating Officer. There are no current or incoming directors, executive officers or promoters other than those disclosed above as at this date.

15. Except for the events leading up to the Issuer's receivership, the discharge of the Receiver, the departure of old directors and officers and the appointment of new directors and officers, the Issuer has not had any "material changes" within the meaning of the Act since it was cease traded and is not otherwise in default of requirements to file material change reports under applicable securities legislation. The events leading up to the Issuer's receivership are disclosed in the Issuer's management's discussion and analysis for the financial years ended December 31, 2011 and 2010.

16. The Issuer's SEDAR profile and SEDI issuer profile supplement are up-to-date.

17. Forthwith after the revocation of the Cease Trade Order, the Issuer will issue and file a news release and file a material change report on SEDAR disclosing the revocation of the Cease Trade Order.

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

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

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

DATED this 3rd day of April, 2013.

"Sonny Randhawa"
Manager, Corporate Finance Branch
Ontario Securities Commission

2.2.15 New Futures Trading International Corporation and Fernando Honorate Fagundes also known as Henry Roch – Rules 1.5.3 and 11 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
NEW FUTURES TRADING INTERNATIONAL CORPORATION and FERNANDO HONORATE FAGUNDES also known as HENRY ROCHE

ORDER
(Rules 1.5.3 and 11 of the Commission's Rules of Procedure (2012), 35 O.S.C.B. 10071)

WHEREAS on March 18, 2013, the Ont*ario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to subsections 127(1) and 127(10) of the Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in respect of New Futures Trading International Corporation ("New Futures") and Fernando Honorate Fagundes also known as Henry Roche ("Fagundes") (collectively, the "Respondents");

AND WHEREAS on March 18, 2013, Staff of the Commission ("Staff") filed a Statement of Allegations in respect of the same matter;

AND WHEREAS on April 3, 2013, the Commission heard applications by Staff to waive service on the Respondents in accordance with Rule 1.5.3 of the Commission's *Rules of Procedure* (2012), 35 O.S.C.B. 10071 (the "*Rules of Procedure*"), and to convert the matter to a written hearing pursuant to Rule 11.5 of the *Rules of Procedure*;

AND WHEREAS on April 3, 2013, Staff filed the affidavit of Raymond Daubney, an investigator for the Commission, sworn on March 22, 2013, outlining his attempts to locate and contact the Fagundes for the purpose of service;

AND WHEREAS on April 3, 2013, the panel's decision on Staff's application to waive service on the Respondents was reserved to be delivered within 10 days;

AND WHEREAS on April 9, 2013, the panel issued its reasons and decision on Staff's application to waive service;

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

IT IS HEREBY ORDERED that:

(a) the motion to waive service of process on Fagundes is granted, pursuant to Rule 1.5.3 of the *Rules of Procedure*;

(b) Staff's application to proceed by way of written hearing is granted, pursuant to Rule 11 of the *Rules of Procedure*;

(c) Staff's materials in respect of the written hearing shall be filed no later than April 17, 2013;

(d) By April 17, 2013, Staff shall inform Fagundes' brother, by telephone that Fagundes and New Futures are the subject of a Notice of Hearing before the Commission, that Staff is seeking an order against Fagundes and New Futures, and that if he wishes to oppose the granting of an order, Fagundes should serve and file materials with the Commission by May 17, 2013;

(e) The Respondents' responding materials, if any, shall be served and filed no later than May 17, 2013; and

(f) In the absence of any responding materials, the Commission shall proceed to consider Staff's application.

DATED at Toronto this 9th day of April, 2013.

"Alan Lenczner"

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Anna Pyasetsky – s. 8

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

AND

**IN THE MATTER OF
AN APPLICATION FOR A HEARING AND REVIEW OF THE DECISION OF
DIRECTOR EREZ BLUMBERGER DATED FEBRUARY 28, 2012**

AND

**IN THE MATTER OF
THE APPLICATION FOR REGISTRATION BY
ANNA PYASETSKY**

**REASONS AND DECISION
(Section 8 of the Act)**

Hearing: September 17, 18, 19 and 26, 2012
October 15, 2012

Decision: March 28, 2013

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

Appearances: Swapna Chandra, Mark Skuce – For Staff of the Commission

Julia Lipovetsky, Rodney Brown – For Anna Pyasetsky

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REASONS AND DECISION

I. OVERVIEW

A. Introduction

[1] This is an application (the "**Application**") by Anna Pyasetsky (the "**Applicant**"), pursuant to subsection 8(2) of the *Securities Act,* R.S.O. 1990, c. S.5, as amended (the "**Act**"), for a hearing and review (the "**Hearing and Review**") by the Ontario Securities Commission (the "Commission") of a decision of a Director of the Commission (the "**Director**") dated February 28, 2012 (*Re Pyasetsky* (2012), 35 O.S.C.B. 2092) (the "**Director's Decision**").

[2] The Director refused the application of the Applicant to be registered as a dealing representative of a mutual fund dealer. The Director found that the Applicant lacks the requisite integrity to be registered as a securities professional to deal with the investing public because she knowingly failed to disclose her prior employment with a "boiler room" in her registration application, misled Staff of the Commission ("**Staff**") in a voluntary interview (the "**Voluntary Interview**") and further impugned her integrity by claims she made at the Opportunity to be Heard under section 31 of the Act (the "**OTBH**") held by the Director.

[3] The Hearing and Review commenced on September 17, 2012 and continued on September 18, 19 and 26, 2012. On September 26, 2012, the Applicant participated by teleconference in accordance with Rule 10.2 of the Commission's *Rules of Procedure* (2012), 35 O.S.C.B. 10071 (the "**Rules of Procedure**") and requested an adjournment on the basis that she was ill. I granted the adjournment request and adjourned the Hearing and Review to October 15, 2012. The Hearing and Review resumed on October 15, 2012. Following the completion of the evidence, Staff and the Applicant made closing submissions and the Applicant filed written submissions at the close of her oral submissions.

B. The Applicant

[4] The Applicant is seeking registration as a dealing representative of a mutual fund dealer. According to the Applicant's Memorandum of Fact and Law, the Applicant's application for registration is sponsored by TD Investment Services Inc.

[5] The Applicant has not been previously registered under the Act.

C. Background Facts

[6] From May to June 2008, the Applicant was employed in connection with what Staff later alleged, and what the Commission subsequently found, to be a "boiler room" operation involving a fraudulent distribution of securities of New Gold Limited Partnership ("**New Gold**") by, among others, an entity called Global Energy Group, Ltd. ("**Global Energy**") (the investment scheme is defined in these reasons as the "**Global Energy Investment Scheme**"). The Applicant was employed as a "qualifier" to telephone prospective clients to solicit their interest in purchasing limited partnership units of New Gold. Her employment ended following the execution of search warrants at a number of premises of companies related to the Global Energy Investment Scheme by Staff on June 25, 2008.

[7] The Applicant is *not* named as a respondent in any enforcement proceeding before the Commission. However, Staff did commence enforcement proceedings by filing a Statement of Allegations, dated June 8, 2010, and an Amended Statement of Allegations, dated January 23, 2012, against a number of individuals and companies, including Global Energy, New Gold and Vadim Tsatskin ("**Tsatskin**"). Tsatskin, who was one of the directing minds of Global Energy, pled guilty before the Ontario Court of Justice to one count of fraud in connection with the sale of the securities of New Gold to members of the public by Global Energy, its salespersons or agents, contrary to subsections 122(1)(c) and 126.1(b) of the Act. Further, in its reasons and decision dated December 21, 2012 (*Re Global Energy Group, Ltd.* (2013), 36 O.S.C.B. 202), the Commission found that the respondents in the enforcement proceeding engaged in the sale and distribution of securities of New Gold without complying with the registration and prospectus requirements, contrary to subsections 25(1)(a) and 53(1) of the Act. The Commission further found that certain of the respondents, including Tsatskin and Global Energy, acted fraudulently, contrary to subsection 126.1(b) of the Act.

[8] The Applicant disputes that she was an employee of Global Energy and takes the position that she was employed by an entity called GVC Marketing Ltd. ("**GVC Marketin**g"). GVC Marketing was not a respondent in the enforcement proceeding before the Commission. It is not disputed, however, that GVC Marketing is related to Global Energy in connection with the Global Energy Investment Scheme and that the Applicant acted as a qualifier to solicit interest in securities of New Gold.

[9] In the Memorandum of Fact and Law filed by the Applicant, the Applicant recounted that, on October 21, 2011, she submitted an application (the "**Registration Application**") to the Commission, sponsored by TD Investment Services Inc., seeking to be registered as a dealing representative of a mutual fund dealer.

[10] The Registration Application was submitted electronically in Form 33-109F4 – *Registration of Individuals and Review of Permitted Individuals* ("**Form 33-109F4**"). In the Registration Application, the Applicant did not disclose that she had worked for Global Energy or GVC Marketing.

[11] On November 16, 2011, Staff conducted a voluntary interview with the Applicant to discuss the Registration Application (the "**Voluntary Interview**"). During the Voluntary Interview, the Applicant was asked questions and provided answers regarding her employment history, including her previous employment with Global Energy.

[12] By two letters dated December 19, 2011 and January 30, 2012 to the Applicant, Staff informed the Applicant that it recommended to the Director that the Applicant's application for registration be denied. The letter dated December 19, 2011 sets out the following two grounds for denying the Applicant's application for registration:

> 1. You knowingly failed to disclose in the [Registration] Application that you were previously employed by Global Energy Group, Ltd.; and
>
> 2. On November 16, 2011 you were informed by Staff that the employment section of your [Registration] Application ("Item 11 – Previous Employment and Other Activities") was incomplete and needed to be updated, however as of the date of this letter the Application has not been updated in this regard.

[13] The letter dated January 30, 2012 sets out three additional grounds for denying the Applicant's application for registration:

> 3. Staff alleges that by trading in securities of New Gold Limited Partnership, you conducted registerable activity without registration, contrary to s. 25(1) of the *Securities Act* (Ontario) (the Act);
>
> 4. Staff alleges that on November 16, 2011, during an examination under affirmation, you falsely represented to Staff that you had never heard the terms Global Energy Group Limited or New Gold Limited Partnership, and falsely denied knowing that you had worked for a company bearing the name Global Energy Group Limited, contrary to s. 122(1) of the Act;
>
> 5. Staff alleges that your registration would be objectionable in light of your employment with Global Energy Group Limited, your failure to disclose that employment in the [Registration] Application, and your misrepresentation to Staff regarding that employment.

[14] The Applicant exercised her right for an OTBH pursuant to section 31 of the Act and an OTBH was held before the Director on February 10, 2012. At the OTBH, the Applicant submitted an amended registration application (the "**Amended Registration Application**"). As a result, Staff withdrew the second ground for denying the Applicant's registration, which relates to the Applicant's failure to update the Registration Application.

[15] he Director's Decision was issued on February 28, 2012.

D. Reasons for the Director's Decision to Refuse Registration

[16] The Director found that the Applicant knowingly omitted her employment with Global Energy in the Registration Application and that she misled Staff during the Voluntary Interview:

> After considering the submissions of Staff and the Applicant and after closely considering the Applicant's testimony, including her candour and demeanour in answering questions posed by Staff and myself at the OTBH proceeding, I have concluded that the registration of the Applicant should be refused. I find that the Applicant knowingly omitted her employment history with Global [Energy] and that in the course of the registration application process she made numerous misrepresentations to OSC Staff. Accordingly, I find that the Applicant lacks the requisite integrity to be a securities professional.
>
> (Director's Decision, *supra*, at para. 10)

[17] The Director further found that the Applicant impugned her credibility during the OTBH:

> Moreover, at the OTBH proceeding, the Applicant further impugned her integrity by claiming she technically never worked at Global [Energy], but instead for GVC Marketing, which was the firm that was paying her telemarketing salary. However, even her amended registration application – which she acknowledged filling out herself after the [Voluntary] Interview with Staff – stated under 'previous employment' that she worked for "GVC Marketing Inc./Global Energy Group".
>
> Another particularly troubling aspect of the Applicant's testimony, which in my view also impugned her integrity, was her claim – made for the first time at the OTBH proceeding – that she intentionally left off her initial registration application jobs with less than four months in duration, pursuant to her interpretation of an instruction in the application form. When asked why she did not explain this reason at the [Voluntary] Interview, she claimed that at the [Voluntary] Interview she forgot that she relied on this section of the application form as the basis for not disclosing her employment with Global [Energy].
>
> (Director's Decision, *supra*, at paras. 14 and 15)

[18] The Director concluded that "the Applicant has not demonstrated the requisite integrity to be licensed to deal with the investing public", because not only did she "fail the first test contemplated by the Commission in *Re Thomas*, she failed a second test by virtue of the responses she provided to Staff at the [Voluntary] Interview. And she failed a third test by not being forthcoming at the OTBH proceeding" (Director's Decision, *supra*, at paras. 17 and 18).

[19] The Director noted that "[a]lthough Staff also alleged as an independent ground for refusal of registration the fact that the Applicant engaged in registerable activity in breach of subsection 25 of the Act …, I do not find it necessary to make a finding regarding whether her telemarketing activities constituted registrable activity" (Director's Decision, *supra*, at para. 19).

E. Application for Hearing and Review pursuant to Subsection 8(2) of the Act

[20] By e-mail dated March 22, 2012, the Applicant requested a hearing and review of the Director's Decision pursuant to subsection 8(2) of the Act. The Application was filed in accordance with Rule 14 of the Rules of Procedure.

[21] The Applicant takes the position that she did not knowingly fail to disclose her employment with Global Energy or GVC Marketing in the Registration Application, nor did she make misrepresentations to Staff during the Voluntary Interview.

II. HEARING AND REVIEW PURSUANT TO SECTION 8 OF THE ACT

[22] Section 8 of the Act governs a hearing and review of a decision of the Director. It provides that:

> **8. (1) Review of decision** – Within 30 days after a decision of the Director, the Commission may notify the Director and any person or company directly affected of its intention to convene a hearing to review the decision.
>
> **(2) Review of Director's decisions** – Any person or company directly affected by a decision of the Director may, by notice in writing sent by registered mail to the Commission within thirty days

> after the mailing of the notice of the decision, request and be entitled to a hearing and review thereof by the Commission.
>
> **(3) Power on review** – Upon a hearing and review, the Commission may by order confirm the decision under review or make such other decision as the Commission considers proper.
>
> **(4) Stay** – Despite the fact that a person or company requests a hearing and review under subsection (2), the decision under review takes effect immediately, but the Commission may grant a stay until disposition of the hearing and review.

[23] Pursuant to subsection 8(3) of the Act, the Commission in a hearing and review has the power to confirm the decision under review or make such other decision as the Commission considers proper. The case law interpreting this subsection has established that, in a hearing and review of a Director's decision, a panel of the Commission may substitute its own decision for that of the Director (*Re Istanbul* (2008), 31 O.S.C.B. 3799 ("***Istanbul***") at para. 14). As the Commission stated in *Re Triax Growth Fund Inc.* (2005), 28 O.S.C.B. 10139 at para. 25, "when conducting a review of the Director's decision pursuant to section 8 of the Act, [the Commission is] not bound in any way by the Director's determination".

[24] It is also well established in the Commission's jurisprudence that a review of a Director's decision pursuant to section 8 of the Act is a hearing *de novo*. As such, this is a fresh consideration of the matter, as if it had not been heard before and no decision had been previously rendered. An applicant does not have the onus of demonstrating that the Director was in error in making the decision (*Istanbul*, *supra*, at para. 15; and *Re Biocapital Biotechnology* (2001), 24 O.S.C.B. 2843 ("***Biocapital***") at p. 2846).

[25] During the Hearing and Review, the Applicant made a number of submissions regarding the OTBH and the Director's Decision, including that the Director was partial, that the Applicant's evidence and arguments were disregarded and that the Director's Decision was not substantiated by evidence. These submissions are not supported by the evidence before me. In any event, the hearing and review of a decision of a Director is a hearing de novo and the Commission may substitute its own decision for that of the Director.

III. PRELIMINARY ISSUES

A. Representation

1. Request for Lipovetsky to act as Representative

[26] On September 18, 2012, the Applicant, who was not represented by legal counsel at the Hearing and Review, requested that Julia Lipovetsky ("**Lipovetsky**"), a friend of the Applicant, be permitted to act as her representative at the Hearing and Review. Staff did not object to this request in the interest of allowing the Applicant to have assistance in presenting her evidence.

[27] Rule 1.7.1 of the Rules of Procedure provides that "a party may be self-represented or may be represented by a representative". A "representative" is defined in Subrule 1(1) of the Rules of Procedure to mean, "in respect of a proceeding to which the Rules [of Procedure] apply, a person authorized under the *Law Society Act*, R.S.O. 1990, c. L.8, as amended, to represent a person in a proceeding".

[28] Subsection 26.1(2) of the *Law Society Act*, R.S.O. 1990, c. L.8, as amended (the "**LSA**") establishes that "no person, other than a licensee whose licence is not suspended, shall hold themself out as, or represent themself to be, a person who may practise law in Ontario or a person who may provide legal services in Ontario". A "licensee" is defined in subsection 1(1) of the LSA to mean: (a) a person licensed to practise law in Ontario as a barrister and solicitor, or (b) a person licensed to provide legal services in Ontario.

[29] Lipovetsky is not a licensee as defined in subsection 1(1) of the LSA. However, subsection 26.1(5) of the LSA states that "[a] person who is not a licensee may practise law or provide legal services in Ontario if and to the extent permitted by the by-laws".

[30] Paragraph 5 of subsection 30(1) of By-Law 4 made pursuant to subsections 62(0.1) and (1) of the LSA permits a "friend" with the following characteristics to provide legal services without a license:

Acting for friend or neighbour

5. An individual,

   i. whose profession or occupation is not and does not include the provision of legal services or the practice of law,

   ii. who provides the legal services only for and on behalf of a friend or a neighbour,

   iii. who provides the legal services in respect of not more than three matters per year, and

   iv. who does not expect and does not receive any compensation, including a fee, gain or reward, direct or indirect, for the provision of the legal services.

[31] After hearing and considering the submissions by the Applicant and Staff, I permitted Lipovetsky to act as a representative for the Applicant pursuant to this exemption.

2. Change in Representation

[32] By e-mail dated September 22, 2012 and at the Hearing and Review on September 26, 2012, the Applicant advised the Panel that Lipovetsky would no longer represent her, and that she planned to request that another individual be permitted to act as her representative. I requested that the Applicant provide the Office of the Secretary and Staff with the name and contact information of her proposed representative and, if the proposed representative is not a licensee under the LSA, submissions in support of her request for changing representation by the close of business on September 28, 2012. By e-mail dated September 27, 2012, the Applicant requested that Rodney Brown ("Brown"), a friend of the Applicant, be permitted to act as her representative and provided his contact information in accordance with Rule 1.7.3 of the Rules of Procedure.

[33] When the hearing reconvened on October 15, 2012, I permitted Brown to act as a representative for the Applicant for the same reasons set out in paragraphs [27] to [31] above with respect to Lipovetsky.

3. Staff's Motion to Remove Lipovetsky as the Applicant's Representative

[34] On October 15, 2012, I heard a motion by Staff to remove Lipovetsky as the representative for the Applicant. The Applicant indicated that she did not oppose Staff's motion. Having considered the submissions from Staff and the Applicant, and in particular, the Applicant's submission that she did not oppose the motion, as well as taking into account the Applicant's request for change in representation, I ordered that Lipovetsky be removed as the representative for the Applicant.

B. Request for an Interpreter

[35] Prior to the Hearing and Review, the Applicant requested that an interpreter in the Russian language be provided at the Commission's expense. The Commission refused that request in accordance with Rule 10.5 of the Rules of Procedure, which provides that:

> If a party requires an interpreter for a language other than English or French, the party shall notify the Secretary as soon as possible, and in any event, at least 30 days before the hearing, and the Secretary will arrange for an interpreter <u>at the requesting party's expense</u>.
>
> [emphasis added]

[36] On September 19, 2012, the third day of the Hearing and Review, the Applicant requested that Lipovetsky be permitted to act as an interpreter in the Russian language to assist the Applicant's father with his testimony. Staff submitted that it is not desirable to have Lipovetsky act as an interpreter because she was a witness in the Hearing and Review and would not be an impartial interpreter.

[37] ipovetsky is a friend of the Applicant, testified on behalf of the Applicant at the Hearing and Review and, at the time of this request, was acting as the representative for the Applicant at the Hearing and Review. Based on her lack of impartiality, I refused the Applicant's request for Lipovetsky to act as an interpreter.

IV. ISSUES

[38] The issue before me is whether the Applicant has the requisite integrity to be registered as a dealing representative of a mutual fund dealer, or whether her registration is otherwise objectionable, in light of her disclosure to the Commission regarding her prior employment with Global Energy or GVC Marketing.

V. THE POSITIONS OF THE PARTIES

A. The Applicant

[39] The Applicant submits that she does not lack the integrity to be registered as a dealing representative of a mutual fund dealer. According to the Applicant, she considers herself a person of integrity who has always "earned an honest living and did not bend any rules" (Hearing Transcript dated September 17, 2012 at pp. 39 and 40). She submits that, as an immigrant, she studied and worked diligently to overcome language barriers and to complete her education. She submits that she was a good and dedicated employee of TD Canada Trust as a customer service representative and a financial services representative before her registration was denied by the Commission.

[40] The Applicant acknowledges that her disclosure in the Registration Application was incomplete. She admits that she should have taken due care in completing the Registration Application. She submits that she has now learned the importance of attention to detail, particularly in her chosen profession. It is the Applicant's position, however, that she did not wilfully fail to disclose her previous employment with Global Energy or GVC Marketing in the Registration Application, nor did she mislead Staff during the Voluntary Interview. She submits that she has been "sincere, forthcoming, open, and cooperative with the Commission from day 1" (Hearing Transcript dated September 17, 2012 at p. 42). She further submits that she was not aware of the nature of the business of Global Energy or GVC Marketing until the Voluntary Interview and there was no motive for her to mislead the Commission. She takes the position that she will not admit to something that she has not done to save her career.

[41] The Applicant submits that the denial of her registration is effectively a life time ban from her chosen profession and has placed her entire future into jeopardy. She submits that her mental health and her parents' health were also adversely affected by the denial of her registration.

[42] The Applicant submits that she is not a risk to the investing public. She submits that she is "professional" and has "years of proven experience building relationship with clients by always striving to act in their best interest and conducting myself with integrity"(Hearing Transcript dated September 17, 2012 at p. 41).

[43] Although the Applicant made extensive submissions alleging misconduct on the part of Staff in the process of reviewing her application to be registered, including that Staff acted in bad faith, abused its power, attempted to extort a false confession from the Applicant and slandered the Applicant's reputation, I am not persuaded that there is a basis to support those submissions of the Applicant.

B. Staff

[44] Staff withdrew the second ground for refusing the Applicant's registration, that is, her failure to update the Registration Application as requested by Staff during the Voluntary Interview. Staff further advised the Panel that no evidence would be led with respect to the third ground, that is, that the Applicant engaged in trading New Gold securities without registration contrary to subsection 25(1) of the Act.

[45] Staff recognizes that the Applicant is young, is at the beginning of her career and has made some notable efforts in her education and in her career choices to build and advance a career in the securities industry. Staff says that, accordingly, it has not at any stage treated the Application lightly. Staff takes the position, however, that it has not been able to obtain a sense of comfort or to achieve a level of confidence in the Applicant's integrity to register the Applicant throughout their interaction. It is Staff's position that the Applicant does not have the integrity required for registration and that her registration is otherwise objectionable for the reasons that follow.

[46] First, Staff submits that an assessment of the integrity of the Applicant begins with the Registration Application. Staff submits that the Panel has heard evidence that the Registration Application did not contain full, true and plain disclosure. Staff further submits that the disclosure in the Amended Registration Application, which was filed at the OTBH and at the Hearing and Review, remains incomplete.

[47] In Staff's submission, however, Staff's recommendation to refuse the registration of the Applicant has never been based alone on the type of information or due diligence that should be exercised in completing the application. Staff submits that, throughout the application process, including the Voluntary Interview, the OTBH and the Hearing and Review, the Applicant offered numerous contradictory explanations regarding the incomplete disclosure in the Registration Application. These explanations, according to Staff, ranged from "'I don't remember' to 'I will never forget' to 'not in my active memory' to 'I chose

carefully what companies I wanted to be associated with' to 'I had nothing to do with the fraud'" (Hearing Transcript dated October 15, 2012 at pp. 144 and 145). Staff submits that there was no consistent or credible explanation at any stage, nor did the Applicant make any meaningful acknowledgement of her shortcomings.

[48] It is also Staff's submission that the Applicant has demonstrated a complete lack of accountability during the application process. Staff submits that the Applicant is defensive during the proceedings, and to the Applicant, every instance where the Applicant is not happy with the way things have proceeded is somebody else's fault. Staff submits that, for example, the Applicant blamed Staff for her failure to attend the Voluntary Interview with a lawyer although she was invited by Staff to bring one. Staff submits that the Applicant also maintained that Staff provided her with misleading instructions to update the Registration Application although she did not seek further instructions from Staff and failed to follow the instructions provided by her employer. In Staff's view, there is no comfort that the Applicant would be accountable to her clients if she is registered, especially in the event that the portfolio on which she advises her client is unsuccessful.

[49] Staff submits that the Applicant does not yet understand what it means to be a registrant. In particular, it is Staff's submission that she failed in her duties as a potential registrant at every step of these proceedings, whether it was in the disclosure she made in writing, the disclosure she made in person, her interaction with Staff or her ability to understand the obligations of a registrant in interacting with the regulator or the investing public. While there may come a time when the Applicant would be suitable for registration, Staff submits that the Applicant had some significant work to do before she would be able to reach the level of responsible business judgment that is expected of a registrant.

VI. OVERVIEW OF EVIDENCE

A. Overview

[50] At the outset of the Hearing and Review, I was advised that Staff and the Applicant reached an agreement that Staff would proceed with its case first, followed by the Applicant. The Hearing and Review proceeded on this basis and I heard from two Staff witnesses, Tom Anderson ("**Anderson**") and Toni Sargent ("**Sargent**"), and four witnesses for the Applicant, a friend of the Applicant who will be referred to as "**N.S.**" in these reasons, Lipovetsky, the Applicant's father and the Applicant on her own behalf.

[51] During the Hearing and Review, a number of issues arose with respect to the calling of witnesses and admissibility of evidence. First, at the commencement of the Hearing and Review, the Applicant indicated that she wished to call Mark Skuce ("**Skuce**") and George Gunn ("**Gunn**") as her witnesses, a request opposed by Staff. Skuce is a Legal Counsel with the Compliance and Registration (the "**CRR**") Branch of the Commission. George Gunn is a manager of the CRR Branch.

[52] The Applicant explained that she wished to question Skuce regarding the manner in which the Voluntary Interview was conducted, the recommendations that were made by Staff to the Director to refuse the application of the Applicant to be registered and his submissions at the OTBH. She further explained that she wished to question Gunn because he approved Staff's recommendation to the Director that the Applicant's registration be refused.

[53] I refused the Applicant's request to call Skuce and Gunn as her witnesses. The testimony that the Applicant sought to elicit from Skuce and Gunn, described in paragraph [52] above, is not probative of the issue before me which is her suitability to be registered.

[54] During Staff's case, Staff sought to introduce, through Anderson, a Staff investigator described in further detail in paragraph [70] below, a photograph showing lists titled "the little boys" and "the big boys" and found during the execution of search warrants, which purport to show the real names of staff working in the "boiler room" and their aliases. This photograph is new evidence not relied on at the OTBH and was only presented to the Applicant for the first time at the Hearing and Review. Staff submitted that the photograph was discovered following the deadline for new evidence, however, the evidence could only have reasonably been found after the Applicant's witness list was submitted.

[55] While the new evidence was not filed in accordance with the time requirement set out in Rule 14.5 of the Rules of Procedure, the Applicant indicated that she did not object to its admission as evidence. I admitted this evidence, although I do not find it necessary to rely on it in rendering my decision.

[56] The Applicant sought to admit the written statements of two of her friends who could not attend the Hearing and Review because they do not reside in Toronto. While Staff objected to these written statements being introduced into evidence, I admitted both statements pursuant to subsection 15(1) of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended (the "**SPPA**"), which permits a tribunal to admit evidence that may not be otherwise admissible in a court, including hearsay evidence. I note that one of the statements, which was made by a friend of the Applicant, presents evidence that is repetitive of the evidence heard from Lipovetsky regarding a telephone conversation. I accept this evidence to the extent that it is corroborative of Lipovetsky's evidence that the telephone conversation took place. I place no weight on the other statement,

which was made by another friend of the Applicant, because the statement relates to substantive issues of the Applicant's employment in the "boiler room" and could not be tested by cross-examination.

[57] The Applicant's father testified on September 19, 2012 and gave evidence, among other things, about the Applicant's representation to him regarding how she recalled the term "GVC Marketing" following the Voluntary Interview. By e-mail dated September 24, 2012, the Applicant's father indicated that he recalled the entire context relating to that evidence and requested that he be permitted to give further testimony on this point.

[58] I refused the request to recall the Applicant's father as a witness. The Applicant's father had an opportunity to provide his evidence in-chief, was cross-examined and was given an opportunity to be re-examined. While the Applicant's father had some difficulty with the English language, the Panel allowed him to testify with the assistance of notes, and he appeared to have given evidence to the best of his ability at the time of his testimony. I was also concerned that there appeared to have been a discussion between the Applicant and her father about his evidence following his testimony in which he was "reminded of what he forgot" (Hearing Transcript dated October 15, 2012 at p. 53). In these circumstances, I concluded that it would not be appropriate to recall the Applicant's father as a witness.

[59] Finally, Staff sought to admit the transcript of the Voluntary Interview as evidence that the Applicant did not disclose her previous employment with Global Energy or GVC Marketing in the Registration Application and as evidence that the Applicant misled Staff during the Voluntary Interview. The Applicant made extensive submissions challenging the admissibility of the transcript of the Voluntary Interview which I attempt to summarize below.

[60] The Applicant submitted that Staff counsel conducted the Voluntary Interview with a bias arising from the fact that the Applicant's name had been entered into an enforcement database following the execution of the search warrants at premises of companies related to the Global Energy Investment Scheme. She further submitted that Staff is biased because the Applicant's ethnic background is the same as the directing minds of the "boiler room" operation.

[61] The Applicant submitted that her right to counsel was violated. She submitted that she was not advised of the purpose of the Voluntary Interview, namely, that there appeared to be a problem with the Registration Application. The Applicant also submitted that it was only "hinted" to her that she may attend with counsel and she interpreted Staff's invitation to attend with a lawyer as a mere formality. The Applicant further submitted that Staff also mischaracterized the Voluntary Interview as an "interview" rather than "an examination under affirmation" and the Applicant attended the Voluntary Interview thinking it was something similar to a job interview and in anticipation of receiving her registration. She submitted that, as a result, she thought that there was no reason for her to bring a lawyer to the interview.

[62] The Applicant submitted that her right to counsel was also violated because her request for a lawyer was denied. During the Voluntary Interview, she indicated to Staff that "I really needed a lawyer with that" (Transcript of the Voluntary Interview dated November 16, 2011 at p. 29). In her submission at the Hearing and Review, when the Applicant uttered the word "lawyer", it was Staff counsel's responsibility to stop the interview, ask the Applicant why she felt that she needed a lawyer and ask her whether she would like to proceed with the interview or retain a lawyer. According to the Applicant, however, Staff counsel "very much changed his tone of voice and changed his tactic and tried to sort of play the good cop in order to get me not to exit the room and to stay for the interview" (Hearing Transcript dated September 17, 2012 at p. 172). She submitted that she cooperated with Staff and stayed for the duration of the entire interview because she was "just nice enough to stay" (Hearing Transcript dated September 17, 2012 at p. 170).

[63] The Applicant submitted that the Voluntary Interview was conducted in bad faith for the following reasons.

(a) The Applicant submitted that Staff counsel set the Applicant up for failure by providing misleading instructions to update the Registration Application because, according to the Applicant, the electronic system did not allow her to update or amend the Registration Application.

(b) The Applicant submitted that Staff asked misleading questions that were intended to extort false admissions. For example, questions were asked using the name "Global Energy" rather than "GVC Marketing", the latter of which the Applicant claims to be the name of the company for which she worked.

(c) The Applicant submitted that Staff did not ask her to bring or review any documents prior to the Voluntary Interview. Staff did not show her a copy of the Registration Application during the Voluntary Interview and only showed her a summary of her prior employment history. The Applicant submitted that, as a result, she was not prepared to answer questions that required reference to documents.

(d) The Applicant submitted that she felt that she was being intimidated and interrogated by Staff. She indicated to Staff that she was feeling nervous and uncomfortable but, in her submission, her comments were ignored.

(e) The Applicant submitted that Staff did not provide her with an interpreter and spoke quickly during the Voluntary Interview.

(f) The Applicant submitted that Staff "refuse[d] to reply to my questions, interrupt[ed] and cut[] me off, so not allowing me to fully express my points" (Hearing Transcript dated September 17, 2012 at p. 35).

[64] Staff submitted that the Applicant was advised of the purpose of the Voluntary Interview, which was to discuss the Registration Application. By e-mail dated November 4, 2011, the subject line of which stated "Application for registration", Skuce indicated to the Applicant that he wished to interview the Applicant "about [her] application". The e-mail also informed the Applicant that:

> ... [the interview] would proceed on an entirely voluntary basis (that is, you are under no obligation to accept my request for an interview). If you feel more comfortable bringing a lawyer with you, you may do so if you like, but you are under no obligation to do so if you don't want to.

[65] It was Staff's submission that, at the outset of the Voluntary Interview, the Applicant was once again advised that the interview was voluntary, that she was not interviewed "under compulsion of law", that she could leave any time she wished and that she did not "have to answer any of [Staff's] questions" (Transcript of the Voluntary Interview dated November 16, 2011 at p. 5).

[66] Staff submitted that, while the Applicant made a statement of "I really needed a lawyer with that", it was in the context of discussing her employment with TD. The Applicant made no other requests for a lawyer, nor did she express that she did not wish to answer questions or that she wished to leave the Voluntary Interview. It was Staff's submission that it would not be appropriate for Staff to advise the Applicant at any time whether she should have a lawyer or not.

[67] While Staff acknowledged that the Registration Application was not presented to the Applicant during the Voluntary Interview, Staff submitted that the Applicant was provided with a print-out of the National Registration Database showing the Applicant's employment history as she had disclosed in the Registration Application.

[68] Staff also pointed to the fact that the Applicant did not request an interpreter prior to or during the Voluntary Interview. To summarize, it was Staff's submission that the Voluntary Interview was conducted in the normal course in which all cautions were provided on the record.

[69] I admitted the transcript of the Voluntary Interview. Having considered the submissions by Staff and the Applicant, I was not persuaded that there was a basis to exclude the Voluntary Interview, which is relevant evidence to determine the suitability of the Applicant to be registered.

B. Witnesses

1. Staff Witnesses

[70] Anderson is an investigator with the Enforcement Branch of the Commission assigned to a team specializing in "boiler room" style fraud investigations. Anderson gave testimony about his investigation of the Global Energy Investment Scheme which involved the sale of limited partnership units of New Gold by Global Energy and others. His evidence is that the Global Energy Investment Scheme involved a number of corporate entities, including Global Energy, which is named as a respondent in an enforcement proceeding before the Commission, and GVC Marketing, which is not subject to any Commission proceedings.

[71] Anderson testified about the execution of search warrants on June 25, 2008 at premises of companies related to the Global Energy Investment Scheme. According to Anderson, when the search warrants were executed, Staff loudly announced its presence and the fact that Staff was executing a search warrant. He also testified that it was clearly communicated to the occupants at each of the premises that the search warrant was executed on behalf of Staff and that a copy of the search warrant was provided to the senior employee at the premises.

[72] Search warrants were executed at four premises, which were Suites 103, 200 and 400 in a location on Steeles Avenue West in North York (referred to in these reasons as "**Suite 103**", "**Suite 200**" and "**Suite 400**", respectively, and the "**Steeles Avenue West Premises**", collectively) and another premises located on Tandem Road in Concord (the "**Tandem Road Premises**"). At the time of the execution of the search warrants, the Applicant was present in Suite 103, which Anderson described in evidence as the suite occupied by the qualifiers, and her name was recorded by Staff. Anderson further testified that Staff located a number of employee records in Suite 400.

[73] During the Hearing and Review, Anderson identified documents seized and photographs taken during the course of the execution of the search warrants. They include:

(a) An “employee information form” with the heading “Global Energy Group” was found in Suite 400. This document contains handwritten information of the Applicant, including her name, social insurance number and contact information. The form appears to be signed and dated by the Applicant on May 21, 2008.

(b) “Time sheets” with the heading “GVC Marketing Inc.” were found in Suite 400. These documents have the name “Anat Pyasetsky” handwritten on them and appear to be setting out the dates and the amount of time the Applicant worked.

(c) The copy portion of cheques issued by GVC Marketing and payable to “Anat Pyasetsky” were found in Suite 400.

(d) Scripts that appear to have been used by qualifiers to generate interest in the limited partnership units of New Gold were found in Suite 103. They include a script with the following information handwritten on the document (the “**Script**”):

username: Anat

password: newgeggold

(e) Documents entitled “Hot Leads” that appear to set out names of prospective investors and the qualifiers who had contacted them were found at the Steeles Avenue West Premises. They appear to suggest that “Anat” contacted an investor on June 2, 2008.

(f) Numerous photographs were taken during the course of the execution of the search warrants. They include photographs of the Applicant taken in Suite 103; a photograph of a clock in Suite 103 that appears to indicate the time in Kentucky; a photograph showing a white board in Suite 103 which Anderson described in his evidence as showing the number of investors who were contacted by each qualifier and who indicated that they were willing to receive promotional materials; and a photograph taken in Suite 103 of two handwritten lists titled “the little boys” and “the big boys” which, according to Anderson, show the real names and the aliases of the qualifying and sales staff.

[74] Anderson explained that as an investigation procedure, the names of the people who were employed in a “boiler room” environment are indexed in an enforcement database for future reference.

[75] Sargent is a registration officer with the CRR Branch and was responsible for the initial review of the Registration Application. She provided evidence about the steps she took in reviewing the Registration Application, including conducting a number of background checks using various databases. In particular, she testified that one of the background checks, the intelligence check, the results of which came from a database maintained by the Enforcement Branch of the Commission, gave rise to some concerns because the intelligence check shows that the Applicant was an employee of “Global Energy Group, Ltd. GVC Marketing Group Inc.” and search warrants had been executed with respect to these companies by Staff in its investigation of a “boiler room” operation.

[76] Sargent also participated in the Voluntary Interview. During the Hearing and Review, she provided testimony with respect to the Voluntary Interview. For example, Sargent testified that at no time during the 90-minute Voluntary Interview did the Applicant mention that the reason that she did not disclose her employment with Global Energy or GVC Marketing was because she relied on clause 11 of Form 33-109F4, which stated that “Do not include short-term employment of four months or less while a student, unless it was in the securities, derivatives or financial industry” (the “**Clause**”).

2. Witnesses for the Applicant

[77] N.S. has been a friend of the Applicant since 2007 and gave evidence regarding the Applicant’s good character. She testified that, at the time the Applicant was employed by Global Energy or GVC Marketing, the Applicant had spoken to her about her employment with GVC Marketing and described it as a typical summer telemarketing job. N.S. further testified that, shortly after the execution of the search warrants, the Applicant told her about a search conducted by what the Applicant thought was the Canada Revenue Agency (the “**CRA**”). On this point, N.S. testified that the execution of the search warrants appeared to be a “thrilling” or “adventurous” story for the Applicant to tell her family and friends and that the Applicant did not seem to have any concerns about the execution of the search warrants beyond having to look for another summer job (Hearing Transcript dated September 18, 2012 at p. 148). Finally, N.S. testified that, following the Voluntary Interview, the Applicant appeared to be very upset and was crying.

[78] Lipovetsky had been a friend of the Applicant for approximately six years at the time of the Hearing and Review and testified to the Applicant’s good character. She testified that, as a career counselor, she had provided advice to the Applicant regarding her resume, including the advice to not include small, short-term telemarketing jobs in her resume.

[79] Lipovetsky testified that at the time when the Applicant was employed by GVC Marketing, the Applicant spoke to her about the employment and described it as a telemarketing job with “a party atmosphere” in which the employees “were all friends, including [the] supervisor” (Hearing Transcript dated September 18, 2012 at p. 165). According to the witness, following the execution of the search warrants, the Applicant appeared “excited” and “animated” and repeated the story to her family and friends because it was a “cool story to tell” (Hearing Transcript dated September 18, 2012 at p. 169). However, the Applicant stopped discussing the event shortly afterwards, when it was no longer “on [her] radar” (Hearing Transcript dated September 18, 2012 at p. 170). It is her evidence that the Applicant did not express any concerns following the search other than having to find another summer job. Finally, the witness testified that, following the Voluntary Interview, the Applicant called Lipovetsky who was driving at the time. Lipovetsky testified that, during that conversation, the Applicant told Lipovetsky and another friend in the car about the Voluntary Interview and the Applicant sounded “scared”, as if she was “in shock” (Hearing Transcript dated September 18, 2012 at pp. 176 and 177). She further testified that the Applicant said that she was angry because Staff member accused her of lying.

[80] The Applicant then called her father as a witness. With respect to the execution of the search warrants, he testified that the Applicant said that she was surprised by what happened and expressed concerns that she would need to find another summer job as a result of the search by who she thought was the CRA. With respect to the Voluntary Interview, he testified that the Applicant returned home soon after the Voluntary Interview and described the interview to be a “very rude interrogation” (Hearing Transcript dated September 19, 2012 at p. 25). The Applicant also told him that she only recalled the name of her employer being GVC Marketing following the Voluntary Interview. Finally, he testified that the Applicant was an individual of integrity and that the denial of her registration had negatively affected the health of his family.

[81] Following the testimony of the Applicant’s father, the Applicant was given the opportunity to consider whether she wished to testify on her own behalf, and elected to do so. In her testimony, she provided evidence about her employment with GVC Marketing and gave explanations regarding the responses that she provided in the Registration Application, the Voluntary Interview and the Amended Registration Application. Her evidence will be discussed in further detail below.

VII. ANALYSIS

A. Legal Framework for Registration

1. Registration under the Act

[82] The registration requirement for an individual dealing representative is found in section 25 of the Act:

> **25. Registration – (1) Dealers** – Unless a person or company is exempt under Ontario securities law from the requirement to comply with this subsection, the person or company shall not engage in or hold himself, herself or itself out as engaging in the business of trading in securities unless the person or company,
>
> …
>
> (b) is a representative registered in accordance with Ontario securities law as a dealing representative of a registered dealer and is acting on behalf of the registered dealer.

[83] Registration is a privilege, not a right, that is granted to individuals and entities that have demonstrated their suitability for registration (see *Re Trend Capital Services Inc.* (1992), 15 O.S.C.B. 1711 at pp. 1764 and 1765; and *Istanbul*, *supra*, at para. 60).

[84] Section 27 of the Act sets out, in subsection (1), the test to be applied when determining whether a proposed registration should be granted, namely, that registration will be granted unless it appears to the Director that the applicant is not suitable for registration or the proposed registration is otherwise objectionable and, in subsection (2), matters to be considered by the Director in considering whether a person is not suitable for registration:

> **27. (1) Registration, etc.** – On receipt of an application by a person or company and all information, material and fees required by the Director and the regulations, the Director shall register the person or company, reinstate the registration of the person or company or amend the registration of the person or company, unless it appears to the Director,
>
> (a) that, in the case of a person or company applying for registration, reinstatement of registration or an amendment to a registration, the person or company is not suitable for registration under this Act; or

(b) that the proposed registration, reinstatement of registration or amendment to registration is otherwise objectionable.

(2) Matters to be considered – In considering for the purposes of subsection (1) whether a person or company is not suitable for registration, the Director shall consider,

(a) whether the person or company has satisfied,

(i) the requirements prescribed in the regulations relating to proficiency, solvency and integrity, and

(ii) such other requirements for registration, reinstatement of registration or an amendment to a registration, as the case may be, as may be prescribed by the regulations; and

(b) such other factors as the Director considers relevant.

…

2. Public Interest Jurisdiction

[85] When exercising its discretion to review the decision of a Director, the Commission is required to act in the public interest with due regard to its purpose under the Act, set out in section 1.1 of the Act (See *Re Michalik* (2007), 30 O.S.C.B. 6717 ("***Michalik***") at para. 44; and *Biocapital*, *supra*, at p. 2846).

[86] Section 1.1 of the Act provides that:

1.1 Purposes – The purposes of this Act are,

(a) to provide protection to investors from unfair, improper or fraudulent practices; and

(b) to foster fair and efficient capital markets and confidence in capital markets.

[87] In pursuing the purposes of the Act, the Commission is required to have regard to certain fundamental principles, such as the "requirements for the maintenance of high standards of fitness and business conduct to ensure honest and responsible conduct by market participants" (subparagraph 2(iii) of section 2.1 of the Act). Registrants have a very important function in the capital markets and they are also in a position where they may potentially harm the public. Regulating the conduct of registrants is therefore a matter of public interest (*Michalik*, *supra*, at para. 48).

[88] In *Re Mithras Management Ltd.* (1990), 13 O.S.C.B. 1600 ("***Mithras***"), the Commission noted that its discretion in the public interest is to be exercised prospectively to protect the public and the integrity of the capital markets. The Commission stated that:

> … the role of this Commission is to protect the public interest by removing from the capital markets – wholly or partially, permanently or temporarily, as the circumstances may warrant – those whose conduct in the past leads us to conclude that their conduct in the future may well be detrimental to the integrity of those capital markets. We are not here to punish past conduct; that is the role of the courts … We are here to restrain, as best we can, future conduct that is likely to be prejudicial to the public interest in having capital markets that are both fair and efficient. In so doing we must, of necessity, look to past conduct as a guide to what we believe a person's future conduct might reasonably be expected to be; we are not prescient, after all.
>
> (*Mithras*, *supra*, at pp. 1610 and 1611)

3. Burden of Proof

[89] In *Re Sawh* (2012), 35 O.S.C.B. 7431 ("***Sawh***"), the Commission held that, in a Hearing and Review of a Director's decision denying an applicant's registration, Staff bears the onus of demonstrating that an applicant is not suitable for registration or that the proposed reinstatement is otherwise objectionable, keeping in mind that:

> …section 27 gives the Director broad discretion in considering whether the person or company is not suitable for registration or whether the proposed registration is otherwise objectionable.

> Further…one of the primary means for achieving the purposes of the Act is the "requirements for the maintenance of high standards of fitness and business conduct to ensure honest and responsible conduct by market participants".
>
> (*Sawh*, *supra*, at para. 148).

[90] At the Hearing and Review, the Applicant raised the issue of the standard of proof that must be met by Staff in demonstrating that the Applicant is not suitable for registration. The Applicant argued that this matter is "quasi-criminal" in nature because her "dignity is in jeopardy, and [the] applicant was humiliated by exposing her as a liar and accused of being a liar". She further submitted that "[s]he has lost her position at work. She was miscalled as being untruthful, non-forthcoming, non-forthright" (Motion Transcript dated October 15, 2012 at p. 14). She argued that cases related to integrity are quasi-criminal matters that go beyond administrative matters and the standard of proof to be applied should be that of "beyond a reasonable doubt".

[91] The Applicant has fundamentally misconstrued the nature of the Hearing and Review. The Hearing and Review is an administrative proceeding to consider whether the Applicant should be granted registration as a dealing representative of a mutual fund dealer. The Commission's power to grant or deny registrations involves the exercise of its public interest jurisdiction and is regulatory in nature, prospective in operation and preventative in effect (*Mithras*, *supra*, at pp. 1610 and 1611).

[92] It is also well established in case law that the standard of proof in an administrative proceeding before the Commission is the civil standard of the balance of probabilities. In *F.H. v. McDougall*, [2008] 3 S.C.R. 41 ("***McDougall***"), the Supreme Court of Canada reaffirmed that "there is only one civil standard of proof at common law and that is proof on a balance of probabilities" (*McDougall*, *supra*, at para. 40). This requires the trier of fact to decide "whether it is more likely than not that the event occurred" (*McDougall*, *supra*, at para. 44). The Court noted that "the evidence must always be sufficiently clear, convincing and cogent to satisfy the balance of probabilities test" (*McDougall*, *supra*, at para. 46).

[93] Staff must show that, on balance, the Applicant does not have the requisite integrity, and therefore the suitability, to be registered, or that the registration of the Applicant is otherwise objectionable.

B. Suitability

[94] The three criteria for determining suitability for registration are codified in subsection 27(2) of the Act, following its amendment on September 28, 2009. In considering whether a person or company is suitable for registration, the Director shall consider whether the person or company has satisfied the requirements prescribed in the regulations relating to proficiency, solvency and integrity as well as such other factors as the Director considers relevant.

[95] The suitability criterion that is at issue in this case is the Applicant's integrity.

1. Integrity

(a) The Law

[96] Integrity is not defined under the Act. However, in considering the integrity of an individual to be registered, the Commission has held in prior cases that an assessment of integrity should be guided by the criteria set out in paragraph 2.1(2)(iii) of the Act: "This provision states that an important principle that the Commission shall consider in pursuing the purposes of the Act is 'the maintenance of *high standards of fitness and business conduct* to ensure *honest and responsible conduct* by market participants'" [emphasis in original] (*Istanbul*, supra, at para. 68).

[97] In *Istanbul*, *supra*, at para. 66, the Commission referred to an earlier decision by the Director in Re Wall (2007), 30 O.S.C.B. 7521 which addresses the issue of integrity. The latter decision explains that:

> OSC staff look at the honesty and the character of the applicant when analyzing integrity. In particular, staff examines the applicant's dealings with clients, compliance with Ontario securities law and other applicable laws, and the use of prudent business practices.
>
> (*Re Wall*, *supra*, at para. 23)

[98] In *Istanbul*, the Commission found that the applicant lacked the trustworthiness and integrity required of a registrant because he misappropriated his clients' loyalty points (*Istanbul*, *supra*, at para. 80).

[99] Part 1 of Companion Policy 31-103CP – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* also provides guidance on the meaning of "integrity" as follows:

> Registered individuals must conduct themselves with integrity and have an honest character. The regulator will assess the integrity of individuals through the information they are required to provide on registration application forms and as registrants, and through compliance reviews …
>
> [emphasis added]

[100] Staff referred me to a number of cases before the Director or the Commission regarding the disclosure on registration application forms as an indication of an applicant's integrity. The Commission, in *Re Thomas* (1972), O.S.C.B. 118, stated:

> The keystone to the registration system is the application form. A desire and an ability to answer the questions in it with candour in many respects can be said to be the first test to which the applicant is put.
>
> (R*e Thomas*, *supra*, at p. 120)

[101] A recent decision of the Director in *Re Couto* (2012), 35 O.S.C.B. 4105, cited by Staff, stated that:

> First, the application form is designed to provide the OSC with the information it needs to assess the applicant's suitability for registration. Sometimes the information sought by the application form may reflect negatively on an applicant's suitability. The effectiveness of the application process would be significantly diminished if applicants could avoid disclosing detrimental information on the basis of unreasonable assumptions, forgetfulness, or misunderstandings. Second, the OSC must be reasonably confident that the individuals to whom it grants the privilege of registration will discharge their professional obligations to their clients honestly and diligently. The application process is the seminal event in an applicant's career as a capital markets professional, and a lack of care and diligence in this process may be a worrisome signal about how they will approach the interests of their clients.
>
> (*Re Couto*, *supra*, at para. 15)

[102] Staff also relies on the Director's decision in *Re Doe* (2010), 33 O.S.C.B. 1371 ("***Doe***") for the proposition that "one false statement is enough to discredit the Applicant's credibility and raise an issue as to his integrity. In other words, one false statement is sufficient to result in the Applicant's application for registration being denied on the basis that the Applicant lacks the requisite integrity required of a securities industry professional and is, therefore, not suitable for registration" (*Doe*, *supra*, at para. 41).

[103] Staff further submits that the Director's decision in *Doe* also stands for the proposition that integrity "is broader than dishonesty and encompasses a certain duty of care in one's work product. The Applicant had a duty to carefully complete documents relating to his registration, including his initial application for registration" (*Doe*, *supra*, at para. 47).

(b) Analysis

[104] It is not in dispute that the Applicant was employed to telephone prospective clients to solicit their interest in purchasing limited partnership units of New Gold. Nor is it contested that the Applicant was not named as a respondent in the enforcement proceeding before the Commission relating to the Global Energy Investment Scheme. The parties, however, disagree as to whether certain information regarding the Applicant's employment with Global Energy or GVC Marketing should have been disclosed in the Registration Application and the Amended Registration Application. They further disagree as to whether the Applicant's failure to disclose such information was intentional or was an inadvertent mistake. The parties are also in dispute as to whether the Applicant intentionally misled Staff during the Voluntary Interview.

[105] The salient facts of this case are as follows. As described in paragraph [9] above, the Applicant submitted the Registration Application seeking to be registered as a dealing representative of a mutual fund dealer. In the Registration Application, she certified that "all of the information provided on this form is true". Her employment with Global Energy or GVC Marketing was not disclosed in the Registration Application.

[106] The Applicant was then invited to the Voluntary Interview in which she was asked about her summer job with "Global Energy". She initially denied that she worked for such a company. After Staff counsel provided further description about Global Energy, including that search warrants were executed at Global Energy's premises, she said that she recalled working for a telemarketing company that was subject to the execution of a search warrant. During the Voluntary Interview, she provided a number of explanations regarding her failure to disclose this employment in the Registration Application, including that she forgot about the employment because it was a short-term, inconsequential summer job and that she completed the Registration Application in haste.

[107] Some of the statements made by the Applicant during the Voluntary Interview appear to have caused Staff concerns that the Applicant intentionally failed to disclose this employment in the Registration Application. For example, the Applicant said during the Voluntary Interview that the execution of the search warrants was a "traumatic" experience "that was definitely something that [she could] not forget" (Transcript of the Voluntary Interview dated November 16, 2011 at pp. 34 and 37). According to Staff, it follows that the Applicant was unlikely to have forgotten about her summer job with Global Energy. Further, the Applicant also stated during the Voluntary Interview that she had "carefully selected very carefully the companies I would like to be associated with" (Transcript of the Voluntary Interview dated November 16, 2011 at p. 69).

[108] The Voluntary Interview appears to have led to Staff's recommendation to the Director that the Applicant's application for registration be refused on the basis that she lacks the requisite integrity to be registered.

[109] The Applicant then exercised her right to an OTBH. At the OTBH, she submitted the Amended Registration Application in which she disclosed that she worked for "GVC Marketing Inc./Global Energy Group" from May to June 2008. In the Amended Registration Application, she described "the firm's business, [the Applicant's] position, duties and [the Applicant's] relationship to the firm" as follows:

> Unable to confirm details of the firm's business. I was hired as a telemarketer conducting outbound calls.

[110] During the OTBH, the Applicant took the position that the failure to disclose her employment with Global Energy or GVC Marketing in the Registration Application was an honest mistake but provided for the first time the explanation that she relied on the Clause which, as set out in paragraph [76], stated "Do not include short-term employment of four months or less while a student, unless it was in the securities, derivatives or financial industry". According to the Applicant at the OTBH, as her employment with Global Energy or GVC Marketing was a short-term telemarketing job and she was not involved in selling securities, she did not disclose this employment. She also gave evidence at the OTBH regarding the responses that she provided at the Voluntary Interview.

[111] The Director denied her registration on the basis that she lacks the requisite integrity to be registered. The Applicant then applied for a Hearing and Review of the Director's Decision.

[112] At the Hearing and Review before me, the Applicant acknowledged that her employment with Global Energy or GVC Marketing was not disclosed in the Registration Application and that there are a number of inaccuracies in the Registration Application. In her testimony at the Hearing and Review, the Applicant offered a number of explanations regarding her failure to disclose her employment with Global Energy or GVC Marketing in the Registration Application. She also provided testimony at the Hearing and Review to explain why she initially denied during the Voluntary Interview that she worked for Global Energy or GVC Marketing. The Amended Registration Application was submitted to me as the most recent version of the Applicant's application for registration.

[113] In essence, the Applicant's evidence at the Hearing and Review was that it was an honest mistake that she did not disclose in the Registration Application her employment with GVC Marketing or Global Energy and she continued to assert her reliance on the Clause. She said that she now recognizes that she should have taken better care of her application for registration.

[114] With respect to the Voluntary Interview, she also claimed at the Hearing and Review that she initially denied that she worked for GVC Marketing or Global Energy during the Voluntary Interview because she did not remember the employment. She took the position at the Hearing and Review that she was sincere and cooperative with Staff during the Voluntary Interview and, with respect to the statements that she made in the Voluntary Interview that appear to have caused Staff concerns, she explained that English is not her first language and she had difficulty expressing herself in a stressful situation.

[115] For example, she claimed at the Hearing and Review that it was an exaggeration to use the word "traumatic" during the Voluntary Interview when describing the execution of the search warrants. She also asserted at the Hearing and Review that, when she said in the Voluntary Interview that she carefully selected the companies that she would like to be associated with, she was not referring to the disclosure in the Registration Application, but she meant that "I want to naturally be associated – associate myself with good companies, to be a part of those companies. Like with everything else in my life, good friends, good neighbour, good people, good lifestyle." (Hearing Transcript dated September 19, 2012 at p. 77).

[116] She also took the position at the Hearing and Review that the manner in which Staff conducted the Voluntary Interview did not assist her with recalling this employment at that time.

[117] However, the Applicant's position at the Hearing and Review, summarized in paragraphs [112] to [116] above, clearly does not apply to the disclosure in the Amended Registration Application. The Applicant was asked by Staff during the Voluntary Interview to "go back and update this thing with all the small jobs, okay, everything" (Transcript of the Voluntary Interview dated November 16, 2011 at p. 39). As such, she was required to provide complete disclosure of all of her prior employment in the Amended Registration Application, regardless of the Clause.

[118] T he Applicant provided disclosure in the Amended Registration Application, which was filed with the Director prior to the commencement of the OTBH and submitted to me and admitted as evidence of the most recent version of her registration application. In the Amended Registration Application, she disclosed that she was employed by "GVC Marketing Inc./Global Energy Group" and that she could not confirm the nature of the company's business in the following terms, which I once again set out:

> Unable to confirm details of the firm's business. I was hired as a telemarketer conducting outbound calls.

[119] During cross-examination in the Hearing and Review, the Applicant explained that she provided this response because:

> Because at this point, I didn't know if it had anything to do – because my job was telemarketing for the purpose of general, like, interest solicitation and promotion. It wasn't really – like, it wasn't direct selling. So I wasn't sure what to put in there. And so I have asked my counsel at that time what should I be – is this okay to put that? And she had advised me on that.
>
> …
>
> I have counselled my lawyer on that at that time of what to – if it's okay to put that because she wasn't even sure of what my job entailed. I was trying – we went over the scripts Mr. Skuce had provided, and I was trying to figure out what should I be – what is the correct thing to be...
>
> (Hearing Transcript dated September 19, 2012 at pp. 187 and 188)

[120] The evidence that emerged during the Hearing and Review is that Staff informed the Applicant about the nature of Global Energy and GVC Marketing during and following the Voluntary Interview. She was informed that a Statement of Allegations was issued with respect to Global Energy, a company related to GVC Marketing. The Applicant's testimony during the Hearing and Review that she first learned about the alleged fraudulent activity on the part of Global Energy and GVC Marketing at the Voluntary Interview shows that she was aware of the alleged fraudulent activity by the time of the conclusion of Voluntary Interview at the latest.

[121] In addition, during the OTBH, the Applicant was able to describe the business of both GVC Marketing and Global Energy as follows:

> Q. …So, did you, in fact, work for a company called Global Energy?
>
> A. No. I have worked for GVC Marketing Inc., which was a – which was <u>hired by Global Energy</u> or as far as I was – that's what I was explained to is that we were a <u>third party calling</u> …
>
> …
>
> Q. What was your understanding – what was your understanding at the time of having the job of what Global Energy as a company did?
>
> A. I understood that they're a v<u>enture oil company that is looking for potential investors or potential partners</u>.
>
> [emphasis added]
>
> (Transcript of the OTBH dated February 10, 2012 at pp. 59 and 61)

When asked about these exchanges during the Hearing and Review, the Applicant acknowledged that she had "more information" regarding Global Energy and GVC Marketing by the time of the OTBH (Hearing Transcript dated September 19, 2012 at p. 184).

[122] It is clear that the Applicant was informed of the nature of her former employer by the time of the OTBH. She should have provided in the Amended Registration Application the responses that she gave when giving evidence during the OTBH, that is, GVC Marketing purported to be a telemarketing company acting on behalf of Global Energy, Global Energy was purportedly a venture oil company looking for potential investors or partners, and there were allegations that they were acting fraudulently. That would have been full, true and plain disclosure that reflects the Applicant's understanding of the nature of her former employer's business at the time she submitted the Amended Registration Application.

[123] Unlike the Registration Application which the Applicant claims to have completed in haste, the Applicant had ample opportunity, by the time she submitted the Amended Registration Application, to carefully reflect on the shortcomings of her responses in the Registration Application and to provide forthright and truthful disclosure regarding the nature of the business of

Global Energy or GVC Marketing in the Amended Registration Application. Having been questioned about the responses in the Registration Application in both the Voluntary Interview and the OTBH, the Applicant should have, at the time of submitting the Amended Registration Application, understood the importance of providing full, true and plain disclosure in an application for registration. The Applicant nonetheless still failed to make such disclosure in the Amended Registration Application and contended that she could not confirm the nature of the business of Global Energy and GVC Marketing. Her statement in cross-examination during the Hearing and Review set out below only further demonstrates that the disclosure in the Amended Registration Application arose out of her unwillingness to acknowledge her association with activity engaged in by Global Energy or GVC Marketing which she knew was alleged by Staff to be fraudulent:

> So what was I supposed to put under the job description? I wasn't the one – I am not held responsible for Global –
>
> …
>
> … I do not know the details of the … It's Mr. Anderson's job to have the details of the investigation.
>
> (Hearing Transcript dated October 15, 2012 at pp. 35 and 36)

[124] At the Hearing and Review, the Applicant maintained a distinction between Global Energy and GVC Marketing. She insisted that she was employed by GVC Marketing and not Global Energy. However, this does not change my analysis as (i) the Applicant had provided her personal information in an "employee information form" with the heading "Global Energy Group", which she had signed and dated; (ii) the Applicant listed Global Energy in the Amended Registration Application as her former employer alongside GVC Marketing, and (iii) in any event, the Applicant was aware of the connection between Global Energy and GVC Marketing when completing the Amended Registration Application, if not from the employee information form and the pay cheques and time sheets which formed part of the record of the OTBH.

[125] The Applicant in her evidence asserted that she relied on her counsel's advice when completing the Amended Registration Application. Despite this assertion, I received no documentary or other evidence regarding the nature of such advice. In these circumstances, I am unable to conclude that the Applicant can rely on this as a defence.

(c) Findings

[126] I find that, regardless of whether the Applicant knowingly failed to disclose her employment with Global Energy or GVC Marketing in the Registration Application and whether she misled Staff during the Voluntary Interview, when given an opportunity to provide complete disclosure, she failed to do so in the Amended Registration Application. Her evidence at the Hearing and Review shows that she did not provide this disclosure because she did not want to acknowledge her association with activity engaged in by Global Energy or GVC Marketing which she knew was alleged by Staff to be fraudulent. I find that the Applicant's failure to make complete disclosure when given an opportunity to correct her registration application, as in the case of *Re McCartney* (1965), O.S.C.B. 1 at pp. 1 and 2, "indicates that at this time the applicant <u>is not willing to exercise a proper judgment and is likely to take a course which [she] feels would be to [her] advantage, disregarding the truth. This is not the type of character which is desirable in a registrant under The Securities Act</u>" [emphasis added]. Accordingly, I find that the evidence demonstrates a lack of integrity requisite for the Applicant to be registered.

VIII. CONCLUSION

[127] For the reasons above, I find that the evidence demonstrates a lack of integrity requisite for the Applicant to be registered. It is not in dispute that the Applicant is not named as a respondent in the enforcement proceeding before the Commission. However, the integrity of an applicant can be evaluated by the truthfulness and the forthrightness of his or her disclosure to the Commission, particularly in an application for registration which is a cornerstone of the registration regime.

[128] I find that, in the Amended Registration Application, which was submitted as evidence at the Hearing and Review, the Applicant failed to provide complete disclosure of her employment with Global Energy or GVC Marketing because of her desire to distance herself from potential fraudulent activity and unwillingness to acknowledge her association with them through employment.

[129] For the reasons above, the Application is dismissed and the application for registration of the Applicant as a dealing representative of a mutual fund dealer is denied.

DATED at Toronto on this 28th day of March, 2013.

"Edward P. Kerwin"

3.1.2 MBS Group (Canada) Ltd. and Balbir 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
MBS GROUP (CANADA) LTD. AND BALBIR AHLUWALIA

REASONS AND DECISION ON SANCTIONS AND COSTS
(Sections 37, 127 and 127.1 of the Securities Act)

Sanctions and Costs Hearing: January 10, 2013

Decision: April 3, 2013

Panel: Christopher Portner – Commissioner

Appearances: Carlo Rossi – For Staff of the Commission

Balbir Ahluwalia – For himself and for MBS Group (Canada) Ltd.

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REASONS FOR DECISION

I. INTRODUCTION

[1] This was a hearing before the Ontario Securities Commission (the "**Commission**") pursuant to sections 127 and 127.1 of the *Securities Act,* R.S.O. 1990, c., S.5, as amended (the "**Act**") to consider whether it was in the public interest to make an order with respect to sanctions and costs against the respondents, MBS (Group) Canada Ltd. ("**MBS**") and Balbir Ahluwalia ("**Balbir**") (collectively, the "**Respondents**").

[2] This has been a procedurally unusual matter. The original proceeding was commenced by a Statement of Allegations and a Notice of Hearing dated June 30, 2011, which included Mohinder Ahluwalia ("**Mohinder**") as a respondent. On September 21, 2012, Staff filed an Amended Statement of Allegations relating to the Respondents and a separate Statement of Allegations relating to Mohinder. By order dated October 10, 2012, the Commission severed the proceeding against Mohinder from this proceeding and ordered that a separate hearing be held on November 29, 2012 in respect of an agreed statement of facts filed with the Commission.

[3] The hearing on the merits relating to the Respondents commenced on October 22, 2012 and continued for six days (the "**Merits Hearing**"). On the sixth day of the Merits Hearing, the parties submitted an Agreed Statement of Facts and Respondents' Admissions (the "**Agreed Facts and Admissions**"). As the Agreed Facts and Admissions included admissions to

all of Staff's allegations, I issued my decision on November 5, 2012 (the "**Merits Decision**") accepting the admissions and scheduling a hearing to address sanctions and costs on a date agreed to by the parties. The Merits Decision notes that the oral evidence and exhibits entered during the first five days of the Merits Hearing were replaced in their entirety by the Agreed Facts and Admissions and that the Respondents admit that they have contravened the Act. The Merits Decision can be found at (2012), 35 O.S.C.B. 10298.

[4] After the release of the Merits Decision, a separate hearing was held on January 10, 2013 to receive submissions from Staff and Balbir regarding sanctions and costs (the "**Sanctions and Costs Hearing**"). Staff filed written submissions dated January 2, 2013 together with authorities and a Bill of Costs. Balbir made oral submissions.

[5] These are my reasons and decision as to the appropriate sanctions and costs in this matter. A copy of the sanctions order is attached as Schedule "A" to these reasons (the "Sanctions Order").

II. THE AGREED FACTS AND ADMISSIONS

[6] In the Agreed Facts and Admissions, Staff and Balbir agreed, and Balbir admitted, among other things, that:

(a) From June 2004 to June 2007 (the "**Material Time**"), Balbir and MBS engaged in and held themselves out as engaging in the business of trading in securities and Balbir, directly and through representatives, sold shares of Electrolinks Corporation ("**Electrolinks**") to members of the public in Ontario and other jurisdictions.

(b) During the Material Time, neither Balbir nor MBS was registered with the Commission in any capacity.

(c) During the Material Time, Electrolinks was not a reporting issuer and the Electrolinks shares were not qualified by a prospectus.

(d) Neither Balbir nor MBS were eligible for any exemptions from Ontario securities laws for the sale of Electrolinks shares.

(e) On July 9, 2004, Balbir incorporated MBS in the province of Ontario to, among other things, promote, sell and distribute Electrolinks shares.

(f) During the Material Time, Balbir had no formal training, education or experience relating to the securities industry or the capital markets.

(g) On January 26, 2005, Balbir became a director of Electrolinks, and by August 2005, Balbir became the *de facto* directing mind of Electrolinks.

(h) During the Material Time, approximately $1.5 million was transferred to accounts controlled by MBS and Balbir (the "**MBS Accounts**") by over 89 individuals or companies in exchange for shares of Electrolinks. Of these funds, approximately $164,000 was withdrawn from the MBS Accounts in cash and/or transferred to persons or companies related to Balbir.

(i) Balbir represented to the Electrolinks shareholders, directly or through his representatives, that Electrolinks would be going public and that the Electrolinks shareholders could expect to be able to sell their shares to receive a return on their investments once that had happened.

(j) During the Material Time, Electrolinks, primarily through Balbir, engaged in a number of attempts to become a public company through a reverse take-over, however, none of these attempts were successful.

(k) Balbir signed share certificates for shares that were personally owned by Mohinder and then sold by Mohinder to investors who were told that their funds were going directly to Electrolinks, however, none of Balbir, MBS or Electrolinks received the funds raised through the sale of these shares.

(l) Balbir's position is that all of the funds raised were used for the business of Electrolinks, however, Staff was unable to confirm his position.

(m) Electrolinks never became a public company nor did it make any distributions to the Electrolinks investors.

(n) Electrolinks ceased to conduct business in 2008 and was dissolved on February 10, 2010.

(o) The Electrolinks shareholders suffered a complete loss of their investments.

[7] At paragraph 34 of the Agreed Facts and Admissions, Balbir admitted that he and MBS contravened Ontario securities law during the Material Time in the following ways:

(a) The Respondents traded and engaged in, or held themselves 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;

(b) The actions of the Respondents 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; and

(c) As a director and officer of MBS, Balbir did authorize, permit or acquiesce in the commission of the violations of subsections 25(1) and 53(1) of the Act, as set out above, by MBS or by the salespersons, representatives or agents of MBS, contrary to section 129.2 of the Act and contrary to the public interest.

[8] Having reviewed the Agreed Facts and Admissions and concluded the Merits Hearing, I accepted the Respondents' admissions as their acknowledgement that they breached Ontario securities law in the manner referred to in paragraph [7] above.

III. THE SUBMISSIONS OF THE PARTIES

(a) Sanctions and Costs Requested by Staff

[9] Staff requests the following sanctions order against the Respondents, namely, that:

(a) Pursuant to paragraph 2 of subsection 127(1) of the Act, the Respondents cease trading in securities permanently;

(b) Pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by the Respondents be prohibited permanently;

(c) Pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to the Respondents permanently;

(d) Pursuant to paragraph 6 of subsection 127(1) of the Act, Balbir be reprimanded;

(e) Pursuant to paragraph 7 of subsection 127(1) of the Act, Balbir resign all positions that he may hold as a director or officer of an issuer;

(f) Pursuant to paragraphs 8, 8.2, and 8.4 of subsection 127(1) of the Act, Balbir be prohibited permanently from becoming or acting as a director or officer of any issuer, registrant and investment fund manager;

(g) Pursuant to paragraph 8.5 of subsection 127(1) of the Act, Balbir be prohibited permanently from becoming or acting as a registrant, as an investment fund manager and as a promoter;

(h) Pursuant to paragraph 9 of subsection 127(1) of the Act, Balbir pay an administrative penalty of $100,000;

(i) Pursuant to paragraph 10 of subsection 127(1) of the Act, Balbir disgorge to the Commission $1,100,000 obtained as a result of his non-compliance with Ontario securities law; and

(j) Pursuant to subsection 37(1) of the Act, Balbir be prohibited 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.

[10] Staff submits that the following factors are particularly relevant to the determination of sanctions in this case:

(a) Balbir's conduct in breach of Ontario securities law spanned a period of three years;

(b) Balbir raised over $1.5 million from the sale of Electrolinks shares;

(c) Balbir entered into the agreement to distribute shares in Electrolinks despite having no formal training or education in the securities industry;

(d) Balbir was the *de facto* directing mind of Electrolinks from and after August 2005;

(e) Balbir engaged representatives to assist in distributing the Electrolinks shares;

(f) Balbir represented to investors that Electrolinks would be going public and that the investors could expect to receive a return on their investment once that had happened;

(g) Balbir signed share certificates that were provided to Mohinder's investors despite the fact that the majority of the shares being sold by Mohinder were from his personal holdings and the funds were not being provided to Electrolinks; and

(h) The Electrolinks shareholders suffered a complete loss of their investments.

Disgorgement

[11] Although not mentioned in the Agreed Facts and Admissions, and although no evidence was submitted at the Sanctions and Costs Hearing, Staff, in its written submissions, identified transfers of approximately $400,000 from the MBS bank accounts to Electrolinks in the period before Balbir became a director of Electrolinks. In oral submissions, Staff conceded that this amount should be taken into consideration in quantifying the appropriate disgorgement order. Accordingly, Staff requests that Balbir be ordered to disgorge the full amount of the $1.5 million funds deposited to the MBS Accounts less the amount of $400,000 for a total disgorgement order of $1.1 million. Staff submits that the factors that support the disgorgement request include that (i) the amount was obtained as a result of illegal activity; (ii) the misconduct was serious and investors suffered the complete losses of their investments; and (iii) the amount obtained by Balbir is ascertainable.

Market Prohibitions

[12] Staff did not make any specific written submissions with respect to market prohibitions,. In oral submissions, Staff indicated that it did not oppose a limited carve-out with respect to a trading prohibition but asked that any carve-outs only be permitted once Balbir has paid in full any financial sanctions ordered. With respect to the remaining prohibitions, Staff submits that in order to protect the public, the permanent bans are appropriate.

Administrative Penalty

[13] Staff seeks an order that Balbir be required to pay an administrative penalty in the amount of $100,000. In written submissions, Staff outlined the principles that underlie an administrative penalty as well as the factors to be taken into consideration in determining the appropriate amount of such penalty but did not point to any specific factors in this matter. In oral submissions, Staff indicated that the amount requested sought to serve as both a general and specific deterrence. Staff noted that, although there were no allegations of misrepresentation or fraud, this case involved a significant distribution that took place over three years and that investors suffered significant losses. Notwithstanding that there were no aggravating factors in this matter, Staff nonetheless feel that a significant administrative penalty is appropriate.

Costs

[14] Staff requests an order for the payment of the Commission's investigation and hearing costs in the amount of $10,000. This amount is a fraction of Staff's actual costs of the investigation and hearing. Staff acknowledges that Balbir's conduct has been respectful throughout, that he did enter into the Agreed Facts and Admissions and that he did not add to the expense of the Merits Hearing. For this reason, Staff has limited the cost request to $10,000. Staff also noted that no costs were sought against Mohinder in his sanctions hearing and distinguished that matter which did not require a merits hearing.

(b) Balbir's Submissions

[15] Balbir accepts the administrative penalty amount requested by Staff but submits that the proposed disgorgement amount is too severe and unfair. He also submits that the market prohibitions are too restrictive.

[16] Balbir's submissions at the Sanctions and Costs Hearing were, in part, evidentiary statements that were unsupported by any actual evidence tendered. I am mindful, however, that Balbir is an unrepresented respondent, and as such, I have weighed his submissions accordingly.

[17] Balbir submits that his involvement in Electrolinks was primarily to attract investor funds so that the company could implement its business plan. He accepts responsibility for distributing securities without being properly registered. He further submits, however, that Electrolinks had an obligation to pursue proper registration prior to his involvement as a director. He pointed out that there was a board of directors, management and legal advice involved in issuing the shares of Electrolinks prior to his involvement and that at no time did Electrolinks itself effect any registrations.

[18] Balbir submits that the reason he became a director of Electrolinks was to help it during a time of financial difficulty. He acknowledges that he approached his contacts to raise funds, however, he submits that his efforts were to make Electrolinks's business plan a success, create revenue and ultimately take the company public. He submits that Electrolinks's records were audited by auditors in both the United States and Canada and says that these audits, although not in evidence, show expenses of over $5.0 million.

[19] Balbir submits that the reason he is unable to submit any evidence to the Commission in respect of these audits results from the fact that, when Electrolinks ceased to conduct business, the board of directors and management in office at the time retained the records and he was not permitted to keep copies. He believes that this places him at a disadvantage and unable to provide the Commission with any records.

[20] With respect to Staff's request for a disgorgement order in the amount of $1.1 million, Balbir submits that he was reluctant to transfer funds to Electrolinks from MBS due to Electrolinks's track record of poor fund management. He submits that Staff has copies of the cheques issued on the MBS bank accounts, showing that the $1.5 million in funds deposited to MBS was spent on Electrolinks's business, except for the $164,000 that was withdrawn in cash. Balbir submits that the cash withdrawals were used to pay third parties that requested cash in lieu of cheques because of prior cheques have been returned as the result of insufficient funds.

[21] Balbir submits that he did not personally profit from or get paid by Electrolinks. He acknowledges that he was hopeful for a big payday once the company succeeded but that this did not materialize. He submits that he personally guaranteed loans to Electrolinks in the amounts of $750,000 and $650,000, which resulted in his personal bankruptcy.

[22] Balbir concluded his submissions as follows:

> In closing, all I am saying is that I did not profit from this. I distributed. I may have raised money. I did raise money without being a registered broker. This was not done for me to profit. The money was not raised for me to profit. The money was raised to make a company a success. Every effort by myself and some of the staff, too, was to bring value to the shareholders that had put money in, a lot of it being my family and other members that I have a very difficult time with now.
>
> I would like to apologize to all the shareholders who have lost money for whatever role I played in that. I am not going to attempt to do case law. I don't know the law. I respectfully trust your judgment in this matter. I am asking that a permanent ban on my trading is a little extreme. This is my first experience in this. It has been a learning experience. I am willing to get educated in this business and that a ban of five years be considered, and the disgorgement amount of $1 million is unreasonable. The administration penalty, I accept that cost. (Transcript, Sanctions and Costs Hearing, pages 50-51)

[23] As noted above, I recognize that Balbir did not submit any evidence at the Sanctions and Costs Hearing. I have considered his submissions in light of the facts agreed to by Staff in the Agreed Facts and Admissions and I have weighed his submissions accordingly.

(c) Staff's Reply

[24] Staff asked that Balbir's submissions be taken only as submissions and not as evidence as Balbir chose not to give sworn evidence during the Sanctions and Costs Hearing. As noted above, I have taken this into consideration.

[25] Staff further emphasized that there is no evidence with regard to the expenses of Electrolinks. Staff was only able to trace the $400,000 that it concedes was transferred to Electrolinks. There were no audit reports or bank records submitted in evidence.

IV. SANCTIONS

(a) The Law on Sanctions

[26] Section 1.1 of the Act sets out the purpose of the Commission when determining sanctions, namely, to (a) provide protection to investors from unfair, improper or fraudulent practices; and (b) foster fair and efficient capital markets and confidence in capital markets. The Commission's objective is not to punish past conduct, but rather to restrain future conduct that may be harmful to investors or Ontario's capital markets. In determining the proper sanctions to impose in order to restrain future conduct, the Commission must look to a respondent's past conduct as a guide (*Re Mithras Management Ltd.* (1990), 13 O.S.C.B. 1600 at 1610-11).

[27] In addition to looking at the specific sanctions to impose on a respondent to determine what will provide sufficient deterrence with respect to future conduct, the Commission may also consider the effect of general deterrence as an additional factor that the Commission may consider when imposing sanctions. General deterrence is a necessary consideration in making an order under section 127 that is both protective and preventative in nature (*Cartaway Resources Corp.*, [2004] 1 S.C.R. 672 at para. 60).

[28] The Commission has previously identified the following factors that a panel should consider when imposing sanctions:

(a) The seriousness of the conduct and the breaches of the Act;

(b) The harm to the investors;

(c) The respondent's experience in the marketplace;

(d) The level of a respondent's activity in the marketplace;

(e) Whether or not there has been recognition by a respondent of the seriousness of the improprieties;

(f) Whether or not the sanctions imposed may serve to deter not only those involved in the matter being considered, but any like-minded people, from engaging in similar abuses of the capital markets;

(g) The size of any profit obtained from or loss avoided by the illegal conduct;

(h) The size of any financial sanction or voluntary payment;

(i) The effect any sanctions may have on the ability of a respondent to participate without check in the capital markets;

(j) The reputation and prestige of the respondent;

(k) The remorse of the respondent; and

(l) Any mitigating factors.

(*Re Belteco Holdings Inc.* (1998), 21 O.S.C.B. 7743 at 7746; and *Re M.C.J.C. Holdings Inc. and Michael Cowpland* (2002), 25 O.S.C.B. 1133).

[29] The applicability and importance of such factors will vary according to the circumstances of each case.

(b) Specific Sanctioning Factors in this Matter

[30] In considering the various factors referred to above, I find the following factors and circumstances to be particularly relevant:

The Seriousness of the Misconduct

[31] The actions of the Respondents reflected in the Agreed Facts and Admissions involve misconduct over a period of three years that contravened significant provisions of the Act. The Respondents engaged in trading without registration and distributions of securities without complying with the prospectus requirements of the Act. The Respondents caused financial harm to investors who suffered the complete loss of their investments.

[32] The Respondents also caused harm to the integrity of Ontario's capital markets through these actions and through their representations to investors that Electrolinks was going public and that they could expect to be able to sell their shares to receive a return on their investments once that happened.

[33] Balbir has also admitted that, as a director and officer of MBS, he authorized, permitted and acquiesced in the breaches by MBS of subsections 25(1) and 53(1) of the Act, contrary to section 129.2 of the Act and the public interest.

[34] The Respondents' misconduct must be taken seriously and sanctioned appropriately in order to protect Ontario investors and prevent future harm of a similar nature.

Activity in the marketplace

[35] The Respondents were involved in raising a very significant amount. It is clear from the Agreed Facts and Admissions, however, that the bulk of these funds were not raised by Balbir himself but by representatives and that Balbir himself only raised approximately $100,000.

[36] Balbir facilitated Mohinder's sale of his personal shares of Electrolinks by signing the share certificates on behalf of Electrolinks. The funds raised through the sale of these shares were not transferred to Balbir, MBS or Electrolinks. As a signatory of the Electrolinks share certificates, Balbir had a responsibility to ascertain how the funds derived from their sale were being utilized. His carelessness in this regard warrants significant sanctions.

Specific and General Deterrence

[37] Sanctions are appropriate in this matter in order to deter the Respondents from engaging in unregistered and non-exempt activities in the future and to communicate a message to like-minded individuals that engaging in similar conduct is a breach of the Act and not tolerated by the Commission.

The Size of any Profit Made from the Illegal Conduct

[38] The Agreed Facts and Admissions states that approximately $1.5 million was transferred to the MBS Accounts in respect of the purchase of Electrolinks shares and that approximately $164,000 of the foregoing amount was withdrawn in cash and/or transferred to persons or companies related to Balbir.

[39] Staff concedes that approximately $400,000 of the funds raised by the Respondents was transferred to Electrolinks and accordingly has requested a disgorgement order for the balance of $1.1 million.

[40] The Agreed Facts and Admissions states that there is no evidence to show how the balance of the funds were allocated, other than the $164,000 referred to above, or that Balbir received any of these funds for his personal benefit.

Restraint of Ability to Participate Without Check in the Capital Markets

[41] I am satisfied that imposing restrictions on the Respondents with respect to future trading and acting as a director or officer of a reporting issuer, registrant or investment fund manager will have the effect of preventing the Respondents from participating in Ontario's capital markets without check. Sanctions of this nature are directly related to the Respondents' specific misconduct in this matter, which related directly to distributing and trading in securities in breach of the Act, and to the duties of directors and officers in the capital markets.

The Ability of the Respondent to Pay

[42] Balbir has accepted Staff's request that he pay a $100,000 administrative penalty in acknowledgment of his breaches of the Act. However, he submits that the $1.1 million that was credited to the MBS Accounts was utilized for the business of Electrolinks. Balbir maintains that he did not profit from any of these funds personally and that even the $164,000 cash withdrawal was used to pay the expenses of Electrolinks.

[43] There was no evidence submitted with respect to the Respondents' ability to pay and, accordingly, I am unable to consider this as a factor in determining the appropriate sanctions in this matter.

Mitigating Factors

[44] Balbir has cooperated with Staff throughout this matter. Although the Merits Hearing did proceed and the Agreed Facts and Admissions were not submitted until the sixth day of the Merits Hearing, Balbir did eventually agree to the Agreed Facts and Admissions, thereby avoiding the necessity for a full hearing on the merits and reducing the costs incurred by the Commission. Staff also acknowledged that there were no aggravating circumstances in this respect.

[45] Balbir has conducted himself in a respectful and cooperative manner before the Commission. He has admitted his breaches of the Act and has taken responsibility for them. He has apologized for his actions and has shown remorse. These characteristics give the Commission comfort in determining the level of risk associated with a respondent.

[46] It was clear to me from the Agreed Facts and Admissions and Balbir's oral submissions that his activities represented an unsuccessful attempt to raise funds for a legitimate business. Staff did not allege fraud for good reason and it is clear that funds were being raised for a business purpose. It is the manner in which the funds were raised and the failure by the Respondents to comply with Ontario securities law that has led to this proceeding.

[47] Although Balbir was the directing mind of MBS and thereby responsible for its activities, there is no evidence that such activities involved fraudulent conduct.

(c) Trading and Other Bans

[48] Staff requests an order that prevents the Respondents from trading in securities permanently and that makes exemptions permanently unavailable to them under Ontario securities law. Staff is not opposed to a carve-out of this ban, subject to the full payment of any monetary orders that may be made. Balbir requests that any bans be limited to five years. He submits that this was his first experience dealing in securities, that it has been a learning experience and that he is prepared to become more educated in the industry. He did not make any submissions about a potential carve-out provision in respect of a market prohibition order.

[49] The remaining prohibitions requested by Staff relate directly to the Respondents' participation in the capital markets and Balbir's conduct in this matter. Balbir admits that he and MBS engaged in unregistered trading and in distributing Electrolinks shares over a period of three years without filing a prospectus. Balbir signed Electrolinks share certificates for the purpose of effecting Mohinder's sale of shares but did not take steps to ensure that the funds raised from the sale of those shares were used for the benefit of Electrolinks. Balbir's conduct in this regard was serious and irresponsible and warrants a significant ban on his ability to participate in the Ontario markets for both specific and general deterrence.

[50] In my view, the circumstances of this matter do not require a permanent ban on trading and exemptions and that a ban for a period of 10 years would be more appropriate. With respect to the remaining bans requested, I agree with Staff that, in light of Balbir's conduct as director of Electrolinks and MBS, a permanent ban pursuant to paragraphs 8, 8.2, 8.4 and 8.5 of subsection 127(1) prohibiting Balbir from becoming or acting as a director or officer of any issuer, registrant and investment fund manager and from becoming or acting as a registrant, investment fund manager or promoter and a permanent ban 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 pursuant to section 37 of the Act is warranted.

(d) Disgorgement

[51] It is clear from the Agreed Facts and Admissions that a total of approximately $1.5 million of investor funds was deposited to the MBS Accounts. As a director of MBS, Balbir had some measure of control over these funds, $164,000 of which was withdrawn in cash and/or transferred to persons or companies related to Balbir. Staff concedes that $400,000 was transferred to Electrolinks leaving $936,000 for which there is no accounting.

[52] The standard of proof in Commission proceedings is the civil standard. The panel needs to scrutinize the evidence with care in determining whether, on a balance of probabilities, it is more likely than not that the alleged event occurred. The Supreme Court of Canada has held that the evidence must be sufficiently clear, convincing and cogent to satisfy this standard (*F.H. v. McDougall*, [2008] 3 S.C.R. 41 at paras. 40 and 46).

[53] In determining whether to issue a disgorgement order, I have considered the following factors as set out in *Re Limelight Entertainment Inc.* (2008), 31 O.S.C.B. 12030 at paragraph 52:

(a) The amount obtained by the Respondents as a result of their non-compliance with the Act;

(b) The seriousness of the Respondents' misconduct;

(c) Whether the amount that the Respondents obtained as a result of non-compliance with the Act is reasonably ascertainable;

(d) The likelihood that the persons who suffered losses are likely to obtain redress by other means; and

(e) The deterrent effect of a disgorgement order on the Respondents and other market participants.

[54] As noted above, I have taken Balbir's submissions as just that, submissions, and have recognized that he did not submit any evidence at the Sanctions and Costs Hearing. In determining what weight, if any, to assign to Balbir's submissions, I have considered the source, the fact that Staff did not have an opportunity to engage in cross-examination and the information set out in the Agreed Facts and Admissions.

[55] Staff has the onus of proving on a balance of probabilities the amount obtained by a respondent as a result of non-compliance with Ontario securities law (*Re Gold-Quest International* (2010), 33 O.S.C.B. 11179 at para. 90). Staff has satisfied this burden in the Agreed Facts and Admissions in which the Respondents admit that approximately $1.5 million was received from Electrolinks investors and deposited to the MBS Accounts.

[56] In *Re Limelight*, *supra* at paragraph 49, the Commission commented on how amounts obtained are to be determined for purposes of a disgorgement order as follows:

> We note that paragraph 10 of subsection 127(1) of the Act provides that disgorgement can be ordered with respect to "any amounts obtained" as a result of non-compliance with the Act. Thus, the legal question is not whether a respondent "profited" from the illegal activity but whether the respondent "obtained amounts" as a result of that activity. In our view, this distinction is made in the Act to make clear that all money illegally obtained from investors can be ordered to be disgorged, not just the "profit" made as a result of the activity. This approach also avoids the Commission having to determine how "profit" should be calculated in any particular circumstance. Establishing how much a respondent obtained as a result of his or her misconduct is a much more straightforward test. In our view, where there is a breach of Ontario securities law that involves the widespread and illegal distribution of securities to members of the public, it is appropriate that a respondent disgorge all the funds that were obtained from investors as a result of that illegal activity. In our view, such a disgorgement order is authorized under paragraph 10 of subsection 127(1) of the Act.

[57] The Agreed Facts and Admissions assists Staff in satisfying its burden of showing that MBS was in receipt of the $1.5 million, less the $400,000 conceded by Staff, and that, of those funds, $164,000 was withdrawn in cash and/or transferred to persons or companies related to Balbir. However, the onus also lies with Staff to demonstrate that, on a balance of probabilities, Balbir was personally in receipt of those funds. Although Balbir has admitted that MBS received the investor funds, he submits that he did not personally receive those funds. This is supported by the Agreed Facts and Admissions, which states that it is Balbir's position that all funds raised were used for the business of Electrolinks. This statement, as part of the Agreed Facts and Admissions, is in evidence and was accepted by me. Balbir restated this position in his closing submissions. In reply, Staff indicated that there is no evidence of any such expenses, however, as noted above, the burden lies with Staff to demonstrate that the funds went to Balbir personally. Staff did not meet this burden. It is not enough for Staff to say there is no evidence one way or the other. Accordingly, I am not satisfied that Balbir be solely liable to disgorge the full amount of the funds received by MBS. A sanctions order will be issued requiring Balbir to disgorge the $164,000 in cash that he withdrew and/or transferred and for MBS and Balbir to disgorge, on a joint and several basis, the remaining $936,000.

(e) Administrative Penalty

[58] In his closing submissions, Balbir agreed to pay the $100,000 administrative penalty amount requested by Staff. In my view, it is appropriate to impose this penalty on Balbir. Balbir's behavior was irresponsible. He not only participated in raising funds for Electrolinks in a manner that was in breach of key provisions of the Act, but he also assisted Mohinder in raising funds without keeping a proper record of those funds. Although Balbir did not personally profit from the funds raised, his conduct is unacceptable. Balbir committed multiple breaches of the Act over a three year period causing serious harm to investors. Accordingly, a $100,000 administrative penalty is appropriate, which amount shall be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act.

(f) Costs

[59] Staff has requested that Balbir be ordered to pay $10,000 in costs pursuant to section 127.1 of the Act. In light of Balbir's cooperation and his agreement and admissions in the Agreed Facts and Admissions, I believe that the costs order proposed by Staff is appropriate.

V. CONCLUSION

[60] In all of the circumstances, I have concluded that my decision on sanctions and costs is proportionate to the activities of the Respondents and will assist in deterring both the Respondents and like-minded people from engaging in future conduct that violates securities laws. Accordingly, the Sanctions and Costs Order (the "**Order**") will provide as follows:

(a) Pursuant to paragraph 2 of subsection 127(1) of the Act, the Respondents shall cease trading in securities for a period 10 years from the date of the Order provided that the entire amount of the payments set out in paragraphs (i), (j), (k), and (l) below has been paid in full. If such amounts remain unpaid, the Respondents shall cease trading in securities without limitation as to time.

(b) Pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by the Respondents is prohibited for a period of 10 years from the date of the Order provided that the entire amount of the payments set out in paragraphs (i), (j), (k), and (l) below has been paid in full. If such amounts remain unpaid, the Respondents shall be prohibited from acquiring securities without limitation as to time.

(c) Pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to the Respondents for a period of 10 years from the date of the Order provided that the payments set out in paragraphs (i), (j), (k), and (l) below has been paid in full. If such amounts remain unpaid, any exemptions contained in Ontario securities law shall not apply to the Respondents without limitation as to time.

(d) Pursuant to paragraph 6 of subsection 127(1) of the Act, Balbir is reprimanded.

(e) Pursuant to paragraph 7 of subsection 127(1) of the Act, Balbir shall resign all positions that he may hold as a director or officer of an issuer.

(f) Pursuant to paragraphs 8, 8.2, and 8.4 of subsection 127(1) of the Act, Balbir is prohibited permanently from becoming or acting as a director or officer of any issuer, registrant, and investment fund manager.

(g) Pursuant to paragraph 8.5 of subsection 127(1) of the Act, Balbir is prohibited permanently from becoming or acting as a registrant, as an investment fund manager or as a promoter.

(h) Pursuant to section 37 of the Act, Balbir shall be prohibited permanently from telephoning from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or any class of securities.

(i) Pursuant to paragraph 9 of subsection 127(1) of the Act, Balbir shall pay an administrative penalty of $100,000.

(j) Pursuant to paragraph 10 of subsection 127(1) of the Act, Balbir shall disgorge to the Commission $164,000 obtained as a result of his non-compliance with Ontario securities law.

(k) Pursuant to paragraph 10 of subsection 127(1) of the Act, Balbir and MBS shall disgorge to the Commission, on a joint and several basis, $936,000 obtained as a result of the non-compliance by MBS and Balbir with Ontario securities law.

(l) Pursuant to section 127.1 of the Act, Balbir shall pay costs incurred by the Commission in the amount of $10,000.

(m) All amounts received by the Commission in respect of the administrative penalty ordered in paragraph (i) above and the disgorgement amounts ordered in paragraphs (j) and (k) above are to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act.

Dated at Toronto this 3rd day of April, 2013.

“Christopher Portner”

3.1.3 New Futures Trading International Corporation and Fernando Honorate Fagundes also known as Henry Roch – Rule 1.5.3 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
NEW FUTURES TRADING INTERNATIONAL
CORPORATION and FERNANDO HONORATE
FAGUNDES also known as HENRY ROCHE

REASONS AND DECISION
ON MOTION TO WAIVE SERVICE
(Rule 1.5.3 of the Commission's Rules of Procedure (2012), 35 O.S.C.B. 10071)

Part 1 – BACKGROUND

1. On March 18, 2013, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing pursuant to subsections 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended in respect of New Futures Trading International Corporation ("**New Futures**") and Fernando Honorate Fagundes also known as Henry Roche ("**Fagundes**") (collectively, the "**Respondents**");

Part 2 – THE MOTION

2. On April 3, 2013, the Commission heard an application by Enforcement Staff of the Commission ("**Staff**") for an order to waive service of the Notice of Hearing and Statement of Allegations and all future process upon the Respondents.

3. Rule 1.5.3 of the Commission's *Rules of Procedure* (2012), 35 O.S.C.B. 10071 (the "***Rules of Procedure***"), provides:

> **1.5.3. Inability to Effect Service – (1)** If a person required to serve a document is unable to serve it by one of the methods described in Rule 1.5.1., the person may apply to a Panel for an order for substituted, validated or waived service. […]
>
> **(3) Substituted, Validated or Waived Service** – A Panel may give directions for substituted service or, where necessary, may validate or waive service if it considers it appropriate.

4. For the Reasons that follow, the panel shall issue an order waiving service of the Notice of Hearing, Statement of Allegations and all future process on Fagundes.

Part 3 – REASONS

5. Rule 1.5.1 of the *Rules of Procedure* mandates that all documents required to be served shall be served in one of seven specified ways or by any other means authorized by the panel.

6. In support of its motion, Staff filed the Affidavit of Raymond Daubney, sworn March 22, 2013, outlining the steps that he took, as lead investigator, to contact Fagundes in order to serve him with this Notice of Hearing and Statement of Allegations.

7. I have the affidavit and note that Mr. Daubney attempted to contact Fagundes: (i) by telephone at Fagundes' last known telephone number and contacting Bell Mobility, Corporate Security Services who confirmed the number had been reissued; and (ii) by sending a letter to Fagundes' last known address, which letter was returned unopened and attending at that address and speaking to the new owner and neighbours, all of whom indicated that the residence had been sold and that no one knew of the whereabouts of Fagundes. In addition, Mr. Daubney was in touch with Fagundes' lawyer who acted for Fagundes on the sale of the residence. The lawyer had no information regarding the current whereabouts of Fagundes. As a consequence, he would not accept service of documents on behalf of Fagundes.

8. Mr. Daubney spoke with an officer of the Canada Border Services Agency ("**CBSA**") assigned to locate Fagundes, who is wanted on an outstanding warrant issued in Regina, Saskatoon. On March 20, 2013, Mr. Daubney confirmed that the CBSA has been unable to locate Fagundes.

9. Finally, on March 20, 2013, Mr. Daubney also spoke with Manny Silva of Dracut, Massachusetts, Fagundes' brother. Mr. Silva advised that he did not know of the whereabouts of his brother and that his contact with his brother occurred only when Fagundes telephoned him. Mr. Silva does not have any forwarding address or contact information for Fagundes and will not accept service of documents on behalf of Fagundes.

10. Mr. Silva did, however, indicate to Mr. Daubney that he had spoken to Fagundes and had told him that the Commission was urgently trying to contact him.

11. Based upon the foregoing service attempts, I am satisfied that all reasonable steps have been taken to contact Fagundes and to serve documents upon him. I am also satisfied that Fagundes has knowledge of the fact that the Commission is seeking to contact him and is actively avoiding service. In these circumstances, it is appropriate for the Commission to exercise its discretion and waive service of the Notice of Hearing, Statement of Allegations and all future process on Fagundes.

12. I am not making a similar order for the respondent, New Futures, a New Hampshire corporation which Staff alleges has a principal place of business in Bedford, New Hampshire. It appears, from the Statement of Allegations, that the shareholder and officer of New Futures is Fagundes' wife, Emilia Elnasin (also known as Emilia Elnasin Roche or Lian Roche).

13. There are no submissions on service of New Futures and no evidence before me of any attempts to serve New Futures or its shareholder or officer.

14. The merits hearing may thus proceed as against Fagundes. If Staff wish to proceed against New Futures, it will have to either serve New Futures or demonstrate by cogent evidence that attempts to serve New Futures have been unsuccessful.

Part 4 – CONCLUSION

15. For the Reasons given, an order will be issued stating that the motion to waive service of process on Fagundes is granted, pursuant to Rule 1.5.3 of the *Rules of Procedure*.

Dated at Toronto this 9th day of April, 2013.

"Alan J. Lenczner"

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
Homeland Energy Group Ltd.	08 Apr 13	19 Apr 13		
Whitemud Resources Inc.	08 Dec 10	20 Dec 10	20 Dec 10	03 Apr 13

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order

THERE ARE NO ITEMS FOR THIS WEEK.

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order

THERE ARE NO ITEMS FOR THIS WEEK.

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Chapter 6

Request for Comments

6.1.1 Proposed OSC Rule 11-501 – Electronic Delivery of Documents to the Ontario Securities Commission and Proposed Consequential Policy Amendments

NOTICE AND REQUEST FOR COMMENT

PROPOSED ONTARIO SECURITIES COMMISSION RULE 11-501
ELECTRONIC DELIVERY OF DOCUMENTS TO THE ONTARIO SECURITIES COMMISSION

AND

PROPOSED CONSEQUENTIAL POLICY AMENDMENTS

Introduction

The Ontario Securites Commission (the OSC, the Commission or we) are publishing for a 90 day comment period proposed OSC Rule 11-501 (the Proposed Rule), together with proposed consequential amendments to National Policies 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions*, 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* and 11-205 *Process for Designation of Credit Rating Agencies in Multiple Jurisdictions* (the Proposed Policy Amendments).

Substance and Purpose of the Proposed Rule and the Proposed Policy Amendments

The Proposed Rule would make electronic filing mandatory for a number of documents that may be currently filed with the Commission in paper format. The documents generally include the forms, notices and other materials required under Ontario's securities rules that are not covered already by SEDAR, SEDI and NRD, the CSA national electronic filing systems.

Electronic filing is a convenience to filers and would allow for the efficient collection and use of information by the OSC. For example, each year we receive more than 6,000 Reports of Exempt Distribution and more than 1,800 submissions of Form 31-103F1. We anticipate that mandatory electronic filing would:

- streamline the submission process and regulatory burden for market participants in Ontario;
- improve our data analysis, compliance and enforcement capabilities by requiring more reports in a machine-readable format; and
- reduce the effort and time required to process and analyze the documents, allowing the Commission to focus resources on more substantive matters.

We believe that requiring electronic filing would result in greater efficiencies than if electronic filing were simply a permitted option.

The Proposed Policy Amendments are consequential to the Proposed Rule.

Summary of the Proposed Rule and the Proposed Policy Amendments

Subsection 1(1) of the Proposed Rule sets out the definitions of "form filer" and "required document". The former expression refers to a person or company required or permitted by Ontario securities law to file or deliver a "required document". "Required documents" are those documents, information and material described in Appendix A of the Proposed Rule, together with other information, notices, forms and filings that are required to be submitted to the Commission by market participants or exempted entities under Ontario securities law. The documents referenced in Appendix A include documents filed by foreign issuers that are not required to file documents on SEDAR in accordance with section 2.1 of National Instrument 13-101 *System for Electronic Document Analysis and Retrieval.*

Initially, it is anticipated that many of the required documents will continue to be filed in unstructured format, typically PDF. Our intention is to migrate many of these documents to online web-based forms and structured data. At the time the rule becomes effective, we expect the following forms to be available only as online web-based forms:

- Form 24-101F1 *Registered Firm Exception Report of DAP/RAP Trade Reporting and Matching*
- Form 31-103F1 *Calculation of Excess Working Capital*
- Form 45-106F1 *Report of Exempt Distribution*
- Form 45-501F1 *Report of Exempt Distribution*

Transitional details will be considered further, taking into account comments received.

The reference in Appendix A to "Applications, as defined in National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*" would mean that any application for relief or approval would have to be filed in electronic form, even if the relevant section number of the statutory provision, national instrument, rule or policy was not listed in Appendix A, such as:

- an application for written approval of the Director under section 38(3) of the *Securities Act*
- an application for an order or ruling under sections 74, 80, 104, 121(2), and 147 of the *Securities Act*
- an application under section 144 of the *Securities Act* to vary or revoke an earlier decision granting exemptive relief
- an application for consent to an amendment of an escrow agreement under section 8.1 of National Policy 46-201 *Escrow for Initial Public Offerings*
- an Ontario-only application under OSC Policy 2.1 Applications to the Ontario Securities Commission
- an application for an exemption under section 13.1 of National Instrument 51-102 *Continuous Disclosure Obligations* or other similar sections of national instruments and rules.

Subsection 2(1) of the Proposed Rule provides the obligation for a person or company to file required documents by electronic means, in accordance with system instructions on the OSC website.

Subsection 2(2) clarifies that this obligation does not apply to documents already filed electronically through SEDAR, SEDI or NRD, documents submitted under the OSC Rules of Procedure, or documents submitted in connection with enforcement investigations, compliance reviews or continuous disclosure reviews.

Section 3 of the Proposed Rule applies in the event of unanticipated technical difficulties. It provides that, in the case of unanticipated technical difficulties, a required document may simply be filed by email (within 2 business days after the day on which the filing was required) in the manner described in section 3. The document must also be filed electronically in the manner contemplated in section 2, no more than 3 business days after the resolution of the unanticipated technical difficulty. Section 3 contemplates that, in these circumstances, the filing deadline is effectively extended to the date subsequently filed under section 2.

Section 4 allows the Director to grant an exemption from the provisions of the Proposed Rule.

The Proposed Policy Amendments, relevant only in Ontario, are consequential to the Proposed Rule. The Proposed Policy Amendments, which are set out in Annex C, make cross-references to the Proposed Rule and to the url address contemplated in the Proposed Rule.

Legislative Authority for Rule Making

The rulemaking authority for the mandatory electronic transmission of documents is provided under paragraph 39 of subsection 143(1) of the *Securities Act*. Paragraph 39 authorizes the Commission to make rules requiring or respecting the media, format, preparation, form content, execution, certification, dissemination and other use, filing and review of documents required under or governed by the Act, regulation or rules (and all documents determined by the regulations and rules to be ancillary to the documents).

Alternatives Considered

While providing for the voluntary electronic transmission of documents has been facilitated in the past (for example, Form 45-106F1), for reasons set out above we are of the view that providing for the mandatory electronic transmission of documents is appropriate. Making electronic transmission mandatory requires the exercise of rule-making authority.

Unpublished Material

The Commission did not rely on any unpublished study, report or other written materials in connection with the Proposed Materials.

Amendments Proposed under Subsection 143(3) of the Act

If the Proposed Rule goes forward, we propose to amend Ontario Regulation 1015 under subsection 143(3) of the Act. Specifically,

1. Subection 3(1.2) of Ontario Regulation 1015 would be repealed,

2. Section 4 of Ontario Regulation 1015 would be amended by replacing "shall be marked "Confidential" and placed in an envelope addressed to the Secretary marked "Confidential – s. 75"" with "shall be designated as confidential and refer to section 75 of the Act",

3. The text underlined below would be added to the preamble of section 161 of Ontario Regulation 1015 as follows:

   "161. Except as otherwise provided in the Act, section 11, 174 or 181 of this Regulation, Ontario Securities Commission Rule 11-501 *Electronic Delivery of Documents to the Ontario Securities Commission*, Ontario Securities Commission Rule 55-502 *Facsimile Filing or Delivery of Section 109 Reports*, National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)* or National Instrument 71-102 Continuous *Disclosure and Other Exemptions Relating to Foreign Issuers*, …"

Impact on Investors

This initiative does not directly affect investors. However, the better use of information that we seek to achieve under the Proposed Rule will help us better fulfill our investor protection mandate. We also anticipate that these changes will facilitate our ability to provide access to public records not filed through the CSA National Systems.

Anticipated Costs and Benefits

We believe that the impact of this initiative on market participants is proportionate to the benefits we seek. This initiative will provide benefits by automating processes that were previously manual (such as manual data entry and validation checks), streamlining processes at the Commission. The OSC will incur system development costs in implementing electronic filing, which will be paid for from existing OSC sources of funds.

While some market participants will incur costs in transitioning from existing paper filing processes to electronic filing, we anticipate that, in the long run, this initiative will streamline filing processes for market participants, improve the quality of submissions and reduce the volume of physical correspondence between market participants and the OSC.

Request for Comments

We welcome your comments on the Proposed Materials.

Please submit your comments in writing on or before July 10, 2013. If you are not sending your comments by email, please send a CD containing the submissions (in Microsoft Word format) to:

The Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario M5H 3S8
Fax: 416-593-2318
comments@osc.gov.on.ca

We cannot keep submissions confidential because there is a statutory requirement for publication of a summary of the written comments received during the comment period.

Contents of Annexes

Annex A contains the text of the Proposed Rule.

Annex B contains additional operational considerations and standards that relate to electronic filing on the OSC website. These will be posted on the OSC website and may be updated from time to time.

Annex C contains the text of the Proposed Policy Amendments.

Questions

Please refer your questions to any of the following:

Alina Bazavan
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April 11, 2013

ANNEX A

THE PROPOSED RULE

Interpretation

1. (1) In this Rule

"form filer" means a person or company required or permitted by Ontario securities law to file a required document with the Ontario Securities Commission;

"NRD" has the meaning ascribed to it in National Instrument 31-102 *National Registration Database*;

"required document" means

(a) a document listed in Appendix A; or

(b) any other document required to be filed with the Ontario Securities Commission under Ontario securities law by

(i) a market participant, or

(ii) another person or company exempted from a requirement of Ontario securities law by reason of section 147 of the Act or an application otherwise provided for in Ontario securities law;

"SEDAR" has the meaning ascribed to it in National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)*;

"SEDI" has the meaning ascribed to it in National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)*.

(2) In this Rule, unless the context otherwise requires, "document" includes "information", "material" and "notice" as those words are used in Ontario securities law.

(3) In this Rule, a reference to a document that is required or permitted to be filed includes a document that is required or permitted to be deposited or filed with, or delivered, furnished, sent, provided or submitted to, the Ontario Securities Commission under Ontario securities law.

(4) The transmission of a document in electronic format to the Ontario Securities Commission under section 2 of this Rule constitutes

(a) if the document is required or permitted to be filed under Ontario securities law, the filing of that document under Ontario securities law; and

(b) if the document is required or permitted to be delivered, furnished, provided or submitted to the Ontario Securities Commission under Ontario securities law, the delivery of that document.

Electronic filing

2. (1) Each required document of a person or company must be transmitted to the Ontario Securities Commission electronically by the person or company following the steps set out at https://www.osc.gov.on.ca/filings.

(2) Subsection 2(1) does not apply to any required document that is

(a) filed through SEDAR, SEDI or NRD;

(b) filed under the Ontario Securities Commission Rules of Procedure; or

(c) filed under Part VI or Part VII of the Securities Act.

Temporary technical difficulties exemption

3. (1) If unanticipated technical difficulties prevent the timely transmission of an electronic filing of a required document, the form filer may file the document by e-mail as soon as practical and in any event no later than 2 business days after the day on which the filing was required.

(2) A filing under subsection (1) must include the following legend at the top of the first page:

> THIS REPORT IS BEING FILED UNDER A TEMPORARY TECHNICAL DIFFICULTIES EXEMPTION

(3) In addition to filing under subsection (1), a copy of each completed required document of a form filer must be filed under section 2 as soon as practical after the unanticipated technical difficulty has been resolved and in any event no later than 3 business days after the filing has been made by email.

(4) If a document is filed as required under this section, the date by which the document is required to be filed under Ontario securities law is deemed to be the date on which the document is filed electronically under section 2.

Exemption

4. The Director may grant an exemption from the provisions of this Rule, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

Appendix A

Document Reference	Description of Document
Securities Act, s. 1(10)	Applications to the Commission under clause 1(10) of the *Securities Act*
Securities Act, s. 1(11)	Applications to the Commission under clause 1(11) of the *Securities Act*
Securities Act, Part VIII	Applications to the Commission for recognition or designation under Part VIII of the *Securities Act*
Securities Act, s. 21.4	Applications to the Commission for the voluntary surrender of a recognition or designation under section 21.4 of the *Securities Act*
Securities Act, s. 75(3) 51-102, s. 7.1(2)	Confidential material change reports permitted to be filed under subsection 75(3) of the *Securities Act* and subsection 7.1(2) of National Instrument 51-102 *Continuous Disclosure Obligations*
Securities Act, s. 75(4) 51-102, s. 7.1(5)	The notification required under subsection 75(4) of the *Securities Act* and subsection 7.1(5) of National Instrument 51-102 *Continuous Disclosure Obligations*
Securities Act, Part XXIII.1	Notices and other documents to be sent to the Commission under Part XXIII.1 of the *Securities Act*
Securities Act, s. 144	Applications to the Commission to vary or revoke a recognition or designation granted under Part VIII of the *Securities Act*
11-202	Pre-filings or waiver applications within the meaning of National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions*
11-203	Pre-filings, as defined in National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*
11-203	Applications, as defined in National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*
11-205	Applications to become Designated Rating Organzation, under the process set out in National Policy 11-205 *Process for Designation of Credit Rating Organizations in Multiple Jurisdictions*
12-202	Applications to vary or revoke a CTO as defined in National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order*
13-101 s.2.1	Documents to be filed with the Commission by issuers not required to comply with National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* in accordance with section 2.1 of that Instrument
13-101 s.2.3	Documents to be filed with the Commission in paper format under section 2.3 of National Instrument 13-101 *System for Electronic Document Analysis and Retrieval*
13-502F4	Form 13-502F4 *Capital Markets Participation Fee Calculation*
13-502F5	Form 13-502F5 *Adjustment of Fee for Registrant Firms and Unregistered Exempt International Firms*
13-503F1	Form 13-503F1 *Capital Markets Participation Fee Calculation (Firms registered only under the Commodity Futures Act)*
13-503F2	Form 13-503F2 *Adjustment of Fee for Registrant Firms registered only under the Commodity Futures Act*
13-508F8	Form 13-508F8 *Designated Rating Organizations – Participation Fee*
21-101F1	Form 21-101F1 *Information Statement Exchange or Quotation and Trade Reporting System*
21-101F2	Form 21-101F2 *Initial Operation Report Alternative Trading System*
21-101F3	Form 21-101F3 *Quarterly Report of Alternative Trading System Activities*

Document Reference	Description of Document
21-101F4	Form 21-101F4 *Cessation of Operations Report for Alternative Trading System*
21-101F5	Form 21-101F5 *Initial Operation Report for Information Processor*
21-101F6	Form 21-101F6 *Cessation of Operations Report for Information Processor*
24-101F1	Form 24-101F1 *Registered Firm Exception Report of DAP/RAP Trade Reporting and Matching*
24-101F2	Form 24-101F2 *Clearing Agency - Quarterly Operations Report of Institutional Trade Reporting and Matching*
24-101F3	Form 24-101F3 *Matching Service Utility - Notice of Operations*
24-101F4	Form 24-101F4 *Matching Service Utility - Notice of Cessation of Operations*
24-101F5	Form 24-101F5 *Matching Service Utility - Quarterly Operations Report of Institutional Trade Reporting and Matching*
25-101F1	Form 25-101F1 *Designated Rating Organization Application and Annual Filing*
25-101F2	Form 25-101F2 *Submission to Jurisdiction and Appointment of Agent for Service of Process*
31-103 s. 12.2	Notice of repayment or termination of subordination agreement pursuant to section 12.2 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*
31-103 s. 12.7	Notice of change, claim or cancellation of insurance policy pursuant to section 12.7 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*
31-103F1	Form 31-103F1 *Calculation of Excess Working Capital*, together with associated financial information as required by sections 12.12, 12.13 and 12.14 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*
31-103F2	Form 31-103F2 *Submission to Jurisdiction and Appointment of Agent for Service*
31-103F3	Form 31-103F3 *Use of Mobility Exemption*
31-317	CSA Staff Notice: 31-317 (Revised) *Reporting Obligations Related to Terrorist Financing*
32-102F1	Form 32-102F1 *Submission to Jurisdiction and Appointment of Agent for Service for International Investment Fund Manager*
32-102F2	Form 32-102F2 *Notice of Regulatory Action*
33-109F5	Form 33-109F5 *Change of Registration Information*
33-109F6	Form 33-109F6 *Firm Registration*
33-506F6	Form 33-506F6 *Firm Registration (Commodity Futures Act)*
35-101F1	Form 35-101F1 *Form of Submission to Jurisdiction and Appointment of Agent for Service of Process by Broker-Dealer*
35-101F2	Form 35-101F2 *Form of Submission to Jurisdiction and Appointment of Agent for Service of Process by Agents of the Broker-Dealer*
43-101F1	Form 43-101F1 *Technical Report*
45-101F	Form 45-101F *Information Required in a Rights Offering Circular*
45-101 s. 3.1(1)2	A statement of the issuer sent pursuant to paragraph 2 of subsection 3.1(1) of National Instrument 45-101 *Rights Offerings*

Document Reference	Description of Document
45-101 s.10.1(2)	Notice to the Commission sent pursuant to subsection 10.1(2) of National Instrument 45-101 *Rights Offerings*
45-106F1	Form 45-106F1 *Report of Exempt Distribution*
45-106 s.2.42(2)(a)	Notice to the Commission given pursuant to paragraph 2.42(2)(a) of National Instrument 45-106 *Prospectus and Registration Exemptions*
45-106 s.4.1(4)	Letters filed with the Commission pursuant to subsection 4.1(4) of National Instrument 45-106 *Prospectus and Registration Exemptions*
45-501F1	Form 45-501F1 *Report of Exempt Distribution*
45-501 s.5.4	Delivery of an offering memorandum or any amendment to a previously delivered offering memorandum in accordance with section 5.4 of OSC Rule 45-501 *Ontario Prospectus and Registration Exemptions*
71-101F1	Form 71-101F1 *Forms of Submission to Jurisdiction and Appointment of Agent for Service of Process*
•	OTC Derivative Trade Reporting (not already reported to repository)
Business Corporations Act, s. 1(6)	Applications to the Commission under subsection 1(6) of the *Business Corporations Act*
Business Corporations Act, s. 46(4)	Applications to the Commission under subsection 46(4) of the *Business Corporations Act*
Business Corporations Act, s. 113	Applications to the Commission under section 113 of the *Business Corporations Act*
Business Corporations Act, s. 158(1.1)	Applications to the Commission under subsection 158(1.1) of the *Business Corporations Act*
Business Corporations Act, s. 190(6)	Applications to the Commission under subsection 190(6) of the *Business Corporations Act*
Ont. Reg. 289/00 made under the Business Corporations Act, s. 4(b)	Applications to the Commission for consents under subsection 4(b) of Ont. Reg. 289/00 made under the *Business Corporations Act*
Loan and Trust Corporations Act, s. 213(3)(b)	Applications to the Commission for approvals under subsection 213(3)(b) of the *Loan and Trust Corporations Act*

ANNEX B

PROPOSED OPERATIONAL CONSIDERATIONS AND STANDARDS THAT RELATE TO ELECTRONIC FILING UNDER ONTARIO SECURITIES COMMISSION RULE 11-501 *ELECTRONIC DELIVERY OF DOCUMENTS TO THE ONTARIO SECURITIES COMMISSION*

1. Required documents may be transmitted to the Ontario Securities Commission on any business day between the hours of 7:00a.m. and 11:00p.m. Eastern Time. Electronic filings may also be transmitted outside of those business hours if the system is not shut down for regular maintenance or for any other reasons.

2. Technical support will be available on any business day between the hours of 8:30 a.m. and 5:00 p.m. local time.

3. A document filed in electronic format is, for purposes of securities legislation, filed on the day that the electronic transmission of the document is completed.

4. Although the obligation to file electronically falls on the person or company (defined as the "form filer") required or permitted by Ontario securities law to file an Appendix A document, the person or company may use an agent, such as its legal counsel, to file the document on its behalf.

5. The system may not accept files larger than 20 MB. Please contact ● for direction on how to file a document that exceeds 20 MB.

6. The instrument provides a temporary exemption in the event a technical difficulty prevents the form filer from filing electronically. To use the exemption, the form filer must file the applicable document and consent by email to ● within two business days. Once the technical difficulty is resolved and, in any event, within three business days of filing by email, the form filer is required to file the document electronically using the system. The fees payable for filing the applicable document should be paid at the time the form filer files the document electronically using the system.

ANNEX C

THE PROPOSED POLICY AMENDMENTS

Proposed Policy Amendment in Ontario to
National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions*

1. ***Section 8.1 of National Policy 11-202 Process for Prospectus Reviews in Multiple Jurisdictions is changed by adding the following after subsection 8.1(1):***

   (1.1) Despite subsection (1), in Ontario prefilings and waiver applications are submitted in accordance with Ontario Securities Commission Rule 11-501 *Electronic Delivery of Documents to the Ontario Securities Commission*.

2. ***Section 1 becomes effective ● 2013.***

Proposed Policy Amendment in Ontario to
National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*

1. ***Section 5.5 of National Policy 11-203 Process for Exemptive Relieve Applications in Multiple Jurisdictions is changed by replacing "***applications@osc.gov.on.ca***" with "***https://www.osc.gov.on.ca/filings***".***

2. ***Section 1 becomes effective ●, 2013.***

Proposed Policy Amendment in Ontario to
National Policy 11-205 *Process for Designation of Credit Rating Organizations in Multiple Jurisdictions*

1. ***Section 13 of National Policy 11-205 Process for Designation of Credit Rating Organizations in Multiple Jurisdictions is changed by replacing "***applications@osc.gov.on.ca***" with "***https://www.osc.gov.on.ca/filings***".***

2. ***Section 1 becomes effective ●, 2013.***

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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
03/12/2013	1	Allergan, Inc. - Notes	1,022,467.36	1,022,467.36
03/14/2013	1	American Homes 4 Rent - Common Shares	328,400.00	46,718,750.00
12/03/2012	1	Anchorage MSW Structured Credit Offshore L.P. - Common Shares	491,436.00	N/A
03/19/2013	1	Appinions Inc. - Units	256,750.00	250.00
03/07/2013	5	ARAMARK Corporation - Notes	7,077,474.00	5.00
03/18/2013	14	Asher Resources Corporation - Flow-Through Shares	247,219.50	988,878.00
03/08/2013	2	Associated Asphalt Partners, LLC/Road Holdings III, L.L.C. and Associated Asphalt Finance Corp. - Notes	7,447,925.00	2.00
03/21/2013	2	Aurora USA Oil & Gas Inc. - Notes	7,140,000.00	7,000.00
02/07/2012 to 12/20/2012	8	Baillie Gifford Global Alpha Fund - Units	208,124,065.24	N/A
03/22/2013	10	Bank of America Corporation - Notes	352,000,000.00	10.00
03/13/2013	2	Bank United, Inc. - Common Shares	2,723,629.13	105,000.00
03/13/2013	5	BankUnited, Inc. - Common Shares	10,998,273.81	424,000.00
01/03/2012 to 12/03/2012	3	Baring Canada Investment Trust - Focused International Plus Fund - Units	29,060,576.47	295,516.15
10/04/2012	1	Baring Canadian Investment Trust - World Equity Fund - Units	43,029,950.41	430,299.50
01/03/2012 to 12/31/2012	389	Barometer Equity Pool - Trust Units	4,385,439.24	442,680.28
01/03/2012 to 12/31/2012	304	Barometer Global Equity Pool - Trust Units	2,254,457.59	257,183.84
01/03/2012 to 12/03/2012	134	Barometer Global Tactical Pool - Trust Units	446,715.81	47,637.72
01/03/2012 to 12/31/2012	1950	Barometer High Income Pool - Trust Units	285,095,088.90	25,317,064.72
01/03/2012 to 12/31/2012	246	Barometer Long Short Equity Pool - Trust Units	1,086,353.07	120,519.87
01/03/2012 to 12/31/2012	321	Barometer Tactical Exchange Traded Fund Pool - Trust Units	2,565,209.82	244,262.61
03/18/2013	6	Beatrice Funding LLC/Duonix Beatrice, LP - Units	40,649,390.00	98.00
02/22/2013	1	Belmont Resources Inc. - Common Shares	10,000.00	25,000.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
03/15/2013	2	Blucora, Inc. - Notes	1,019,300.00	2.00
03/01/2012	1	Burgundy Balanced Pension Fund II - Units	400,000.00	N/A
01/09/2012 to 12/28/2012	193	Burgundy American Equity Fund - Units	57,640,987.98	N/A
01/09/2012 to 12/17/2012	58	Burgundy Asian Equity Fund - Units	26,069,570.52	N/A
01/09/2012 to 12/31/2012	18	Burgundy Balanced Foundation Fund - Units	47,581,620.24	N/A
03/01/2012	1	Burgundy Balanced Foundation Fund II - Units	400,000.00	N/A
06/01/2012	1	Burgundy Balanced Income Fund - Units	4,925.00	N/A
01/09/2012 to 12/31/2012	21	Burgundy Balanced Pension Fund - Units	343,690,158.01	N/A
08/20/2012	1	Burgundy Black Diamond Fund - Units	400,000.00	N/A
01/09/2012 to 12/31/2012	315	Burgundy Bond Fund - Units	65,014,578.78	N/A
01/23/2012 to 12/31/2012	8	Burgundy Canadian Equity Fund - Units	507,091.59	N/A
02/01/2012	1	Burgundy Canadian Large Cap Fund - Units	200,000.00	N/A
01/09/2012 to 12/31/2012	104	Burgundy Canadian Small Cap Fund - Units	22,472,783.01	N/A
01/16/2012 to 12/10/2012	17	Burgundy Compound Reinvestment Fund - Units	3,285,514.62	N/A
06/18/2012 to 12/28/2012	3	Burgundy Core Plus Bond Fund - Units	4,647,109.11	N/A
07/09/2012 to 12/28/2012	2	Burgundy EAFE Fund - Units	55,005,997.74	N/A
01/09/2012 to 12/17/2012	3	Burgundy Emerging Markets Foundation Fund - Units	1,027,718.15	N/A
01/09/2012 to 12/28/2012	61	Burgundy Emerging Markets Fund - Units	41,212,725.56	N/A
01/09/2012 to 12/31/2012	109	Burgundy European Equity Fund - Units	54,767,565.22	N/A
02/21/2012 to 12/03/2012	3	Burgundy European Foundation Fund - Units	4,154,699.98	N/A
01/16/2012 to 12/24/2012	26	Burgundy Focus Asian Equity Fund - Units	387,455.39	N/A
01/09/2012 to 12/28/2012	137	Burgundy Focus Canadian Equity Fund - Units	235,999,064.85	N/A
01/09/2012 to 12/31/2012	39	Burgundy Foundation Trust Fund - Units	8,817,834.70	N/A
02/21/2012 to 02/28/2012	14	Burgundy Global Equity Fund - Units	80,110,141.03	N/A

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/09/2012 to 12/24/2012	31	Burgundy Global Focused Opportunities Fund - Units	4,817,710.82	N/A
11/01/2012 to 11/05/2012	3	Burgundy MM Fund - Units	1,550,000.01	N/A
01/09/2012 to 12/31/2012	379	Burgundy Money Market Fund - Units	178,366,457.06	N/A
02/13/2012 to 12/31/2012	7	Burgundy Partners' Equity RSP Fund - Units	4,018,473.35	N/A
01/09/2012 to 12/31/2012	936	Burgundy Partners' Global Fund - Units	222,116,832.87	N/A
01/09/2012 to 12/31/2012	68	Burgundy Partners Balanced RSP Fund - Units	4,268,218.52	N/A
01/09/2012 to 12/28/2012	349	Burgundy Total Return Bond Fund - Units	21,683,318.74	N/A
02/28/2012	1	Burgundy U.S. Mid Cap Fund - Units	1,000,000.00	N/A
01/23/2012 to 12/24/2012	21	Burgundy U.S. Money Market Fund - Units	3,531,796.12	N/A
01/09/2012 to 12/28/2012	100	Burgundy U.S. Smaller Companies Fund - Units	19,422,015.42	N/A
01/30/2012 to 12/31/2012	33	Burgundy U.S. Small/Mid Cap Fund - Units	13,120,953.86	N/A
03/12/2013	11	Burlington Northern Santa Fe, LLC - Notes	74,340,628.41	11.00
01/06/2012 to 12/31/2012	7	Caisse Commune Optimum Actions Canadiennes - Units	10,447,186.00	891,412.67
01/06/2012 to 12/31/2012	7	Caisse Commune Optimum Actions Etrangeres - Units	3,308,866.99	318,516.68
01/03/2012 to 12/31/2012	7	Caisse Commune Optimum Obligations Canadiennes - Units	39,367,783.00	3,697,274.14
01/01/2012 to 12/31/2012	135	Canadian ABCP Fund LP - Units	57,276,813.30	N/A
01/01/2012 to 12/31/2012	314	Canadian ABCP Investment Fund - Units	22,929,894.32	182,168.63
03/11/2013	3	CareFusion Corporation - Notes	8,749,770.42	3.00
03/14/2013	19	CBRE Services, Inc. - Notes	50,278,900.00	19.00
01/01/2012 to 12/31/2012	5	CC&L Bond Fund - Trust Units	3,003,820.91	252,973.30
01/01/2012 to 12/31/2012	3	CC&L Canadian Equity Fund - Trust Units	265,769.27	31,775.70
01/01/2012 to 12/31/2012	3	CC&L EAFE Equity Fund - Trust Units	99,581.67	13,087.57
01/01/2012 to 12/31/2012	43	CC&L Select Balanced Growth Portfolio - Units	1,363,998.07	129,914.49

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/01/2012 to 12/31/2012	10	CC&L Select Balanced Income Portfolio - Units	739,108.72	69,614.23
01/01/2012 to 12/31/2012	63	CC&L Select Balanced Portfolio - Trust Units	1,976,915.27	155,142.28
01/01/2012 to 12/31/2012	14	CC&L Select Diversified Income Portfolio - Units	847,683.30	83,142.10
01/01/2012 to 12/31/2012	36	CC&L Select Growth Portfolio - Units	407,720.54	39,188.27
01/01/2012 to 12/31/2012	1	CC&L US Equity Fund - Units	49,080.03	6,448.33
03/20/2013	1	Cenoplex, Inc. - Note	2,053,809.88	1.00
01/17/2012 to 10/15/2012	1	CIF Global High Income Opportunities Fund - Units	434,480.40	17,616.54
03/15/2013	4	Claire's stores, Inc. - Notes	1,592,146.60	4.00
01/01/2012 to 12/31/2012	4	Claren Road Credit Fund Ltd. - Units	31,219,230.00	31,300.00
03/12/2013	21	Clemson Resources Corp. - Common Shares	3,320,007.00	9,735,727.00
03/04/2013	25	Colabor Group Inc - Common Shares	30,003,700.00	3,974,000.00
01/26/2012 to 11/30/2012	3	Commonfund Global Distressed Investors LLC 2 - Limited Partnership Interest	365,021.82	366,250.00
09/28/2012 to 12/14/2012	1	Commonfund Strategic Solutions Core Real Estate Fund LLC - Limited Partnership Interest	2,965,711.39	3,000,000.00
03/04/2013	2	Cornerstone Chemical Company - Notes	1,312,995.00	1,275.00
01/01/2012 to 12/31/2012	10	Crestpoint Real Estate Investments Limited Partnership - Units	41,099,990.00	3,666,849.00
03/15/2012	73	Cross Roads Park Plaza Income Trust - Trust Units	1,123,900.00	11,239.00
03/19/2013	2	Discovery Communications, LLC - Notes	2,051,984.92	2.00
02/01/2012 to 11/01/2012	3	DRADIS Capital LP - Limited Partnership Interest	17,000,000.00	N/A
01/01/2012 to 12/31/2012	8	Duncan Ross Equity Fund - Units	970,455.00	5,624.91
01/01/2012 to 12/31/2012	4	Duncan Ross Pooled Trust - Units	4,628,496.98	12,715.08
03/08/2013	33	Elcora Resources Corp. - Common Shares	337,725.00	1,943,166.00
03/26/2013	33	Entourage Metals Ltd. - Common Shares	626,850.00	4,779,000.00
03/20/2013	2	ePals Corporation - Debentures	3,000,000.00	3,000.00
03/21/2013 to 04/04/2013	4	Feronia Inc. - Common Shares	9,489,867.64	79,082,229.00
03/19/2013	2	Fibra Inc. - Certificates	6,502,500.00	4,250,000.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/01/2012 to 12/31/2012	192	Fiera Canadian Equity Fund - CWM (formerly, CWM Private Canadian Equity Portfolio) - Units	4,956,646.00	N/A
01/01/2012 to 12/31/2012	167	Fiera Canadian Fixed Income Fund - CWM (formerly, CWM Private Canadian Fixed Income Portfolio) - Units	4,698,300.00	N/A
01/01/2012 to 12/31/2012	172	Fiera International Equity Fund - CWM (formerly, CWM Private International Equity Portfolio) - Units	7,083,820.00	N/A
01/01/2012 to 12/31/2012	255	Fiera US Equity Fund - CWM (formerly, CWM Private US Equity Portfolio) - Units	5,695,088.00	N/A
06/12/2012 to 06/26/2012	1	Forex Capital Markets, LLC - N/A	0.00	18,777.00
04/17/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
04/03/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
01/24/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
02/21/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
05/01/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
10/02/2012 to 10/16/2012	1	Forex Capital Markets, LLC - N/A	0.00	27,200.00
06/26/2012 to 07/10/2012	1	Forex Capital Markets, LLC - N/A	0.00	19,000.00
07/10/2012 to 07/24/2012	1	Forex Capital Markets, LLC - N/A	0.00	19,874.00
03/20/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
01/10/2011	1	Forex Capital Markets, LLC - N/A	0.00	0.00
09/18/2012 to 10/02/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
08/06/2012 to 08/21/2012	1	Forex Capital Markets, LLC - N/A	0.00	16,060.00
05/29/2012 to 06/12/2012	1	Forex Capital Markets, LLC - N/A	0.00	23,972.00
02/07/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
07/24/2012 to 08/06/2012	1	Forex Capital Markets, LLC - N/A	0.00	20,263.00
09/04/2012 to 09/18/2012	1	Forex Capital Markets, LLC - N/A	0.00	23,290.00
08/21/2012 to 09/04/2012	1	Forex Capital Markets, LLC - N/A	0.00	16,576.00
03/06/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
05/15/2012 to 05/29/2012	1	Forex Capital Markets, LLC - N/A	0.00	17,043.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
05/29/2012	1	Forex Capital Markets, LLC - N/A	0.00	0.00
12/11/2012 to 12/25/2012	1	Forex Capital Markets, LLC - N/A	0.00	15,057.00
10/16/2012 to 10/30/2012	1	Forex Capital Markets, LLC - N/A	0.00	28,689.00
11/13/2012 to 11/27/2012	1	Forex Capital Markets, LLC - N/A	0.00	43,480.00
02/25/2012 to 01/18/2013	1	Forex Capital Markets, LLC - N/A	0.00	13,002.00
01/08/2013 to 01/22/2013	1	Forex Capital Markets, LLC - N/A	0.00	25,459.00
01/22/2013 to 02/05/2013	1	Forex Capital Markets, LLC - N/A	0.00	124,655.00
03/05/2013 to 03/19/2013	1	Forex Capital Markets, LLC - N/A	0.00	32,705.00
02/05/2013 to 02/19/2013	1	Forex Capital Markets, LLC - N/A	0.00	27,557.00
02/19/2013 to 03/05/2013	1	Forex Capital Markets, LLC - N/A	0.00	32,705.00
03/07/2013	3	Fusebill Inc. - Preferred Shares	2,000,000.00	4,166,136.00
03/21/2013 to 03/22/2013	54	F.D.G. Mining Inc. - Units	3,055,000.00	30,550,000.00
01/24/2012 to 05/23/2012	1	Global Total Return Portfolio IV (Luxembourg) - Units	67,748,756.68	6,325,712.16
01/01/2012 to 12/31/2012	194	GMP Diversified Alpha Fund - Units	74,195,115.16	N/A
01/01/2012 to 12/31/2012	132	GMPIM Equity Opportunities Class F Fund - Units	829,862.87	134,757.68
01/01/2012 to 12/31/2012	129	GMPIM Equity Opportunities Fund - Units	929,243.16	N/A
02/15/2013 to 02/28/2013	2	Golden Share Mining Corporation - Common Shares	0.00	1,300,000.00
02/27/2013	9	Highbank Resources Ltd. - Common Shares	125,600.00	1,570,000.00
02/21/2013	17	Huldra Silver Inc. - Debentures	2,624,800.00	17.00
02/28/2013	71	IBC Advanced Alloys Corp. - Units	1,930,671.68	16,089,764.00
03/07/2013	3	ING Bank N.V. - Notes	56,650,285.92	3.00
03/11/2013	3	International Lease Finance Corporation - Notes	10,267,445.52	3.00
03/11/2013	1	International Lease Finance Corporation - Note	513,194.64	1.00
03/26/2013	4	IOU Financial Inc. - Units	395,000.00	987,500.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
03/14/2013 to 03/22/2013	21	Iskander Energy Corp. - Units	7,100,000.00	7,100,000.00
03/28/2013	60	Javelina Resources Ltd. - Receipts	1,500,000.00	6,000,000.00
03/12/2013	3	KAR Auction Services, Inc. - Common Shares	7,436,250.00	375,000.00
01/01/2012 to 08/01/2012	3	King Street Capital Ltd. - Units	80,241,486.82	N/A
02/01/2012 to 06/01/2012	3	King Street Europe Ltd. - Units	58,921,031.32	N/A
11/29/2012	2	Koninklljke Vopak N.A. - Notes	25,000,000.00	2.00
10/01/2012 to 12/18/2012	91	Longbow Capital Limited Partnership #20 - Limited Partnership Units	23,560,000.00	23,560.00
03/13/2013	1	LTP Financing Inc. - Bonds	5,000.00	5.00
01/11/2013	1	Marquest Asset Management Inc. - Common Shares	50,310.00	90.00
03/06/2013	3	MasTec, Inc. - Notes	3,867,750.00	3,750.00
03/18/2013	1	Maxim Integrated Products, Inc. - Note	5,051,233.72	1.00
01/01/2012 to 12/31/2012	363	McLean & Partners Private Global Dividend Growth Pool - Trust Units	7,336,463.56	982,069.71
01/01/2012 to 12/31/2012	218	McLean & Partners Private International Equity Pool - Trust Units	3,543,773.95	527,008.82
03/06/2013	3217	Mesquite Logistics Canada Financial Corp. - Units	1,608,500.00	3,217.00
03/12/2013	4	MGIC Investment Corporation - Common Shares	23,763,645.00	4,500,000.00
03/22/2013	2	Montana Exploration Corp. - Common Shares	0.00	27,442,710.00
01/01/2012 to 12/31/2012	36	Mortgage Investment Corporation of Eastern Ontario - Units	2,513,766.59	N/A
03/12/2013	29	MTAC Resources Inc. - Flow-Through Shares	4,339,280.60	1,276,259.00
03/12/2013	2	Navios South American Logistics Inc./Navios Logistics Finance (US) Inc. - Notes	4,043,791.01	2.00
03/19/2013	1	NBCUniversal Enterprise, Inc. - Note	3,080,443.15	1.00
04/30/2012 to 11/30/2012	8	northern Citadel Mortgage Investment Trust - Trust Units	59,500.00	5,950.00
03/01/2012	1	Numeric Absolute Return Fund L.P. - Limited Partnership Interest	3,939,600.00	3,939,600.00
01/12/0131 to 12/31/2012	119	NWM Alternative Strategies Fund - Units	26,041,550.02	2,414,759.07
01/06/2012 to 12/28/2012	144	NWM Balanced Mortgage Fund - Units	21,356,515.43	2,145,394.35
01/12/2012 to 12/31/2012	358	NWM Bond Fund - Units	64,978,323.61	6,518,198.33

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/06/2012 to 12/28/2012	136	NWM Global Bond Fund - Units	16,716,819.35	1,611,040.12
01/06/2012 to 12/28/2012	188	NWM Global Equity Fund - Units	37,860,405.94	2,695,171.63
01/06/2012 to 12/28/2012	200	NWM High Yield Bond Fund - Units	38,072,149.95	3,215,139.82
01/06/2012 to 12/28/2012	163	NWM Precious Metal Fund - Units	22,320,893.85	280,321.30
01/06/2012 to 12/28/2012	138	NWM Preferred Share Fund - Units	27,539,859.40	2,213,373.25
01/06/2012 to 12/28/2012	165	NWM Primary Mortgage Fund - Units	40,720,042.50	3,936,805.85
01/06/2012 to 12/28/2012	197	NWM Real Estate Fund - Units	23,831,999.52	1,155,225.38
01/02/2012 to 12/31/2012	457	NWM Strategic Income Fund - Units	65,255,606.38	8,002,144.81
01/31/2012 to 12/31/2012	28	NWM Tactical High Income Fund (CAD) - Units	5,306,900.00	597,078.77
01/31/2012 to 12/31/2012	34	NWM Tactical High Income Fund (USD) - Units	15,411,490.82	1,428,697.72
03/12/2013	97	Oceanus Resources Corporation - Common Shares	2,300,000.00	24,771,141.00
05/01/2010 to 12/01/2012	1	OZ Europe Overseas Fund II, Ltd. - Common Shares	5,664,002.65	N/A
05/01/2008 to 05/01/2010	3	OZ Overseas Fund II, Ltd. - Common Shares	12,241,572.70	N/A
11/01/2012	2	OZ Structured Products Overseas Feeder Fund II, L.P. - Investment Trust Interests	49,860,551.22	N/A
07/18/2012	1	PCJ Absolute Return Fund - Trust Units	100,000.00	936.26
01/01/2012 to 12/31/2012	657	Picton Mahnoney Income Opportunities Fund - Units	53,982,186.27	N/A
01/01/2012 to 12/31/2012	3	Picton Mahoney 130/30 Alpha Extension Canadian Equity Fund - Units	167,533,636.60	N/A
01/01/2012 to 12/31/2012	39	Picton Mahoney Diversified Strategies Fund - Units	1,008,173.03	N/A
01/01/2012 to 12/31/2012	39	Picton Mahoney Global Long Short Equity Fund - Units	2,281,583.23	N/A
01/01/2012 to 12/31/2012	237	Picton Mahoney Global Market Neutral Equity Fund - Units	14,872,377.86	N/A
01/01/2012 to 12/31/2012	216	Picton Mahoney Long Short Emerging Markets Fund - Units	10,914,184.52	N/A
01/01/2012 to 12/31/2012	140	Picton Mahoney Long Short Equity Fund - Units	9,131,423.52	N/A

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/01/2012 to 12/31/2012	49	Picton Mahoney Long Short Global Resource Fund - Units	4,842,620.56	N/A
01/01/2012 to 12/31/2012	489	Picton Mahoney Market Neutral Equity Fund - Units	34,465,677.21	N/A
01/01/2012 to 12/31/2012	16	Picton Mahoney Premium Fund - Units	10,585,130.00	N/A
01/03/2012 to 12/31/2012	11	PIMCO Canada Canadian CorePLUS Bond Trust - Units	186,479,800.85	1,709,696.66
01/09/2012 to 12/28/2012	3	PIMCO Canada Canadian CorePLUS Long Bond Trust - Units	62,867,850.00	606,839.20
10/01/2012 to 12/31/2012	1	PIMCO POFS Overlay Strategies Fund I - Units	2,976,300.00	610,675.27
01/01/2012 to 10/01/2012	1	Portland Indian Select Business Portfolio Inc. - Units	234,876.44	N/A
01/01/2012 to 12/31/2012	211	Private Client Bond Portfolio - Units	22,123,863.35	1,917,386.38
01/01/2012 to 12/31/2012	372	Private Client Canadian Equity Income & Growth Portfolio II - Units	11,710,507.31	710,688.40
01/01/2012 to 12/31/2012	82	Private Client Canadian Equity Portfolio - Units	2,156,192.92	133,587.77
01/01/2012 to 12/31/2012	98	Private Client Canadian Value Portfolio - Units	1,939,048.94	126,637.78
07/19/2012	1	Private Client Emerging Markets Portfolio - Units	250,000.00	30,409.19
01/01/2012 to 12/31/2012	89	Private Client Global Equity Portfolio - Units	3,476,781.88	579,570.13
01/10/2012	1	Private Client Global Small Cap Portfolio - Units	1,618.00	157.83
01/01/2012 to 12/31/2012	190	Private Client High Yield Bond Portfolio - Units	8,627,616.55	825,458.49
01/01/2012 to 12/31/2012	75	Private Client Infrastructure Portfolio - Units	978,770.00	87,487.26
01/01/2012 to 12/31/2012	28	Private Client International Equity Portfolio - Units	2,117,789.31	250,141.91
01/01/2012 to 12/31/2012	251	Private Client Money Market Portfolio - Units	47,698,411.64	4,772,682.83
01/01/2012 to 12/31/2012	10	Private Client Multi Strategy Portfolio - Units	638,355.82	51,340.22
01/01/2012 to 12/31/2012	72	Private Client Real Estate Portfolio - Units	4,656,080.00	415,533.12
01/01/2012 to 12/31/2012	135	Private Client Short Term Bond Portfolio - Units	8,483,677.83	829,601.25
01/01/2012 to 12/31/2012	78	Private Client Small Cap Portfolio II - Units	969,688.82	68,254.17

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/01/2012 to 12/31/2012	2	Private Client Socially Responsible Canadian Equity Portfolio - Units	106,719.00	11,994.47
01/01/2012 to 12/31/2012	80	Private Client US Equity Income & Growth Portfolio - Units	5,307,325.74	474,592.99
01/01/2012 to 12/31/2012	2	Private Client US Short Term Bond Portfolio - Units	128,489.76	13,825.45
03/28/2013	8	Puma Exploration Inc. - Units	400,000.00	2,666,666.00
03/04/2013	1	QVC, Inc. - Notes	5,147,352.32	5,000.00
02/01/2012 to 11/01/2012	336	Radiant Fund Corp. - Common Shares	1,685,068.02	N/A
11/01/2012	11	Radiant Performance Fund LP - Limited Partnership Units	6,317,165.87	N/A
03/18/2013	2	Range Resources Corporation - Notes	16,347,200.00	2.00
01/01/2012 to 12/31/2012	334	RBC Investor Services Short-Term Investment Fund - Units	402,045,108.54	N/A
03/15/2013	5	Redbourne Realty Fund II Inc. - Common Shares	10,405,497.00	10,405.49
07/11/2012	10	REDF VI Limited Partnership - Limited Partnership Units	11,960,000.00	11,960.00
01/31/2012 to 12/31/2012	21	Rival North American Growth Fund L.P. - Limited Partnership Units	298,479.79	31,229.30
01/31/2012 to 09/28/2012	13	Rival North American RRSP Growth Fund - Trust Units	242,829.89	28,560.74
01/16/2012 to 12/17/2012	875	Romspen Mortgage Investment Fund - Units	243,021,280.00	24,332,464.00
01/01/2012 to 12/31/2012	101	RP Debt Opportunities Fund Trust - Units	69,754,393.05	N/A
05/01/2012 to 12/01/2012	104	RP Fixed Income Plus Advantage Fund - Units	86,834,502.44	N/A
05/01/2012 to 12/01/2012	13	RP Fixed Income Plus Fund - Units	94,865,322.97	N/A
02/28/2013	4	R.R. Donnelley & Sons Company - Notes	312,124.04	3.00
03/18/2013	3	saleforce.com, inc. - Notes	5,619,350.00	3.00
03/14/2013	1	Santa Fe Metals Corporation - Flow-Through Shares	100,200.00	1,670,000.00
01/01/2012 to 12/31/2012	2	Scheer, Rowlett & Associates Canadian Equity Fund - Units	198,114.65	15,432.63
01/01/2012	1	Seligman Tech Spectrum Fund - Units	40,360.00	N/A
09/01/2012	1	Sevenoaks Opportunities Fund LP - Limited Partnership Units	35,000.00	35.00
03/18/2013	1	Silver Spring Networks, Inc. - Common Shares	433,500.00	25,000.00
03/18/2013	4	Silver Springs Networks, Inc. - Common Shares	1,511,094.30	87,000.00

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12/01/2012 to 01/08/2013	4	Sinclair-Cockburn Mortgage Investment Corporation - Common Shares	765,000.00	765,000.00
01/15/2013 to 01/17/2013	2	Sinclair-Cockburn Mortgage Investment Corporation - Units	327,772.00	327,772.00
01/20/2012 to 12/31/2012	6	SLI Bond Pooled Fund - Units	22,893,922.00	208,378.00
01/20/2012 to 12/31/2012	9	SLI Canadian Equity Pooled Fund - Units	16,505,589.00	193,843.00
01/30/2012 to 12/31/2012	1	SLI Conservative Diversified Pooled Fund - Units	3,283,831.00	35,965.00
01/20/2012 to 12/31/2012	8	SLI International Equity Pooled Fund - Units	12,564,609.00	206,058.00
01/20/2012 to 12/31/2012	21	SLI Money Market Pooled Fund - Units	6,448,250.00	N/A
01/19/2012 to 12/31/2012	9	SLI US Equity Pooled Fund - Units	7,402,307.00	84,716.00
01/01/2012 to 12/31/2012	117	Steinberg High Yield Fund - Trust Units	11,652,993.79	1,228,752.27
01/01/2012 to 12/31/2012	117	Steinberg High Yield Fund - Trust Units	11,652,993.79	1,228,752.27
01/13/2012 to 12/31/2012	84	Steinberg Value Equity Fund - Trust Units	3,371,129.09	338,897.90
01/13/2012 to 12/31/2012	84	Steinberg Value Equity Fund - Trust Units	3,371,129.09	338,897.90
03/27/2013	3	Stem Cell Therapeutics Corp. - Units	105,000.00	420,000.00
03/19/2013	29	Strategic Oil & Gas Ltd. - Common Shares	29,000,000.00	23,200,000.00
01/01/2012 to 12/31/2012	55	TD Harbour Capital Balanced Fund - Trust Units	14,797,254.39	138,493.20
01/01/2012 to 12/31/2012	47	TD Harbour Capital Canadian Balanced Fund - Trust Units	4,919,517.96	47,698.41
11/13/2012	1	Thomas White Global Equity Fund - Units	20,870,363.81	2,087,036.38
03/11/2013	2	Titan International, Inc. - Notes	73,095.33	2.00
03/12/2013	40	TMAC Resources Inc. - Common Shares	30,660,720.00	10,220,240.00
03/28/2013	16	Trevali Mining Corporation - Common Shares	5,000,000.00	5,000,000.00
03/11/2013 to 03/15/2013	17	UBS AG, Jersey Branch - Certificates	8,186,706.66	17.00
02/25/2013 to 03/01/2013	29	UBS AG, Jersey Branch - Certificates	12,007,966.04	29.00
03/04/2013 to 03/08/2013	21	UBS AG, Jersey Branch - Certificates	13,018,528.10	21.00
03/12/2012 to 03/15/2013	3	UBS AG, Zurich - Certificates	1,530,151.82	3.00

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03/04/2013	1	UBS AG, Zurich - Certificate	504,950.24	1.00
02/25/2013 to 02/26/2013	3	UBS AG, Zurich - Certificates	770,800.35	3.00
03/15/2013	4	Uragold Bay Resources Inc. - Investment Trust Interests	118,200.00	1,970,000.00
01/03/2012 to 12/03/2012	66	Waratah Income Fund Trust - Units	9,293,998.70	N/A
01/03/2012 to 12/03/2012	12	Waratah Income Fund Trust - Units	1,188,950.00	N/A
01/03/2012 to 12/03/2012	3	Waratah Income Limited Partnership - Units	9,443,998.70	N/A
01/03/2012 to 12/03/2012	1	Waratah Income Limited Partnership - Units	54,030.00	N/A
01/03/2012 to 12/03/2012	1	Waratah Income Limited Partnership - Units	1,638,950.00	N/A
01/03/2012 to 12/03/2012	3	Waratah One Limited Partnership - Units	28,966,792.50	N/A
01/03/2012 to 12/03/2012	1	Waratah One Limited Partnership - Units	43,450.00	N/A
01/03/2012 to 12/03/2012	1	Waratah One Limited Partnership - Units	9,502,676.60	N/A
01/03/2012 to 12/03/2012	116	Waratah One Trust - Units	28,950,832.64	N/A
01/03/2012 to 12/03/2012	100	Waratah One Trust - Units	9,601,996.60	N/A
01/03/2012 to 12/03/2012	11	Waratah Performance Limited Partnership - Units	47,880,751.60	N/A
01/03/2012 to 12/03/2012	2	Waratah Performance Limited Partnership - Units	350,324.60	N/A
01/03/2012 to 12/03/2012	1	Waratah Performance Limited Partnership - Units	622,717.40	N/A
01/03/2012 to 12/03/2012	193	Waratah Performance Trust - Units	42,940,628.00	N/A
01/03/2012 to 12/03/2012	49	Waratah Performance Trust - Units	6,222,717.00	N/A
08/28/2012 to 12/04/2012	2	Wellington Emerging Local Debt Portfolio (Dublin) - Units	18,857,975.21	1,816,314.48
12/04/2012	1	Wellington Opportunistic Emerging Markets Debt Portfolio (Dublin) - Units	4,000,000.00	316,957.21
02/28/2013	15	Zipcash Financial Trust - Units	650,000.00	650.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Aimia Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Base Shelf Prospectus dated March 28, 2013
NP 11-202 Receipt dated April 4, 2013
Offering Price and Description:
$1,000,000,000.00:
Debt Securities
Convertible Securities
Common Shares
and
Preferred Shares

Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2037854

Issuer Name:
Aylen Capital Inc.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Long Form Non-Offering Prospectus dated April 5, 2013
NP 11-202 Receipt dated April 5, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
John D. Pennal
Project #1868744

Issuer Name:
Excel Latin America Bond Fund II
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated April 3, 2013
NP 11-202 Receipt dated April 4, 2013
Offering Price and Description:
Maximum: * _ * Class A Units, Class F Units and/or Class U Units
Price: $10.00 per Class A Unit and Class F Unit and U.S. $10.00 per Class U Unit
Minimum purchase: 100 Class A Units, Class F Units or Class U Units
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Raymond James Ltd.
TD Securities Inc.
Desjardins Securities Inc.
Canaccord Genuity Corp.
GMP Securities L.P.
Dundee Securities Ltd.
Mackie Research Capital Corporation
Macquarie Private Wealth Inc.
Manulife Securities Incorporated
Industrial Alliance Securities Inc
Sherbrooke Street Capital (SSC) Inc.
Promoter(s):
Excel Funds Management Inc.
Project #2041052

Issuer Name:
Halogen Software Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated April 2, 2013
NP 11-202 Receipt dated April 2, 2013
Offering Price and Description:
Cdn$ * - * Common Shares
Price: Cdn$ * per Common Share
Underwriter(s) or Distributor(s):
CANACCORD GENUITY CORP.
STIFEL NICOLAUS CANADA INC.
RAYMOND JAMES LTD.
CANTOR FITZGERALD CANADA CORPORATION
NATIONAL BANK FINANCIAL INC.
Promoter(s):
-
Project #2040085

Issuer Name:
Melcor Real Estate Investment Trust
Principal Regulator - Alberta
Type and Date:
Amended and Restated Preliminary Long Form Prospectus dated April 1, 2013
NP 11-202 Receipt dated April 2, 2013
Offering Price and Description:
$ * - * Units
Price: $10.00 per Unit
Underwriter(s) or Distributor(s):
RBC DOMINION SECURITIES INC.
CIBC WORLD MARKETS INC.
BMO NESBITT BURNS INC.
TD SECURITIES INC.
DESJARDINS SECURITIES INC.
NATIONAL BANK FINANCIAL INC.
SCOTIA CAPITAL INC.
CANACCORD GENUITY CORP.
LAURENTIAN BANK SECURITIES INC.
Promoter(s):
Melcor Developments Ltd.
Project #2030019

Issuer Name:
Nobel Real Estate Investment Trust
Principal Regulator - Quebec
Type and Date:
Second Amended and Restated Preliminary Prospectus dated March 28, 2013
NP 11-202 Receipt dated April 2, 2013
Offering Price and Description:
$5,600,000 - 22,400,000 Units
Price: $0.25 Per Unit
Underwriter(s) or Distributor(s):
Desjardins Securities Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Promoter(s):
Capital Nobel Inc.
Project #2000424

Issuer Name:
Orbite Aluminae Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Base Shelf Prospectus dated March 28, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
$300,000,000.00
Debt Securities
Class A Shares (Common Shares)
Subscription Receipts
Warrants
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2038916

Issuer Name:
Professionals' Global Fixed Income Fund
Professionals' American Index Fund
Professionals' Asian Equity Fund
Professionals' Balanced Fund
Professionals' Balanced Growth Fund
Professionals' Bond Fund
Professionals' Canadian Equity Fund
Professionals' Canadien Dividend Fund
Professionals' Emerging Markets Equity Fund
Professionals' Equity World Trends Fund
Professionals' European Equity Fund
Professionals' Global Equity Fund
Professionals' Retirement Balanced Fund
Professionals' Short Term Fund
Professionnals' American Dividend Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Simplified Prospectuses dated March 27, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
Professionals' Financial - Mutual Funds Inc.
Promoter(s):
Professionals' Financial - Mutual Funds Inc.
Project #2038271

Issuer Name:
Silver Ridge Power Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated April 4, 2013
NP 11-202 Receipt dated April 5, 2013
Offering Price and Description:
CDN$ * - * Class A Common Shares
Price: CDN$ * per Common Share
Underwriter(s) or Distributor(s):
RBC DOMINION SECURITIES INC.
BMONESBITT BURNS INC.
GOLDMAN SACHS CANADA INC.
Promoter(s):
AES U.S. SOLAR, LLC
AES SOLAR ENERGY, LLC
R/C US SOLAR INVESTMENT PARTNERSHIP, L.P.,
R/C PR INVESTMENT PARTNERSHIP, L.P.,
R/C EUROPE SOLAR INVESTMENT PARTNERSHIP, L.P.
Project #2041413

Issuer Name:
Sun Life Financial Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated April 4, 2013
NP 11-202 Receipt dated April 5, 2013
Offering Price and Description:
$5,000,000,000.00:
Debt Securities
Class A Shares
Class B Shares
Common Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2041435

Issuer Name:
Timbercreek U.S. Multi-Residential Opportunity Fund #1
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated April 5, 2013
NP 11-202 Receipt dated April 5, 2013
Offering Price and Description:
Maximum: C$50,000,000 of Class A Units and/or Class B Units
Maximum: * Class A Units and/or Class B Units
Price: C$ * per Class A Unit and C$ * per Class B Unit
Minimum Purchase: 1,000 Class A Units or 500,000 Class B Units
Underwriter(s) or Distributor(s):
RAYMOND JAMES LTD.
CIBC WORLD MARKETS INC.
GMP SECURITIES L.P.
MANULIFE SECURITIES INCORPORATED
NATIONAL BANK FINANCIAL INC.
BMO NESBITT BURNS INC.
CANACCORD GENUITY CORP.
SCOTIA CAPITAL INC.
DUNDEE SECURITIES LTD.
MACQUARIE CAPITAL MARKETS CANADA LTD.
Promoter(s):
TIMBERCREEK ASSET MANAGEMENT INC.
Project #2041675

Issuer Name:
West Point Resources Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Long Form Prospectus dated April 3, 2013
NP 11-202 Receipt dated April 4, 2013
Offering Price and Description:
MINIMUM OFFERING OF $780,000 - (CONSISTING OF A MINIMUM OF 3,533,334 UNITS AND 1,000,000 FLOW-THROUGH UNITS)
MAXIMUM OFFERING OF $1,900,000 - (CONSISTING OF A MINIMUM OF 6,000,000 UNITS AND 4,000,000 FLOW-THROUGH UNITS)
Price: $0.15 PER UNIT and $0.25 PER FLOW-THROUGH UNIT
Underwriter(s) or Distributor(s):
MACQUARIE PRIVATE WEALTH INC.
Promoter(s):
RAVINDER S. MLAIT
Project #2041154

Issuer Name:
Aurania Resources Ltd.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Long Form Prospectus dated April 2, 2013 to the Long Form Prospectus dated March 20, 2013
NP 11-202 Receipt dated April 5, 2013
Offering Price and Description:
$2,000,000.00
- 5,000,000 Common Shares
Price: $0.40 per Common Share
and
Distribution of 776,862 Common Shares
issuable upon the conversion of 776,862 previously issued Special Warrants
Price: $0.40 per Special Warrant
Underwriter(s) or Distributor(s):
Maison Placements Canada Inc.
Promoter(s):
Keith M. Barron
Project #2005365

Issuer Name:
Bank of Montreal
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated April 5, 2013
NP 11-202 Receipt dated April 5, 2013
Offering Price and Description:
$2,000,000,000.00 - Medium Term Notes (Principal At Risk Notes)
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Promoter(s):
-
Project #2032126

Issuer Name:
[CORRECTED COPY]

BMO Money Market Fund (series A, F (formerly, BMO Guardian Money Market Fund Series F), I,
Advisor Series (formerly, BMO Guardian Money Market Fund Advisor Series) and Premium
Series)
BMO Bond Fund (series A, F (formerly, BMO Guardian Bond Fund Series F), I and Advisor
Series (formerly, BMO Guardian Bond Fund Advisor Series))
BMO Canadian Diversified Monthly Income Fund (formerly, BMO Guardian Canadian
Diversified Monthly Income Fund) (series T5 (formerly, T5 class), T8 (formerly, T8 class), F
(formerly, F class), I (formerly, I class) and Advisor Series ((formerly, Mutual Fund))
BMO Diversified Income Portfolio (series A, T6, R and I)
BMO Floating Rate Income Fund (formerly, BMO Guardian Floating Rate Income Fund) (series
A, F (formerly, F class), I (formerly, I class) and Advisor Series (formerly, Mutual Fund))
BMO Global Diversified Fund (formerly, BMO Guardian Global Diversified Fund) (series T5
(formerly, T5 class), F (formerly, F class) and Advisor Series (formerly, Mutual Fund))
BMO Global Monthly Income Fund (series A, T6, R and I)
BMO Global Strategic Bond Fund (series A, F (formerly, BMO Guardian Global Strategic Bond
Fund Series F), I and Advisor Series (formerly, BMO Guardian Global Strategic Bond Fund
Advisor Series))
BMO Growth & Income Fund (formerly, BMO Guardian Growth & Income Fund) (series T5
(formerly, T5 class), T8 (formerly, T8 class), F (formerly, F class), Advisor Series (formerly,
Mutual Fund) and Classic Series (formerly, Classic))
BMO High Yield Bond Fund (formerly, BMO Guardian High Yield Bond Fund) (series F
(formerly, F class), I (formerly, I class) and Advisor Series (formerly, Mutual Fund))
BMO Laddered Corporate Bond Fund (series A, I and Advisor Series (formerly, BMO Guardian
Laddered Corporate Bond Fund Advisor Series))
BMO Monthly Dividend Fund Ltd. (formerly, BMO Guardian Monthly Dividend Fund Ltd.) (F
Series, Mutual Fund Series and Classic Series)
BMO Monthly High Income Fund II (formerly, BMO Guardian Monthly High Income Fund II)
(series A, T5 (formerly, T5 class), T8 (formerly, T8 class), F (formerly, F class), I (formerly, I
class) and Advisor Series (formerly, Mutual Fund))
BMO Monthly Income Fund (series A, T6, R, F (formerly, BMO Guardian Monthly Income Fund
Series F) and I)
BMO Mortgage and Short-Term Income Fund (series A, F (formerly, BMO Guardian Mortgage
and Short-Term Income Fund Series F), I and Advisor Series (formerly, BMO Guardian
Mortgage and Short-Term Income Fund Advisor Series))
BMO Target Enhanced Yield ETF Portfolio (series A, T6, I and Advisor Series (formerly, BMO

Guardian Target Enhanced Yield ETF Portfolio Advisor Series))
BMO Target Yield ETF Portfolio (series A, T6, I and Advisor Series (formerly, BMO Guardian
Target Yield ETF Portfolio Advisor Series))
BMO U.S. High Yield Bond Fund (series A, F (formerly, BMO Guardian U.S. High Yield Bond
Fund Series F), I, BMO Private U.S. High Yield Bond Fund Series O and Advisor Series
(formerly, BMO Guardian U.S. High Yield Bond Fund Advisor Series))
BMO World Bond Fund (series A, F (formerly, BMO Guardian World Bond Fund Series F), I and
Advisor Series (formerly, BMO Guardian World Bond Fund Advisor Series))
BMO Asian Growth and Income Fund (formerly, BMO Guardian Asian Growth and Income
Fund) (series A (formerly, BMO Asian Growth and Income Fund Series A), F (formerly, F class),
I (formerly, I class) and Advisor Series (formerly, Mutual Fund))
BMO Asset Allocation Fund (series A, T5 (formerly, BMO Guardian Asset Allocation Fund
Series T5), F (formerly, BMO Guardian Asset Allocation Fund Series F), I and Advisor Series
(formerly, BMO Guardian Asset Allocation Fund Advisor Series))
BMO Canadian Equity ETF Fund (series A and I)
BMO Canadian Large Cap Equity Fund (formerly, BMO Guardian Canadian Large Cap Equity
Fund) (series A (formerly, BMO Canadian Large Cap Equity Fund Series A), T5 (formerly, T5
class), F (formerly, F class), I (formerly, I class) and Advisor Series (formerly, Mutual Fund))
BMO Dividend Fund (series A, T5 (formerly, BMO Guardian Dividend Fund Series T5), F
(formerly,
BMO Guardian Dividend Fund Series F), I and Advisor Series (formerly, BMO Guardian
Dividend Fund Advisor Series))
BMO Enhanced Equity Income Fund (series A, F (formerly, BMO Guardian Enhanced Equity
Income
Fund Series F), I and Advisor Series (formerly, BMO Guardian Enhanced Equity Income Fund
Advisor Series))
BMO Equity Fund (series A, F (formerly, BMO Guardian Equity Fund Series F) and I)
BMO European Fund (series A, F (formerly, BMO Guardian European Fund Series F), I and
Advisor Series (formerly, BMO Guardian European Fund Advisor Series))
BMO Global Absolute Return Fund (formerly, BMO Guardian Global Absolute Return Fund)
(series T5 (formerly, T5 class), F (formerly, F class), I (formerly, I class) and Advisor Series
(formerly, Mutual Fund))
BMO Global Infrastructure Fund (series A, I and Advisor Series (formerly, BMO Guardian
Global Infrastructure Fund Advisor Series))
BMO International Equity ETF Fund (series A and I)
BMO North American Dividend Fund (series A, I and Advisor Series (formerly, BMO Guardian
North American Dividend Fund Advisor Series))
BMO U.S. Equity ETF Fund (series A and I)
BMO U.S. Equity Fund (series A, F (formerly, BMO Guardian U.S. Equity Fund Series F), I and
Advisor Series)
BMO Emerging Markets Fund (series A, F (formerly, BMO Guardian Emerging Markets Fund
Series F), I and Advisor Series (formerly, BMO Guardian Emerging Markets Fund Advisor
Series))
BMO Enterprise Fund (formerly, BMO Guardian Enterprise Fund) (series T5 (formerly, T5
class), F (formerly, F class), I (formerly, I class) and Advisor Series (formerly, Mutual Fund))
BMO Global Science & Technology Fund (series A and I)
BMO Global Small Cap Fund (formerly, BMO Guardian Global Small Cap Fund) (series A
(formerly, BMO Global Small Cap Fund Series A), F (formerly, F class), I (formerly, I class) and
Advisor Series (formerly, Mutual Fund))
BMO Precious Metals Fund (series A, I and Advisor Series (formerly, BMO Guardian Precious
Metals Fund Advisor Series))
BMO Resource Fund (series A, F (formerly, BMO Guardian Resource Fund Series F), I and
Advisor Series (formerly, BMO Guardian Resource Fund Advisor Series))
BMO Canadian Small Cap Equity Fund (formerly, BMO Special Equity Fund) (series A, F
(formerly, BMO Guardian Special Equity Fund Series F), I and Advisor Series (formerly, BMO
Guardian Special Equity Fund Advisor Series))
BMO U.S. Dollar Equity Index Fund (series A and I)
BMO U.S. Dollar Money Market Fund (series A, I and Advisor Series (formerly, BMO Guardian
U.S. Dollar Money Market Fund Advisor Series))
BMO U.S. Dollar Monthly Income Fund (series A, T5 (formerly, BMO Guardian U.S. Dollar
Monthly Income Fund Series T5), T6, R, F (formerly, BMO Guardian U.S. Dollar Monthly Income
Fund Series F), I and Advisor Series (formerly, BMO Guardian U.S. Dollar Monthly Income Fund
Advisor Series))
(Part of BMO Global Tax Advantage Funds Inc.)
BMO American Equity Class (series F (formerly, BMO Guardian American Equity Class Series
F), I (formerly, BMO Guardian American Equity Class Series I) and Advisor Series (formerly,
BMO Guardian American Equity Class Advisor Series))
BMO Asian Growth and Income Class (series H (formerly, BMO Guardian Asian Growth and
Income Class Series H) and Advisor Series (formerly, BMO Guardian Asian Growth and Income
Class Advisor Series))
BMO Canadian Equity Class (series A, F (formerly, BMO Guardian Canadian Equity Class
Series F), H (formerly, BMO Guardian Canadian Equity Class Series H), I and Advisor Series
(formerly, BMO Guardian Canadian Equity Class Advisor Series))
BMO Canadian Tactical ETF Class (series A, T6 (formerly, BMO Guardian Canadian Tactical

ETF Class Series T6), F (formerly, BMO Guardian
Canadian Tactical ETF Class Series F), I
(formerly, BMO Guardian Canadian Tactical ETF Class
Series I) and Advisor Series (formerly,
BMO Guardian Canadian Tactical ETF Class Advisor
Series))
BMO Dividend Class (series A, H (formerly, BMO Guardian
Dividend Class Series H), I and
Advisor Series (formerly, BMO Guardian Dividend Class
Advisor Series))
BMO Global Dividend Class (series A, T5 (formerly, BMO
Guardian Global Dividend Class
Series T5), F (formerly, BMO Guardian Global Dividend
Class Series F), H (formerly, BMO
Guardian Global Dividend Class Series H), I and Advisor
Series (formerly, BMO Guardian
Global Dividend Class Advisor Series))
BMO Global Energy Class (series A, I and Advisor Series
(formerly, BMO Guardian Global
Energy Class Advisor Series))
BMO Global Equity Class (series A, I and Advisor Series
(formerly, BMO Guardian Global
Equity Class Advisor Series))
BMO Global Tactical ETF Class (series A, T6 (formerly,
BMO Guardian Global Tactical ETF
Class Series T6), F (formerly, BMO Guardian Global
Tactical ETF Class Series F), I (formerly,
BMO Guardian Global Tactical ETF Class Series I) and
Advisor Series (formerly, BMO Guardian
Global Tactical ETF Class Advisor Series))
BMO Greater China Class (series A, I and Advisor Series
(formerly, BMO Guardian Greater
China Class Advisor Series))
BMO International Value Class (series A, F (formerly, BMO
Guardian International Value Class
Series F), I and Advisor Series (formerly, BMO Guardian
International Value Class Advisor
Series))
BMO LifeStage 2017 Class (series A, H (formerly, BMO
Guardian LifeStage 2017 Class Series
H), I (formerly, BMO Guardian LifeStage 2017 Class Series
I) and Advisor Series (formerly, BMO
Guardian LifeStage 2017 Class Advisor Series))
BMO LifeStage 2020 Class (series A, H (formerly, BMO
Guardian LifeStage 2020 Class Series
H), I (formerly, BMO Guardian LifeStage 2020 Class Series
I) and Advisor Series (formerly, BMO
Guardian LifeStage 2020 Class Advisor Series))
BMO LifeStage 2025 Class (series A, H (formerly, BMO
Guardian LifeStage 2025 Class Series
H), I (formerly,
BMO Guardian LifeStage 2025 Class Series I) and Advisor
Series (formerly, BMO Guardian
LifeStage 2025 Class Advisor Series))
BMO LifeStage 2030 Class (series A, H (formerly, BMO
Guardian LifeStage 2030 Class Series
H), I (formerly,
BMO Guardian LifeStage 2030 Class Series I) and Advisor
Series (formerly, BMO Guardian
LifeStage 2030 Class Advisor Series))
BMO LifeStage 2035 Class (series A, H (formerly, BMO
Guardian LifeStage 2035 Class Series
H), I (formerly, BMO Guardian LifeStage 2035 Class Series
I) and Advisor Series (formerly, BMO
Guardian LifeStage 2035 Class Advisor Series))
BMO LifeStage 2040 Class (series A, H (formerly, BMO
Guardian LifeStage 2040 Class Series
H), I (formerly, BMO Guardian LifeStage 2040 Class Series
I) and Advisor Series (formerly, BMO
Guardian LifeStage 2040 Class Advisor Series))
BMO Short-Term Income Class (series A, H (formerly,
BMO Guardian Short-Term Income Class
Series H), I and Advisor Series (formerly, BMO Guardian
Short-Term Income Class Advisor
Series))
BMO Sustainable Climate Class (series A, H
(formerly,BMO Guardian Sustainable Climate
Class Series H), I and Advisor Series (formerly, BMO
Guardian Sustainable Climate Class
Advisor Series))
BMO Sustainable Opportunities Class (series A, H
(formerly, BMO Guardian Sustainable
Opportunities Class Series H), I and Advisor Series
(formerly, BMO Guardian Sustainable
Opportunities Class Advisor Series))
BMO SelectClass® Security Portfolio (series A, T5
(formerly, BMO Guardian SelectClass®
Security Portfolio Series T5), T6, T8 (formerly, BMO
Guardian SelectClass® Security Portfolio
Series T8), H (formerly, BMO Guardian SelectClass®
Security
Portfolio Series H), I and Advisor Series (formerly, BMO
Guardian SelectClass® Security
Portfolio Advisor Series))
BMO SelectClass® Balanced Portfolio (series A, T5
(formerly, BMO Guardian SelectClass®
Balanced Portfolio Series T5), T6, T8 (formerly, BMO
Guardian SelectClass® Balanced Portfolio
Series T8), H (formerly, BMO Guardian SelectClass®
Balanced Portfolio Series H), I and
Advisor Series (formerly, BMO Guardian SelectClass®
Balanced Portfolio
Advisor Series))
BMO SelectClass® Growth Portfolio (series A, T5
(formerly, BMO Guardian SelectClass®
Growth Portfolio Series T5), T6, T8 (formerly, BMO
Guardian SelectClass® Growth Portfolio
Series T8), H (formerly, BMO Guardian SelectClass®
Growth
Portfolio Series H), I and Advisor Series (formerly, BMO
Guardian SelectClass® Growth
Portfolio Advisor Series))
BMO SelectClass® Aggressive Growth Portfolio (series A,
T5 (formerly, BMO Guardian
SelectClass® Aggressive Growth Portfolio Series T5), T6,
H (formerly, BMO Guardian
SelectClass® Aggressive Growth Portfolio Series H), I and
Advisor Series (formerly, BMO
Guardian SelectClass® Aggressive Growth Portfolio
Advisor Series))
BMO Security ETF Portfolio Class (series A, T6 (formerly,
BMO Guardian Security ETF Portfolio
Class Series T6), F (formerly, BMO Guardian Security ETF
Portfolio Class Series F), I (formerly,

BMO Guardian Security ETF Portfolio Class Series I) and Advisor Series (formerly, BMO
Guardian Security ETF Portfolio Class Advisor Series))
BMO Balanced ETF Portfolio Class (series A, T6 (formerly, BMO Guardian Balanced ETF
Portfolio Class Series T6), F (formerly, BMO Guardian Balanced ETF Portfolio Class Series F), I
(formerly, BMO Guardian Balanced ETF Portfolio Class Series I) and Advisor Series (formerly,
BMO Guardian Balanced ETF Portfolio Class Advisor Series))
BMO Growth ETF Portfolio Class (series A, T6 (formerly, BMO Guardian Growth ETF Portfolio
Class Series T6), F (formerly, BMO Guardian Growth ETF Portfolio Class Series F), I (formerly,
BMO Guardian Growth ETF Portfolio Class Series I) and Advisor Series (formerly, BMO
Guardian Growth ETF Portfolio Class Advisor Series))
BMO Aggressive Growth ETF Portfolio Class (series A, T6 (formerly, BMO Guardian
Aggressive Growth ETF Portfolio Class Series T6), F (formerly, BMO Guardian Aggressive
Growth ETF Portfolio Class Series F), I (formerly, BMO Guardian Aggressive Growth ETF
Portfolio Class Series I) and Advisor Series (formerly, BMO Guardian Aggressive Growth ETF
Portfolio Class Advisor Series))
BMO LifeStage Plus 2022 Fund (series A and Advisor Series (formerly, BMO Guardian
LifeStage Plus 2022 Fund Advisor Series))
BMO LifeStage Plus 2025 Fund (series A and Advisor Series (formerly, BMO Guardian
LifeStage Plus 2025 Fund Advisor Series))
BMO LifeStage Plus 2026 Fund (series A and Advisor Series (formerly, BMO Guardian
LifeStage Plus 2026 Fund Advisor Series))
BMO LifeStage Plus 2030 Fund (series A and Advisor Series (formerly, BMO Guardian
LifeStage Plus 2030 Fund Advisor Series))
BMO FundSelect® Security Portfolio (series A and I)
BMO FundSelect® Balanced Portfolio (series A and I)
BMO FundSelect® Growth Portfolio (series A and I)
BMO FundSelect® Aggressive Growth Portfolio (series A and I)
BMO Income Solution (formerly, BMO Guardian Income Solution) (series T5 (formerly, T5
class), T8 (formerly, T8 class), F (formerly, F class) and Advisor Series (formerly, Mutual Fund))
BMO Conservative Solution (formerly, BMO Guardian Conservative Solution) (series T8
(formerly, T8 class) and Advisor Series (formerly, Mutual Fund))
BMO Balanced Solution (formerly, BMO Guardian Balanced Solution) (series T5 (formerly, T5
class), T8 (formerly, T8 class) and Advisor Series (formerly, Mutual Fund))
BMO Growth Solution (formerly, BMO Guardian Growth Solution) (Advisor Series (formerly,
Mutual Fund))
BMO Aggressive Growth Solution (formerly, BMO Guardian Aggressive Growth Solution)
(series T8 (formerly, T8 class) and Advisor Series (formerly, Mutual Fund))

Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated March 28, 2013
NP 11-202 Receipt dated March 28, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
BMO Investments Inc.
Guardian Group of Funds Ltd.
Promoter(s):
BMO Investments Inc.
Project #2007623

Issuer Name:
BNP Paribas Global Equity Exposure Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated March 28, 2013
NP 11-202 Receipt dated April 4, 2013
Offering Price and Description:
Mutual Fund Units at Net Asset Value
Underwriter(s) or Distributor(s):
BNP Paribas Investment Partners Canada Ltd.
Promoter(s):
-
Project #2017035

Issuer Name:
Crocodile Gold Corp.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Short Form Prospectus dated April 2, 2013 to the Short Form Prospectus dated March 20, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
$30,000,000.00 - 8.0% Convertible Unsecured Debentures Due April 30, 2018
Price: $1,000.00 per Debenture
Underwriter(s) or Distributor(s):
Raymond James Ltd.
Promoter(s):
-
Project #2025279

Issuer Name:
Dynamic Preferred Yield Class
(Series A, E, F, FH, FI, H, I Shares)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated March 26, 2013
NP 11-202 Receipt dated April 2, 2013
Offering Price and Description:
Series A, E, F, FH, FI, H, I Shares
Underwriter(s) or Distributor(s):
GCIC Ltd..
Promoter(s):
GCIC Ltd.
Project #2018653

Issuer Name:
Series A, Series B and Series F shares (unless otherwise indicated) of:
Fidelity Canadian Disciplined Equity® Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Canadian Growth Company Class
Fidelity Canadian Large Cap Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Canadian Opportunities Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Dividend Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Greater Canada Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Special Situations Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity True North® Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Dividend Plus Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity American Disciplined Equity® Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity American Disciplined Equity® Currency Neutral Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity American Opportunities Class
Fidelity U.S. Focused Stock Class (Formerly Fidelity Growth America Class) (Series T5, Series T8, Series S5 and Series S8 shares also available)
Fidelity Small Cap America Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity U.S. All Cap Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity AsiaStar® Class
Fidelity China Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Emerging Markets Class
Fidelity Europe Class
Fidelity Far East Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Global Class (Series T5, Series T8, Series S5 and Series S8 shares also available)
Fidelity Global Disciplined Equity® Class (Series T5, Series T8, Series S5 and Series S8 shares also available)
Fidelity Global Disciplined Equity® Currency Neutral Class (Series T5, Series T8, Series S5 and Series S8 shares also available)
Fidelity Global Dividend Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Global Large Cap Class (Series T5, Series T8, Series S5 and Series S8 shares also available)
Fidelity Global Large Cap Currency Neutral Class (Series T5, Series T8, Series S5 and Series S8 shares also available)
Fidelity Global Small Cap Class
Fidelity International Disciplined Equity® Class (Series T5, Series T8, Series S5 and Series S8 shares also available)
Fidelity International Disciplined Equity® Currency Neutral Class (Series T5, Series T8, Series S5 and Series S8 shares also available)
Fidelity Japan Class
Fidelity NorthStar® Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity NorthStar® Currency Neutral Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Global Consumer Industries Class
Fidelity Global Financial Services Class
Fidelity Global Health Care Class
Fidelity Global Natural Resources Class
Fidelity Global Real Estate Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Global Technology Class
Fidelity Global Telecommunications Class
Fidelity Canadian Asset Allocation Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Canadian Balanced Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Monthly Income Class (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Income Class Portfolio (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Global Income Class Portfolio (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Balanced Class Portfolio (Series T5, Series T8, Series S5, Series S8, Series F5 and

Series F8 shares also available)
Fidelity Global Balanced Class Portfolio (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Growth Class Portfolio (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Global Growth Class Portfolio (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)
Fidelity Canadian Short Term Income Class
Fidelity Corporate Bond Capital Yield Class (Series T5, S5 and F5 shares also available)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated March 28, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Fidelity Investments Canada ULC
Project #2016043

Issuer Name:
Series A, Series B, Series F, Series O, Series T5, Series T8, Series S5 and Series S8 units of:
Fidelity Canadian Disciplined Equity® Fund
Fidelity Dividend Fund
Fidelity Greater Canada Fund
Fidelity Dividend Plus Fund
Fidelity True North® Fund
Fidelity American Disciplined Equity® Fund
Fidelity Global Dividend Fund
Fidelity NorthStar® Fund
Fidelity Global Real Estate Fund
Fidelity Canadian Asset Allocation Fund
Fidelity Canadian Balanced Fund
Fidelity Monthly Income
Fund, Fidelity Income Allocation Fund
Fidelity Global Asset Allocation Fund
Fidelity Global Monthly Income Fund
Series A, Series B, Series F, Series O units of:
Fidelity Canadian Large Cap Fund
Fidelity Canadian Opportunities Fund
Fidelity Special Situations Fund
Fidelity Small Cap America Fund
Fidelity China Fund
Fidelity Far East Fund
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated March 28, 2013 to the Simplified Prospectuses and Annual Information Form dated October 26, 2012
NP 11-202 Receipt dated April 4, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Fidelity Investments Canada Limited

Promoter(s):
Fidelity Investments Canada ULC
Project #1960159

Issuer Name:
Global Iman Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectusdated March 28, 2013
NP 11-202 Receipt dated April 2, 2013
Offering Price and Description:
Series A and F Units
Underwriter(s) or Distributor(s):
Global Prosperata Funds Inc.
Promoter(s):
Global Growth Assets Inc.
Project #2016223

Issuer Name:
GrowthWorks Commercialization Fund Ltd.
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated March 28, 2013 to the Long Form Prospectus dated January 7, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
Class A Shares, 13 Series and Class A Shares, 14 Series @ Net Asset Value
Underwriter(s) or Distributor(s):
GrowthWorks Capital Ltd.
Promoter(s):
-
Project #1969146

Issuer Name:
CORRECTED COPY
RECEIPT
Guardian Balanced Fund
Guardian Balanced Income Fund
Guardian Canadian Bond Fund
Guardian Canadian Equity Fund
Guardian Canadian Growth Equity Fund
Guardian Canadian Plus Equity Fund
Guardian Canadian Short-Term Investment Fund
Guardian Canadian Small/Mid Cap Equity Fund
Guardian Equity Income Fund
Guardian Global Dividend Growth Fund
Guardian Global Equity Fund
Guardian Growth & Income Fund
Guardian High Yield Bond Fund
Guardian International Equity Fund
Guardian Private Wealth Bond Fund
Guardian U.S. Equity Fund
(Series A and Series I Units)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated April 5, 2013
NP 11-202 Receipt dated April 8, 2013
Offering Price and Description:
Series A and Series I units @ Net Asset Value
Underwriter(s) or Distributor(s):
Guardian Capital LP
Promoter(s):
Guardian Capital Inc.
Project #2021048

Issuer Name:
HealthLease Properties Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated April 4, 2013
NP 11-202 Receipt dated April 4, 2013
Offering Price and Description:
$60,030,000.00
5,800,000 Units
Price: $10.35 per Offered Unit
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
Dundee Securities Ltd.
GMP Securities L.P.
Raymond James Ltd.
Promoter(s):
-
Project #2034322

Issuer Name:
Holland Global Capital Corporation
Principal Regulator - Ontario
Type and Date:
Amended and Restated Prospectus dated April 1, 2013 to the Prospectus dated March 20, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
$400,000 - 4,000,000 Common Shares
Price: $0.10 per Common Share
Minimum Subscription (per subscriber): $100 (1,000 Common Shares) Maximum Subscription (per subscriber): $8,000 (80,000 Common Shares)
Underwriter(s) or Distributor(s):
Laurentian Bank Securities Inc.
Promoter(s):
-
Project #2015197

Issuer Name:
H&R Finance Trust
H&R Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated April 3, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
$2,000,000,000.00
Stapled Units
Preferred Units
Debt Securities
Subscription Receipts
Warrants
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2030275; 2030274

Issuer Name:
Inovalis Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated March 28, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
$105,000,000.00 - 10,500,000 Units Per Unit $ 10.00
Underwriter(s) or Distributor(s):
DESJARDINS SECURITIES INC.
GMP SECURITIES L.P.
MACQUARIE CAPITAL MARKETS CANADA LTD.
LAURENTIAN BANK SECURITIES INC.
UBS SECURITIES CANADA INC.
MANULIFE SECURITIES INCORPORATED
BURGEONVEST BICK SECURITIES LIMITED
INDUSTRIAL ALLIANCE SECURITIES INC.
MACKIE RESEARCH CAPITAL CORPORATION
Promoter(s):
INOVALIS S.A.
Project #2020982

Issuer Name:
Javelina Resources Ltd.
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated March 28, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
$1,500,000.00
6,000,000 Common Shares and
6,000,000 Common Share Purchase Warrants issuable on exercise or conversion of outstanding Subscription Receipts
Underwriter(s) or Distributor(s):
Casimir Capital Ltd.
Promoter(s):
Blaise Yerly
Project #2016275

Issuer Name:
Long Duration Credit Bond Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated April 1, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
Class O Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
SEI Investments Canada Company
Project #2016876

Issuer Name:
Norbord Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated April 5, 2013
NP 11-202 Receipt dated April 5, 2013
Offering Price and Description:
$108,900,000.00
3,300,000 Common Shares
Price: $33.00 per Common Share
Underwriter(s) or Distributor(s):
TD SECURITIES INC.
CIBC WORLD MARKETS INC.
SCOTIA CAPITAL INC.
RBC DOMINION SECURITIES INC.
BMO NESBITT BURNS INC.
NATIONAL BANK FINANCIAL INC.
RAYMOND JAMES LTD.
Promoter(s):
-
Project #2036067

Issuer Name:
Rainmaker Entertainment Inc.
Principal Regulator - British Columbia
Type and Date:
Amendment #1 dated April 4, 2013 to the Short Form Prospectus dated February 28, 2013
NP 11-202 Receipt dated April 5, 2013
Offering Price and Description:
Offering of Rights to Subscribe for
Up to $5,828,392 Principal Amount of
8% Unsecured Convertible Debentures
Price: $1,000.00 per Debenture
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2015792

Issuer Name:
Signature Cash Management Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated April 2, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
Class C Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
CI Investments Inc.
Project #2019138

Issuer Name:
Starlight U.S. Multi-Family Core Fund
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated March 31, 2013
NP 11-202 Receipt dated April 3, 2013
Offering Price and Description:
Maximum: US$75,000,000.00 of
Class A Units and/or Class U Units and/or Class I Units and/or Class F Units and/or Class C Units
Price: C$10.00 per Class A Unit
C$10.00 per Class I Unit
C$10.00 per Class C Unit
C$10.00 per Class F Unit
US$10.00 per Class U Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
National Bank Financial Inc.
Raymond James Ltd.
Scotia Capital Inc.
GMP Securities L.P.
Macquarie Private Wealth Inc.
Canaccord Genuity Corp.
Desjardins Securities Inc.
Dundee Securities Ltd.
Promoter(s):
Starlight Investments Ltd.
Project #2018483

Issuer Name:
Toronto Hydro Corporation
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated March 28, 2013 to the Shelf Prospectus dated December 10, 2012
NP 11-202 Receipt dated April 2, 2013
Offering Price and Description:
$1,500,000,000 DEBENTURES (unsecured)
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1994288

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Amalgamation	Horizons ETFs Management (Canada) Inc. and Horizons Exchange Traded Funds Inc. To form: Horizons ETFs Management (Canada) Inc.	Investment Fund Manager and Exempt Market Dealer	March 30, 2013
Name Change	From: Société de Gestion C.F.G. Heward Ltée/C.F.G. Heward Investment Management Ltd. To: Société de Gestion d'Investissement Heward Inc./ Heward Investment Management Inc.	Investment Fund Manager, Portfolio Manager and Exempt Market Dealer	March 31, 2013
Surrender of Registration	MBT Global Trading, LP	Investment Dealer	April 1, 2013
Change of Registration Category	LDIC Inc.	From: Portfolio Manager To: Portfolio Manager Investment Fund Manager	April 3, 2013
New Registration	Montag Wealth Management Inc.	Portfolio Manager	April 5, 2013
Change of Registration Category	Federal Way Asset Management LP	From: Portfolio Manager To: Portfolio Manager, Investment Fund Manager, Exempt Market Dealer	April 8, 2013

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Chapter 13

SROs, Marketplaces and Clearing Agencies

13.2 Marketplaces

13.2.1 Alpha Exchange Inc. – Intraspread Trading Fee Model Amendment – Notice of Proposed Fee Change and Request for Comment

ALPHA EXCHANGE INC.

NOTICE OF PROPOSED FEE CHANGE AND REQUEST FOR COMMENT

Alpha is publishing this Notice of Proposed Changes ("Notice") relating to proposed IntraSpread fee changes ("Fee Proposal") as requested by OSC staff. Market participants are invited to provide the Commission with comments on the Fee Proposal.

Staff request for specific comment

On October 5, 2012, amendments to the Alpha Exchange Trading Policies were approved by the Commission to reflect changes proposed by Alpha Exchange Inc. (Alpha) to the functionality of IntraSpread, that included allowing Seek Dark Liquidity (SDL) orders to trade with eligible Dark orders as well as with visible (lit) orders booked in the Alpha central limit order book (CLOB), while not trading through better priced orders on other markets.

In conjunction with that functionality, Alpha is proposing changes to its IntraSpread fee model, which would extend the application of existing IntraSpread fees and rebates to trades between SDL orders and lit orders in the CLOB. Staff are seeking comment on two specific issues with respect to the Fee Proposal:

1) Fair Access – The Fee Proposal would provide for a reduction in trading fees for the active side of an execution within the CLOB, but only when the active side is an SDL order (which itself is limited to the category of Retail orders as defined in Alpha's Trading Policies) – the fee reduction is therefore not broadly available to any other participant when executing a similar active execution in the CLOB (e.g., an IOC market order or marketable limit order). OSC staff are considering whether the restricted application of the proposed reduced fees in an order book with otherwise unrestricted access, raises concerns with respect to fair access under National Instrument 21-101[1]. OSC staff are seeking specific comment on this, and on how, the Fee Proposal might impact those that cannot avail themselves of the reduced fees.

2) Leakage of information – OSC staff have concerns regarding the proposal that disclosure of the rebate associated with an SDL trade be made to the trade counterparty. Providing a specific fee/rebate applicable only to trades with a certain class of orders (i.e., SDL that represent retail interests), and subsequently disclosing that rebate in real or near-real time to the trade counterparty, may provide an unfair advantage over other marketplace participants – specifically, by providing information as to whether the counterparty to the trade was "Retail" or "non-Retail". Additionally, staff question whether the provision of trade-by-trade rebate disclosures even through an end of day report, provides relevant non-public information which could be used to the advantage of a participant for future trading decisions.

OSC staff request comments on Alpha's Fee Proposal, including specific feedback in relation to the issues noted above. This request is not intended to establish a precedent for publishing fees for comment at this time. However, OSC staff believe that the Fee Proposal could potentially have broader impacts on Canadian market structure, and that it is important to solicit stakeholder input.

Submission of comments

Comments on the Proposed Changes should be in writing and submitted by May 13, 2013 to:

[1] Section 5.1(3)(a) states that, "A marketplace must not permit unreasonable discrimination among clients, issuers and marketplace participants.

Market Regulation Branch
Ontario Securities Commission
Suite 1903, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8
Fax (416) 595-8940
Email: marketregulation@osc.gov.on.ca

And to:

Kevin Sampson
Vice President, Business Development
Alpha ATS LP
70 York Street, suite 1501
Toronto, ON M5J 1S9
Email: kevin.sampson@tmx.com

Comments received will be made public on the OSC website. Upon completion of the review by OSC staff, and in the absence of any regulatory concerns, notice will be published to confirm the completion of Commission staff's review and to outline the intended implementation date of the changes.

ALPHA EXCHANGE INC.

INTRASPREAD TRADING FEE MODEL AMENDMENT

A. DESCRIPTION OF THE PROPOSED CHANGES

Alpha Exchange Inc. (Alpha) is proposing changes to its IntraSpread trading fee model, where existing Intraspread fees and rebates would apply to trades between SDL orders and lit orders in the CLOB (Proposed Fee Model). Under the proposal, the active fees and the passive rebates for trades between SDL orders and lit CLOB orders would be aligned with existing IntraSpread rates, and therefore be lower than the corresponding regular Continuous trade fees and rebates.

B. EXPECTED DATE OF IMPLEMENTATION

TBD - Subject to Regulatory Approval

C. RATIONALE AND RELEVANT SUPPORTING ANALYSIS

The IntraSpread model in place prior to October 15, 2012 demonstrated that liquidity providers are willing to accept reduced incentives[2] when transacting against retail flow. This in turn resulted in lower active fees for the Retail dealer community and better executions for Retail investors.

Wide adoption of IntraSpread by the liquidity providers was based on the economic incentives that liquidity providers could derive from providing liquidity to natural investors, while being able to trade exclusively with retail order flow and not with other informed participants.

The same low-incentive approach does not work in marketplaces where access is open to all participants and under the same conditions. The limited success of lit marketplaces with low rebates[3] provides evidence that rebates are a necessary incentive and risk protection mechanism for liquidity providers when trading against a mix of informed and uninformed flow.

The Proposed Fee Model incorporates benefits originally obtained in IntraSpread by extending the low-incentive approach to trades between lit passive orders and active Retail orders. Under the proposal, a lit liquidity provider trading with an SDL (Retail) order will receive a reduced rebate, but will receive a full rebate when trading with a non-SDL order. With this model, the rebate is a compensation for the risk, awarded only to trades where the risk is assumed.

D. EXPECTED IMPACT ON MARKET STRUCTURE, MEMBERS, INVESTORS, ISSUERS AND THE CAPITAL MARKETS

It is expected that proposed changes will strengthen the visible liquidity, as natural investors will be able to trade with liquidity providers in the transparent book, under economic conditions acceptable to all parties. This will reduce the pressure to execute retail flow in the dark pools and improve price and liquidity discovery in the consolidated book.

With the proposed fee model, the average active fees for Retail dealers will drop, as will the average passive rebates on Alpha, contributing to the overall reduction in maker/taker fee levels in Canada.

With the Proposed Fee Model, a participant posting a lit order in the Alpha CLOB can receive different rebates, depending on whether the order traded with an SDL or a non-SDL contra-order. Alpha believes it is important to provide transparency of fees given the uncertainty and variability of the resting order rebate in the CLOB. Increased transparency related to the varying costs associated with resting orders in the lit book will allow participants with resting orders to determine accurate net positions inclusive of trading fees and rebates, better manage their risk, and optimize liquidity provision. There are various means by which Alpha can provide this transparency:

1. Real-Time – immediate disclosure of the rebate associated with an SDL trade to the participant on a trade by trade basis on the participant's trade execution message

2. Delayed – post-trade disclosure of the rebate associated with an SDL trade to the participant on a trade by trade basis, through an additional delayed (eg. minutes) execution message or report to the participant.

3. End of Day – post-trade disclosure of the rebate associated with an SDL trade to the participant through an end of day trade by trade report

[2] Zero rebates and mandatory price improvement of 10% of the NBBO spread.

[3] Omega, TMX Select

Some may be concerned that such transparency provides the liquidity provider in the CLOB with information related to the nature of the counterparty. This view assumes that the ability to distinguish a trade counterparty as SDL vs. non-SDL constitutes a leakage of information, even though this information is limited given there are many classes of participant that fall into the non-SDL category, including Institutional, Proprietary, and Retail.

While any concerns over possible counter-party information leakage are increasingly mitigated as the disclosure of the rebate is increasingly delayed, the value of the fee transparency is increasingly diminished as well.

Alpha would like to seek specific comments on the impact of disclosing real-time, near-time, and end of day information in regard to the rebate provided to the liquidity provider on any trade in the CLOB.

E. IMPACT ON SYSTEMIC RISK AND MITIGATION

This change does not increase systemic risk.

F. IMPACT ON EXCHANGE'S COMPLIANCE WITH THE SECURITIES LAW, ESPECIALLY FAIR ACCESS AND MAINTENANCE OF FAIR AND ORDERLY MARKETS

Alpha believes that the proposed changes are in compliance with the Ontario securities laws, and more specifically, not contrary to the Fair Access provision.

- Any Alpha Member managing orders for Retail customers is eligible to send orders to IntraSpread and benefit from execution against price improving Dark orders as well as low-priced lit CLOB liquidity.

- All retail Members are provided fair and equal access to choose how their orders are to be handled by Alpha, and whether to seek dark liquidity through IntraSpread, or to access the visible book directly. Retail Members are therefore able to make that choice with consideration to the fully transparent differing execution and cost implications these options provide.

- We do not believe that all flows managed by a dealer need to have access to same services under the same conditions. Different flows represent unique business objectives within a dealer, require unique products and services, and often attract unique regulatory obligations. In support of this view, we note that today's market environment supports products accessible only to a class of participant (fees for market makers, up-stairs market/crosses, Liquidnet for buy-side, IntraSpread and MGF for retail). Also, in the US SEC recently approved a number of pilot programs with products and fees tailored specifically for retail flow (see Section J).

G. CONSULTATION AND INTERNAL GOVERNANCE PROCESS

The proposed fee changes were discussed with TMX Management and users of IntraSpread.

The proposed fee changes are generally supported by retail participants and SDL providers to IntraSpread. These participants have experienced negative impacts, namely higher average take fees, resulting from the dark rules which removed the economic benefits for LPs transacting in the dark and consequently reduced IntraSpread fill rates. These participants are therefore seeking a new integrated dark/lit approach.

Through consultation around incorporating the IntraSpread benefits into the lit market, feedback was provided suggesting that allowing retail and LPs to trade at low fees/incentives in both the lit and the dark markets under the proposed fee model would help to retain some of the original benefits offered by the IntraSpread model:

- Liquidity providers could compete for marketable retail order flow by giving up incentives.

- The liquidity providers risk of trading with other non-SDL order flow is not eliminated, but is compensated via rebates when trading against non-SDL flow.

- Ability for retail dealers to reduce their average active fees by increasing fill rates within IntraSpread and the Alpha CLOB at a reduced active fee.

Under the proposed fee model, retail dealers can continue to seek dark liquidity in IntraSpread to achieve the benefits of price improvement, reduced adverse selection, and reduced take fees. However, when dark liquidity is not available in IntraSpread, SDL participants are supportive of the opportunity to receive a fill through Alpha's CLOB at the same low take fee without the information leakage and opportunity costs that would otherwise be associated with re-routing an order.

Liquidity providers to IntraSpread were also consulted and provided support for the proposed model. Provided there continues to be a material probability of interaction with a retail order in Alpha's CLOB, liquidity providers will continue to be incented to participate in Alpha's CLOB irrespective of the unpredictability of the rebate. However, concerns were raised as the model requires liquidity providers to adjust to the unpredictable rebate. These concerns can be somewhat mitigated by providing increased transparency of the rebate, which Alpha is seeking specific feedback on as indicated in Section D.

H. TECHNOLOGY IMPLEMENTATION IMPACT ON MEMBERS AND SERVICE VENDORS

Members posting passive orders on Alpha will receive different passive rebates, depending on whether the active order is SDL or not. Many Members may want to reconcile their positions and P&L at the end of the day based to determine their actual cost of trading during the day, to allocate fees to varying internal desks, and to assess the ongoing risk profile associated with their liquidity provision.

I. ALTERNATIVES CONSIDERED

The proposed fee model is believed to be the best option under the current regulatory framework to retain and achieve many of the benefits and value that IntraSpread provided to the retail community prior to the implementation of the Dark Rules.

Other models were considered but deemed unsuitable. One option included raising the Continuous fees and rebates for the non-SDL orders trading with the CLOB, to increase the risk compensation when trading with other informed flow. This proposal was abandoned as raising the overall maker/taker fees in the visible book would be contradictory to some of the feedback provided by market participants.

J. EXISTENCE OF COMPARABLE RULES IN OTHER MARKETS OR JURISDICTIONS

Numerous examples exist in the US market supporting differentiated fees for trades involving Retail orders.

- Direct Edge launched a program on December 17, 2012, where unique fees and rebates apply to Retail Orders when transacting with other lit orders in the EDGX book.
https://www.directedge.com/About/Announcements/ViewNewsletterDetail.aspx?NewsletterID=856

- On December 17, 2012 BATS launched a one year Retail Price Improvement Program on the BATS Y-Exchange, where unique fees and rebates apply to Retail Orders when transaction with Retail Price Improving Orders or other non-displayed liquidity. Note that in this program, for Group 1 Securities, the other non-displayed liquidity can receive different rebates, depending on whether it interacts with Retail orders or other orders (comparable to different passive rebates under Alpha's Proposed Fee Model).
http://cdn.batstrading.com/resources/regulation/rule_book/BATS-Exchanges_Fee_Schedules.pdf

- On February 13, 2013 the SEC approved NASDAQ's Retail Price Improvement pilot program (http://www.sec.gov/rules/sro/nasdaq/2012/34-68336.pdf)

- NYSE also launched a Retail Liquidity Program on August 1, 2012, a program very similar to the original IntraSpread model, as there is no interaction of Retail Orders with liquidity other than Retail price improving orders introduced as part of this program (comparable to IntraSpread SDL and Dark orders only interaction only with each other).

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