

The Ontario Securities Commission

OSC Bulletin

October 24, 2013

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

The Ontario Securities Commission

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

October 24, 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
Cadillac Fairview Tower
20 Queen Street West, 17th Floor
Toronto, Ontario
M5H 3S8

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

SCHEDULED OSC HEARINGS

October 28 – November 4,
November 6-12,
November 14-18, November 20 – December 2, December 4-16 and December 18-20, 2013

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

C. Price in attendance for Staff

Panel: EPK/DL/AMR

10:00 a.m.

October 28, 2013

Andrea Lee McCarthy, BFM Industries Inc. and Liquid Gold International Corp. (aka Liquid Gold International Inc.)

s. 127

J. Feasby/C. Watson in attendance for Staff

Panel: JDC

10:00 a.m.

October 29, 2013

Bradon Technologies Ltd., Joseph Compta, Ensign Corporate Communications Inc. and Timothy German

s. 127 and 127.1

C. Weiler in attendance for Staff

Panel: JEAT

10:00 a.m.

October 29, 2013

Jerome John Rak

s. 127(1) and 127(10)

C. Weiler in attendance for Staff

Panel: JEAT

11:00 a.m.

November 4 and November 6-18, 2013	Systematech Solutions Inc., April Vuong and Hao Quach	November 21, 2013	Oversea Chinese Fund Limited Partnership, Weizhen Tang and Associates Inc., Weizhen Tang Corp., and Weizhen Tang
10:00 a.m.	s. 127 D. Ferris in attendance for Staff Panel: JDC	10:00 a.m.	s. 127 and 127.1 H. Craig in attendance for Staff Panel: JEAT
November 5, 2013	Ground Wealth Inc., Michelle Dunk, Adrion Smith, Joel Webster, Douglas DeBoer, Armadillo Energy Inc., Armadillo Energy, Inc., and Armadillo Energy LLC	November 26, 2013	Children's Education Funds Inc.
3:00 p.m.	s. 127 J. Feasby in attendance for Staff Panel: MGC	2:00 p.m.	s. 127 D. Ferris in attendance for Staff Panel: JEAT
November 12, 2013	Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjaiants	November 28-29, 2013	MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric
10:00 a.m.	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	10:00 a.m.	s. 127 and 127(1) D. Ferris in attendance for Staff Panel: MGC/CP
	s. 127 and 127.1 D. Campbell in attendance for Staff Panel: VK	December 4, 2013	New Hudson Television Corporation, New Hudson Television L.L.C. & James Dmitry Salganov
		10:00 a.m.	s. 127 C. Watson in attendance for Staff Panel: TBA
November 13, 2013	Weizhen Tang	December 5, 2013	Quadrex Asset Management Inc., Quadrex Secured Assets Inc., Offshore Oil Vessel Supply Services LP, Quibik Income Fund and Quibik Opportunities Fund
10:00 a.m.	s. 127 C. Rossi in attendance for Staff Panel: TBA	10:00 a.m.	s. 127 D. Ferris in attendance for Staff Panel: JEAT

December 12, 2013	Pro-Financial Asset Management Inc.	February 3, 2014	Tricoastal Capital Partners LLC, Tricoastal Capital Management Ltd. and Keith Macdonald Summers
10:00 a.m.	s. 127 D. Ferris in attendance for Staff Panel: JEAT	10:00 a.m.	s. 127 C Johnson/G. Smyth in attendance for Staff Panel: TBA
December 16, 2013	Heritage Education Funds Inc.	February 10 and February 12-18, 2014	Portfolio Capital Inc., David Rogerson and Amy Hanna-Rogerson
10:00 a.m.	s. 127 D. Ferris in attendance for Staff Panel: JEAT	10:00 a.m.	s. 127 J. Lynch in attendance for Staff Panel: TBA
December 17, 2013	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	March 17-24 and March 26, 2014	Newer Technologies Limited, Ryan Pickering and Rodger Frey
3:30 p.m.	s. 127 C. Watson in attendance for Staff Panel: EPK	10:00 a.m.	s. 127 and 127.1 B. Shulman in attendance for staff Panel: TBA
January 13, January 15-27, January 29 – February 10, February 12-14 and February 18-21, 2014	International Strategic Investments, International Strategic Investments Inc., Somin Holdings Inc., Nazim Gillani and Ryan J. Driscoll.	March 27, 2014	AMTE Services Inc., Osler Energy Corporation, Ranjit Grewal, Phillip Colbert and Edward Ozga
10:00 a.m.	s. 127 C. Watson in attendance for Staff Panel: TBA	10:00 a.m.	s. 127 C. Rossi in attendance for Staff Panel: JEAT
January 27, 2014	Welcome Place Inc., Daniel Maxsood also known as Muhammad M. Khan, Tao Zhang, and Talat Ashraf	March 31-April 7, April 9-17, April 21 and April 23-30, 2014	Issam El-Bouji, Global RESP Corporation, Global Growth Assets Inc., Global Educational Trust Foundation and Margaret Singh
10:00 a.m.	s. 127 G. Smyth in attendance for Staff Panel: TBA	10:00 a.m.	s. 127 and 127.1 M. Vaillancourt in attendance for Staff Panel: TBA

<p>March 31-April 7 and April 9-11, 2014</p> <p>10:00 a.m.</p>	<p>Ronald James Ovenden, New Solutions Capital Inc., New Solutions Financial Corporation and New Solutions Financial (II) Corporation</p> <p>s. 127</p> <p>Y. Chisholm in attendance for Staff</p> <p>Panel: TBA</p>	<p>November 11-17, 19-21, November 25 – December 1, December 3-5, 9-15, 17-19, 2014, January 14-16, 20-26, 28-30, February 3-9, 11-13, 17-23, 25-27 and March 3-6, 2015</p> <p>10:00 a.m.</p>	<p>Ernst & Young LLP</p> <p>s. 127 and 127.1</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>
<p>June 2, 4-6, 10-16, 18-20, 24-30, July 3-4, 8-14, 16-18, 22-25, August 11, 13-15, 19-25, 27-29, September 2-8, 10-15, October 15-17, 28-31, November 3, 5-7, 11, 19-21, 25-28, December 1, 3-5, 9-15, 17-19, 2014, January 7-12, 14-16, 20-26, 28-30, February 3-9, 11-13 and February 17-20, 2015</p> <p>10:00 a.m.</p>	<p>Sino-Forest Corporation, Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho, Simon Yeung and David Horsley</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>	<p>May 1, 2015</p> <p>10:00 a.m.</p> <p>In writing</p>	<p>Ernst & Young LLP (Audits of Zungui Haixi Corporation)</p> <p>s. 127 and 127.1</p> <p>J. Friedman in attendance for Staff</p> <p>Panel: TBA</p>
<p>September 15-22, September 24, September 29 – October 6, October 8-10, October 14-20, October 22 – November 3 and November 5-7, 2014</p> <p>10:00 a.m.</p>	<p>Paul Azeff, Korin Bobrow, Mitchell Finkelstein, Howard Jeffrey Miller and Man Kin Cheng (a.k.a. Francis Cheng)</p> <p>s. 127</p> <p>T. Center/D. Campbell in attendance for Staff</p> <p>Panel: TBA</p>	<p>In writing</p> <p>In writing</p>	<p>Morgan Dragon Development Corp., John Cheong (aka Kim Meng Cheong), Herman Tse, Devon Ricketts and Mark Griffiths</p> <p>s. 127</p> <p>J. Feasby in attendance for Staff</p> <p>Panel: EPK</p>
			<p>Blackwood & Rose Inc., Steven Zetchus and Justin Kreller (also known as Justin Kay)</p> <p>s. 37, 127 and 127.1</p> <p>C. Rossi in attendance for Staff</p> <p>Panel: JEAT</p>
			<p>Bunting & Waddington Inc., Arvind Sanmugam and Julie Winget</p> <p>s. 127 and 127.1</p> <p>M. Britton/A. Pelletier in attendance for Staff</p> <p>Panel: EPK</p>

In writing	Global Consulting and Financial Services, Global Capital Group, Crown Capital Management Corp., Michael Chomica, Jan Chomica and Lorne Banks	TBA	Uranium308 Resources Inc., Michael Friedman, George Schwartz, Peter Robinson, and Shafi Khan
	s. 127		s. 127
	C. Rossi in attendance for Staff		H. Craig/C. Rossi in attendance for Staff
	Panel: AJL		Panel: TBA
TBA	Yama Abdullah Yaqeen	TBA	David M. O'Brien
	s. 8(2)		s. 37, 127 and 127.1
	J. Superina in attendance for Staff		B. Shulman in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell	TBA	Crown Hill Capital Corporation and Wayne Lawrence Pushka
	s. 127		s. 127
	Panel: TBA		A. Perschy/A. Pelletier in attendance for Staff
			Panel: TBA
TBA	Frank Dunn, Douglas Beatty, Michael Gollogly	TBA	Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg
	s. 127		s. 127
	Panel: TBA		H. Craig in attendance for Staff
TBA	Gold-Quest International and Sandra Gale		Panel: TBA
	s. 127		
	C. Johnson in attendance for Staff		
	Panel: TBA	TBA	Fawad UI Haq Khan and Khan Trading Associates Inc. carrying on business as Money Plus
TBA	Brilliante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York		s. 60 and 60.1 of the <i>Commodity Futures Act</i>
	s. 127		T. Center in attendance for Staff
	H. Craig in attendance for Staff		Panel: TBA
	Panel: TBA		

TBA	<p>Global RESP Corporation and Global Growth Assets Inc.</p> <p>s. 127</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>2196768 Ontario Ltd carrying on business as Rare Investments, Ramadhar Dookhie, Adil Sunderji and Evgueni Todorov</p> <p>s. 127</p> <p>D. Campbell in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Garth H. Drabinsky, Myron I. Gottlieb and Gordon Eckstein</p> <p>s. 127</p> <p>J. Friedman in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Kevin Warren Zietsoff</p> <p>s. 127</p> <p>J. Feasby in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>New Hudson Television LLC & Dmitry James Salganov</p> <p>s. 127</p> <p>C. Watson in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>North American Financial Group Inc., North American Capital Inc., Alexander Flavio Arconti, and Luigino Arconti</p> <p>s. 127</p> <p>M. Vaillancourt in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Jowdat Waheed and Bruce Walter</p> <p>s. 127</p> <p>J. Lynch in attendance for Staff</p>	TBA	<p>David Charles Phillips and John Russell Wilson</p> <p>s. 127</p> <p>Y. Chisholm/B. Shulman in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Alexander Christ Doulis (aka Alexander Christos Doulis, aka Alexandros Christodoulidis) and Liberty Consulting Ltd.</p> <p>s. 127</p> <p>J. Feasby in attendance for Staff</p> <p>Panel: TBA</p> <p>Conrad M. Black, John A Boulton and Peter Y. Atkinson</p> <p>s. 127 and 127.1</p> <p>J. Friedman in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>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</p> <p>s. 127</p> <p>C. Rossi in attendance for Staff</p> <p>Panel: TBA</p>

TBA **Knowledge First Financial Inc.**
s. 127
D. Ferris in attendance for Staff
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

1.1.2 OSC Staff Notice 11-737 (Revised) – Securities Advisory Committee – Vacancies

**REVISED OSC STAFF NOTICE 11-737
SECURITIES ADVISORY COMMITTEE – VACANCIES**

The Commission formally established the Securities Advisory Committee to the Commission ("SAC") many years ago. SAC meets on a regular basis, generally monthly, and provides advice to the Commission and staff on a variety of matters including policy initiatives and capital markets trends. SAC also provides advice and comments on legal, regulatory and market implications of any aspect of Commission rules, policies, operations, and administration. In addition, SAC is expected to provide general advisory services to the Commission and staff on an informal basis relating to emerging trends in the marketplace.

The Commission is now looking for four prospective candidates to serve on SAC beginning in January 2014 for a three-year term ending December 2016. There is a one-third turnover of SAC membership each calendar year.

Those who make a commitment to serve on SAC must be in a position to devote the time necessary to attend meetings, be an active participant, and undertake the work involved, which occasionally must be dealt with on an urgent basis. SAC members are expected to have excellent technical abilities and a strong interest in the development of securities regulatory policy. SAC members must have in-depth knowledge of the legislation and policies for which the Commission is responsible, and have significant practice experience in the securities area. Expertise in an area of special interest to the Commission at the time an appointment is made will also be a factor in selection. At this time, the Commission is interested in diversifying membership on SAC in order to broaden our perspective on the development of securities regulatory policy. We therefore invite the submission of applications specifically from in-house counsel practicing in the securities area at an exchange, institutional investor or dealer.

Qualified individuals who have the support of their firms/employers for the commitment required to effectively participate on SAC, are invited to apply in writing for membership on SAC to the General Counsel's Office of the Commission, indicating areas of practice and relevant experience. Prospective candidates are encouraged to review OSC Policy 11-601 for further information about SAC.

SAC members whose terms continue past December 2013 are:

- Douglas Bryce Osler Hoskin & Harcourt LLP
- Carol E. Derk Borden Ladner Gervais LLP
- Shahan A. Mirakian McMillan LLP
- Sean Vanderpol Stikeman Elliott LLP
- Brad Brassler Jones Day
- Jeff Davis Ontario Teachers' Pension Plan
- Christopher Hewat Blake, Cassels & Graydon LLP
- Leslie McCallum Torys LLP

The Commission wishes to thank the following members whose terms will expire at the end of December 2013:

- Tina Woodside Gowling Lafleur Henderson LLP
- Robert Wortzman Wildeboer Dellelce LLP
- Heather Zordel Cassels Brock & Blackwell LLP
- Grant McGlaughlin Goodmans LLP

The Commission is very grateful to outgoing members for their able assistance and valuable input.

Applications for SAC membership will be considered if received on or before November 22, 2013. Applications should be submitted by email to:

Monica Kowal
General Counsel
Ontario Securities Commission
20 Queen Street West
22nd Floor, Box 55
Toronto, Ontario
M5H 3S8
Tel: (416) 593-3653
mkowal@osc.gov.on.ca

October 24, 2013

1.2 Notices of Hearing

1.2.1 New Hudson Television Corp. 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
NEW HUDSON TELEVISION CORP.,
NEW HUDSON TELEVISION LLC,
AND JAMES DMITRY SALGANOV

SETTLEMENT AGREEMENT BETWEEN
JAMES DMITRY SALGANOV,
NEW HUDSON TELEVISION CORP.,
NEW HUDSON TELEVISION LLC AND
STAFF OF THE ONTARIO SECURITIES COMMISSION

NOTICE OF HEARING
(Sections 127 and 127.1)

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127 and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") at the offices of the Commission, located at 20 Queen Street West, 17th floor, Toronto, ON M5H 3S8 on Thursday October 17, 2013 at 11:30 a.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 a settlement agreement entered into between Staff of the Commission, Dmitry James Salganov, also known as "James Dmitry Salganov" ("Salganov"), New Hudson Television LLC ("NHTV LLC") and New Hudson Television Corp. ("NHTV Corp.");

BY REASON OF the allegations set out in the Statement of Allegations of Staff of the Commission dated October 9th, 2012 and the Amended Statement of Allegations of Staff dated October 1, 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, if that party attends or submits evidence at the hearing;

AND TAKE FURTHER NOTICE that upon the 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 15th day of October, 2013.

"Daisy Aranha"
per: John Stevenson
Secretary to the Commission

1.2.2 Bradon Technologies Ltd. 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
BRADON TECHNOLOGIES LTD., JOSEPH COMPTA,
ENSIGN CORPORATE COMMUNICATIONS INC.
and TIMOTHY GERMAN

NOTICE OF HEARING
Sections 127 and 127.1

TAKE NOTICE THAT the Ontario Securities Commission (the “Commission”) will hold a hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) at the offices of the Commission located at 20 Queen Street West, 17th Floor, on October 29, 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 an order:

- (i) pursuant to clause 2 of subsection 127(1) of the Act that trading in any securities by Bradon Technologies Ltd. (“Bradon”), Joseph Compta (“Compta”), Ensign Communications Inc. (“Ensign”) and Timothy German (“German”) (collectively, the “Respondents”) cease permanently or for such period as is specified by the Commission;
- (ii) pursuant to clause 2.1 of subsection 127(1) of the Act that the acquisition of any securities by the Respondents is prohibited permanently or for such other period as is specified by the Commission;
- (iii) pursuant to clause 3 of subsection 127(1) of the Act that any exemptions contained in Ontario securities law do not apply to the Respondents permanently or for such period as is specified by the Commission;
- (iv) pursuant to clause 6 of subsection 127(1) of the Act that the Respondents be reprimanded;
- (v) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the Act that German and Compta (collectively, the “Individual Respondents”) resign all positions that they hold as a director or officer of any issuer, registrant or investment fund manager;
- (vi) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the Act that the Individual Respondents be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager permanently or for such period as is specified by the Commission;
- (vii) pursuant to clause 8.5 of subsection 127(1) of the Act that the Respondents be prohibited from becoming or acting as a registrant, investment fund manager or promoter permanently or for such period as is specified by the Commission;
- (viii) pursuant to clause 9 of subsection 127(1) of the Act that the Respondents each pay an administrative penalty of not more than \$1 million for each failure by that Respondent to comply with Ontario securities law;
- (ix) pursuant to clause 10 of subsection 127(1) of the Act that each Respondent disgorge to the Commission any amounts obtained as a result of non-compliance by that Respondent with Ontario securities law;
- (x) pursuant to section 127.1 of the Act that the Respondents be ordered to pay the costs of the Commission investigation and the hearing; and
- (xi) 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 October 3, 2013 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 TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceedings.

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

“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
BRADON TECHNOLOGIES LTD., JOSEPH COMPTA,
ENSIGN CORPORATE COMMUNICATIONS INC.
and TIMOTHY GERMAN**

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

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

I. OVERVIEW

1. Timothy German ("German") and Ensign Corporate Communications Inc. ("Ensign") participated in a scheme whereby they sold shares of a private issuer, Bradon Technologies Ltd. ("Bradon"), to investors in Ontario and elsewhere. German and Ensign sold Bradon shares to investors for an average of \$5 per share, without disclosing to investors that German had purchased the shares for an average of \$1 per share. German promised investors that he would instruct Bradon to register the shares in their names, but he did not do so.
2. Between December 28, 2007 and April 20, 2011 (the "Material Time"), German purchased 748,000 Bradon shares in his own name for \$808,000. German and Ensign sold a portion of these shares to at least 43 investors, and raised at least \$1,510,245.
3. During the Material Time, Joseph Compta ("Compta"), the President and Chief Executive Officer ("CEO") of Bradon, became aware of German's and Ensign's sale of Bradon shares to investors. Compta participated in the deception of investors by endorsing German in communications intended for current and prospective investors and by failing to advise that German was not authorized to sell Bradon shares and that the shares sold to German were subject to restrictions on transfer. Bradon used the funds it received for the shares it sold to German to pay for the company's operating expenses.
4. During the Material Time, German and Ensign breached the registration and prospectus provisions of the *Securities Act*, R.S.O. 1990, c.S-5, as amended (the "Act"). German, Ensign, Compta and Bradon also engaged in a course of conduct that they knew or reasonably ought to have known would perpetrate a fraud on persons or companies purchasing shares of Bradon.

II. THE RESPONDENTS

5. Ensign was incorporated in Ontario on June 4, 2004. Ensign is not a reporting issuer.
6. German is the Director and President of Ensign and Ensign's sole shareholder. He is the directing mind of Ensign. German is also a Bradon shareholder. German resides in Toronto, Ontario.
7. Bradon was incorporated in Ontario on March 18, 2004. Bradon is a software development company. Bradon is not a reporting issuer.
8. Compta founded Bradon and is the President and CEO of Bradon. Compta is also a director and shareholder of Bradon. Compta is the directing mind of Bradon. Compta resides in Toronto, Ontario.
9. None of German, Ensign, Compta or Bradon (collectively, the "Respondents") has ever been registered with the Commission in any capacity.

III. RESPONDENTS' CONDUCT

10. German was a friend and associate of Compta and met with him a number of times during the Material Time. At these meetings, Compta and German discussed the business of Bradon, including the prospect of a sale of Bradon's assets to a strategic partner.

11. During the Material Time, German purchased 748,000 Bradon shares for \$808,000. The shares were registered in German's name. The funds received from German were used by Bradon to cover the company's operating expenses. German's Bradon shares were subject to restrictions on transfer.
12. Bradon issued shares to German and other shareholders under the private issuer exemption in section 2.4 of National Instrument 45-106 *Prospectus and Registration Exemptions* ("NI 45-106"). This exemption permits a company to sell shares to up to 50 close and personal friends or associates of a director without the need for a prospectus. During the Material Time, Compta knew that Bradon was approaching the 50 shareholder limit.
13. Ensign, acting through German, both directly or indirectly, entered into agreements entitled "Private Share Purchase Agreement" (the "Purchase Agreement") with at least 43 investors for the purchase and sale of Bradon shares. German prepared and signed all of the Purchase Agreements, which were on Ensign letterhead.
14. The shares offered by German and Ensign are securities as defined in subsection 1(1) of the Act.
15. German solicited investors in Ontario and elsewhere to purchase Bradon shares by meeting with investors, describing the nature of Bradon's business, offering investors the opportunity to purchase Bradon shares and providing investors instructions on how to make payment for the shares.
16. Funds provided by investors for the purchase of Bradon shares were deposited into Ensign's bank account (the "Ensign Account"). German controlled and was the sole signatory on the Ensign Account.
17. During the Material Time, German and Ensign raised at least \$1,510,245 from the sale of Bradon shares to investors.
18. German did not disclose that although he was selling Bradon shares typically for \$5 per share, he had acquired the majority of his Bradon shares for \$1 per share. Most investors acquired Bradon shares from German at a time when German was acquiring Bradon shares for \$1 per share.
19. Before their purchases in Bradon shares, German also falsely represented to investors that:
 - (a) German had an exclusive agreement with Bradon and was the only person outside the company authorized to find investors for Bradon;
 - (b) Bradon was involved in senior level negotiations and due diligence reviews with several of its clients and strategic partners with an anticipated sale of all of its assets within 60-90 days;
 - (c) the anticipated profits on the shares once Bradon's assets were sold would be 20 to 50 times the investor's initial investment; and
 - (d) upon execution of a Purchase Agreement, German would instruct Bradon to register the shares in the names of the investors.
20. German met and held conference calls with existing and prospective investors, during which he repeated some of these misrepresentations.
21. German also represented to investors that if an investor provided 30 days' notice, he or Ensign would buy back the investor's Bradon shares at the price paid by the investor or an agreed upon price. Although investors have attempted to exercise the buy back option, the funds of only four investors, totalling \$100,100, have been returned. The remaining funds obtained by German and Ensign from investors, approximately \$1.4 million, are still outstanding.
22. Compta was aware that German was purchasing Bradon shares during the Material Time, and at a minimum, by October 2009, he was aware that German was selling Bradon shares to investors. Compta was also aware that during the Material Time, no shares purchased by German were registered in the name of any other investors.
23. Compta was contacted by investors who purchased Bradon shares through German. Compta failed to inform them that:
 - (a) German was not authorized to sell Bradon shares;
 - (b) German was purchasing shares in his own name and the shares were subject to share transfer restrictions; or
 - (c) German purchased the majority of his shares for \$1 per share.

24. Rather, in communications from his Bradon email address and on Bradon letterhead that were intended for and provided to current and prospective Bradon investors, Compta vouched for German's integrity and endorsed German's purported connection with Bradon.
25. After receiving Compta's endorsement of German, investors continued to purchase Bradon shares from German and German continued to provide Bradon with funds to finance its activities in exchange for the issuance of Bradon shares in his name.

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

26. In participating in the conduct described above during the Material Time:
 - (a) German and Ensign traded in securities or engaged in, or held themselves out as engaging in the business of trading in securities without being registered to do so contrary to subsection 25(1)(a) of the Act for the period before September 28, 2009 and subsection 25(1) of the Act for the period on and after September 28, 2009;
 - (b) German and Ensign, with the intention of effecting trades in securities, made prohibited representations contrary to subsection 38(1)(a) of the Act;
 - (c) German and Ensign distributed securities without filing a preliminary prospectus and obtaining a receipt from the Director, contrary to section 53(1) of the Act;
 - (d) the Respondents engaged or participated in acts, practices or courses of conduct relating to the securities of Bradon that they knew or reasonably ought to have known perpetrated a fraud on persons or companies purchasing securities contrary to section 126.1(b) of the Act;
 - (e) German and Compta, who are directors and officers of Ensign and Bradon, respectively, (the "Corporate Respondents"), authorized, permitted or acquiesced in the Corporate Respondents' non-compliance with Ontario securities law, and accordingly failed to comply with Ontario securities law, contrary to section 129.2 of the Act; and
 - (f) the Respondents' conduct was contrary to the public interest and harmful to the integrity of the capital markets in Ontario.
27. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

DATED at Toronto, October 3, 2013.

1.3 News Releases

1.3.1 Canadian Securities Regulators Introduce Amendments to Oil and Gas Disclosure Requirements

FOR IMMEDIATE RELEASE
October 17, 2013

**CANADIAN SECURITIES REGULATORS INTRODUCE
AMENDMENTS TO OIL AND GAS DISCLOSURE REQUIREMENTS**

Calgary – The Canadian Securities Administrators (CSA) today are requesting comment for proposed amendments to National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* and related forms, which are designed to improve and clarify the disclosure of oil and gas reporting issuers.

“Canada has developed and must maintain one of the most effective and efficient oil and gas disclosure regimes in the world,” said Bill Rice, Chair of the CSA and Chair and Chief Executive Officer of the Alberta Securities Commission. “These proposed amendments are an important shift in the disclosure requirements applicable to public oil and gas companies that will promote better disclosure of resources other than reserves and other numerical measures of oil and gas activities.”

The proposed amendments will also provide for increased flexibility for oil and gas reporting issuers that report in a variety of different jurisdictions worldwide, recover different oil and gas product types and operate under different regulatory regimes. The proposed amendments are intended to bring NI 51-101 into harmony with upcoming changes to the Canadian Oil and Gas Evaluation Handbook.

The public comment period for the proposed amendments will end on January 17, 2014.

The proposed amendments to NI 51-101 *Standards of Disclosure for Oil and Gas Activities* and related forms are available on CSA member websites.

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

For more information:

Sylvain Théberge
Autorité des marchés financiers
514-940-2176

Mark Dickey
Alberta Securities Commission
403-297-4481

Richard Gilhooley
British Columbia Securities Commission
604-899-6713

Carolyn Shaw-Rimington
Ontario Securities Commission
416-593-2361

Kevan Hannah
Manitoba Securities Commission
204-945-1513

Wendy Connors-Beckett
Financial and Consumer Services Commission
New Brunswick
506-643-7745

Tanya Wiltshire
Nova Scotia Securities Commission
902-424-8586

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

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

Rhonda Horte
Office of the Yukon Superintendent of Securities
867-667-5466

Louis Arki
Nunavut Securities Office
867-975-6587

Donn MacDougall
Northwest Territories
Securities Office
867-920-8984

Daniela Machuca
Financial and Consumer Affairs
Authority of Saskatchewan
306-798-4160

1.3.2 CSA Seek More Information about the Quality of Audit Firms through Proposed Changes to Auditor Oversight Rule

FOR IMMEDIATE RELEASE
October 17, 2013

**CSA SEEK MORE INFORMATION ABOUT THE QUALITY
OF AUDIT FIRMS THROUGH PROPOSED CHANGES TO AUDITOR OVERSIGHT RULE**

Toronto – The CSA today published for comment proposed amendments to NI 52-108 *Auditor Oversight*, which would give regulators greater insight into situations where the Canadian Public Accountability Board (CPAB) has imposed significant remedial actions on an audit firm.

To better monitor Canada's capital markets, work towards addressing issues before they become significant, and ultimately provide greater investor protection, the CSA is proposing to amend the 'triggers' for when an audit firm must notify securities regulators about CPAB remedial actions. The CSA is also proposing amendments concerning the content of the CPAB notices.

"Auditors are key gatekeepers, so it is important to improve the extent of information securities regulators receive when the Canadian Public Accountability Board identifies significant audit quality issues," said Bill Rice, Chair of the CSA and Chair and CEO of the Alberta Securities Commission. "Receiving information about audit firms enables securities regulators to better assess systemic issues and consider, in a timely manner, whether regulatory action is needed. This in turn will increase investor confidence in the quality of financial reporting in Canada."

The CSA also recognize the importance of information made available to audit committees. In May 2013, the Enhancing Audit Quality initiative, led by the Chartered Professional Accountants of Canada and CPAB, recommended that CPAB and the audit firms it oversees develop a protocol to enhance information flow to audit committees. The CSA will monitor the CPAB protocol developments and consider whether further amendments are needed.

A copy of the proposed amendments is available on CSA members' websites and the comment period is open until January 15, 2014.

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

For more information:

Carolyn Shaw-Rimington
Ontario Securities Commission
416-593-2361

Richard Gilhooley
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Office of the Superintendent of Securities
Government of Newfoundland and Labrador
709-729-5661

Rhonda Horte
Office of the Yukon Superintendent of Securities
867-667-5466

Louis Arki
Nunavut Securities Office
867-975-6587

Donn MacDougall
Northwest Territories Securities Office
867-920-8984

1.4 Notices from the Office of the Secretary

For investor inquiries:

1.4.1 Sino-Forest Corporation et al.

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

**FOR IMMEDIATE RELEASE
October 15, 2013**

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

AND

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

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

1. the hearing date scheduled for the Particulars Motion, namely October 16, 2013, is vacated;
2. the hearing dates scheduled for October 20 and 22 to 24, 2014 for the Respondents' case in the Merits Hearing are vacated and further hearing dates are hereby scheduled for February 17 to 20, 2015; and
3. the pre-hearing conference in this matter be continued on November 21, 2013 at 11:00 a.m. or such other date and time as agreed to by the parties and set by the Office of the Secretary.

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

A copy of the Order dated October 10, 2013 is available at www.osc.gov.on.ca.

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SECRETARY

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Aly Vitunski
Senior Media Relations Specialist
416-593-8263

Alison Ford
Media Relations Specialist
416-593-8307

1.4.2 New Hudson Television Corp. et al.

FOR IMMEDIATE RELEASE
October 15, 2013

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

AND

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

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
JAMES DMITRY SALGANOV,
NEW HUDSON TELEVISION CORP.,
NEW HUDSON TELEVISION LLC AND
STAFF OF THE ONTARIO SECURITIES COMMISSION

TORONTO – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and the Respondents in the above named matter.

The hearing will be held on October 17, 2013 at 11:30 a.m. in Hearing Room D on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing dated October 15, 2013 is available at www.osc.gov.on.ca.

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1-877-785-1555 (Toll Free)

1.4.3 Crown Hill Capital Corporation and Wayne Lawrence Pushka

FOR IMMEDIATE RELEASE
October 16, 2013

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

AND

IN THE MATTER OF
CROWN HILL CAPITAL CORPORATION
and WAYNE LAWRENCE PUSHKA

TORONTO – The Commission issued an Order in the above noted matter which provides that a case conference with respect to the sanctions hearing is scheduled for December 12, 2013 at 2:00 p.m. or to such other date as may be agreed to by the parties and fixed by the Office of the Secretary, for the purpose of addressing various procedural matters or for such other purposes as the Panel hearing the matter may determine.

A copy of the Order dated October 16, 2013 is available at www.osc.gov.on.ca.

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1.4.4 Heritage Education Funds Inc.

**FOR IMMEDIATE RELEASE
October 16, 2013**

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

AND

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

TORONTO – The Commission issued an Order in the above named matter pursuant to section 127 of the Act which provides that:

1. the hearing date of October 18, 2013 at 10:00 a.m. is vacated;
2. the Temporary Order is extended to December 19, 2013 or until such further order of the Commission; and
3. the hearing is adjourned to December 16, 2013 at 10:00 a.m. for the purpose of providing the Commission with an update on the work completed by the Consultant and to consider the possible extension of the Temporary Order.

A copy of the Order dated October 15, 2013 is available at www.osc.gov.on.ca.

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1.4.5 MRS Sciences Inc. (formerly Morningside Capital Corp.) et al.

**FOR IMMEDIATE RELEASE
October 18, 2013**

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

AND

**IN THE MATTER OF
MRS SCIENCES INC.
(FORMERLY MORNINGSIDE CAPITAL CORP.),
AMERICO DEROSA, RONALD SHERMAN,
EDWARD EMMONS, IVAN CAVRIC AND
PRIMEQUEST CAPITAL CORPORATION**

TORONTO – The Commission issued an Order in the above named matter which provides that the confidential pre-hearing conference will continue on November 7, 2013 at 9:00 a.m. or such other date or at such other time as set by the Office of the Secretary and agreed to by the parties.

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

A copy of the Order dated October 17, 2013 is available at www.osc.gov.on.ca.

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1.4.6 Pro-Financial Asset Management Inc.

**FOR IMMEDIATE RELEASE
October 18, 2013**

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

AND

**IN THE MATTER OF
PRO-FINANCIAL ASSET MANAGEMENT INC.**

Alison Ford
Media Relations Specialist
416-593-8307

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

1. the affidavit of Michael Ho sworn October 8, 2013, the affidavit of Stuart McKinnon sworn October 7, 2013, the affidavit of Kenneth White sworn October 7, 2013 and the written submissions of the parties dated October 8 and 9, 2013 shall be treated as confidential documents until further order of the Commission;
2. the previous orders as to confidentiality made by the Commission's orders on July 22, 2013 and August 27, 2013 shall remain in force until further order or direction of the Commission, subject to the order referred to in paragraph 3 below;
3. Staff shall be entitled to provide copies of the documents relating to the PPN reconciliation process listed on Schedule "A" to this order to counsel for the Banks on condition that the Banks treat those documents as confidential documents and not provide copies to any third party without further direction or order of the Commission.

A copy of the Order dated October 17, 2013 is available at www.osc.gov.on.ca.

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1.4.7 Conrad M. Black et al.

FOR IMMEDIATE RELEASE
October 18, 2013

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

AND

IN THE MATTER OF
CONRAD M. BLACK, JOHN A. BOULTBEE
AND PETER Y. ATKINSON

TORONTO – The Commission issued an Order in the above named matter which provides that the confidential pre-hearing conference is adjourned to Wednesday, October 23, 2013 at 3:00 p.m.

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

A copy of the Order dated October 17, 2013 is available at www.osc.gov.on.ca.

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1.4.8 Bradon Technologies Ltd. et al.

FOR IMMEDIATE RELEASE
October 18, 2013

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

AND

IN THE MATTER OF
BRADON TECHNOLOGIES LTD., JOSEPH COMPTA,
ENSIGN CORPORATE COMMUNICATIONS INC.
and TIMOTHY GERMAN

TORONTO – The Office of the Secretary issued a Notice of Hearing on setting the matter down to be heard on October 29, 2013 at 10:00 a.m., or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Notice of Hearing dated October 3, 2013 Statement of Allegations of Staff of the Ontario Securities Commission dated October 3, 2013 are available at www.osc.gov.on.ca.

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1.4.9 Portfolio Capital Inc. et al.

FOR IMMEDIATE RELEASE
October 21, 2013

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

AND

IN THE MATTER OF
PORTFOLIO CAPITAL INC., DAVID ROGERSON
and AMY HANNA-ROGERSON

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

- (a) the hearing on the merits scheduled to commence on November 11, 2013 will commence on February 10, 2014 and shall continue on February 12, 13, 14 and 18, 2014; and
- (b) the hearing is adjourned to a further pre-hearing conference to be held on December 18, 2013 at 10:00 a.m.

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

A copy of the Order dated October 17, 2013 is available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 GCIC Ltd.

Headnote

National Policy 11-203 – Process for Exemptive Relief in Multiple Jurisdictions – One time transfer of assets of a non-redeemable investment fund to a mutual fund subject to NI 81-102, both advised by the same portfolio manager, to implement a merger – Costs of the merger borne by the manager – Sale of securities exempt from the self-dealing prohibition in paragraph s.13.5(2)(b)(iii), National Instrument 31-103 – Registration Requirements and Exemptions.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements and Exemptions, ss. 13.5(2)(b)(iii), 15.1.

June 5, 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
GCIC LTD.
(the “Filer”)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the “**Legislation**”) for an exemption from subsection 13.5(2)(b) of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (“**NI 31-103**”), which prohibits a registered adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as an adviser, to purchase or sell a security from or to the investment portfolio of an investment fund for which a responsible person acts as an adviser, in order to effect the merger (the “**Merger**”) of Dynamic Power Emerging Markets Fund (the

“**Terminating Fund**”) into Dynamic Power Hedge Fund (the “**Continuing Fund**”) and, together with the Terminating Fund, the “**Funds**”) (the “**Requested Relief**”).

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

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

Interpretation

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

Representations

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

- 1 The Filer is a corporation existing under the laws of the Province of Ontario, is registered in Ontario as a portfolio manager in the category of adviser, is further registered in that category in each of British Columbia, Alberta, Manitoba, Saskatchewan, Quebec, New Brunswick, Prince Edward Island, Nova Scotia and the Northwest Territories, is registered as a commodity trading manager in Ontario and is registered as an investment fund manager in Ontario, Quebec and Newfoundland.
- 2 The Filer is the manager, trustee, principal distributor, registrar, and portfolio adviser of each Fund.
- 3 Each of the Funds is an open-end mutual fund trust. The Funds are not reporting issuers in any of the Jurisdictions.
- 4 Neither the Filer nor the Funds are in default of securities legislation in any of the Jurisdictions.
- 5 The Filer proposes to merge the Terminating Fund into the Continuing Fund, which will involve the transfer of assets of the Terminating Fund in exchange for units of the Continuing Fund. Each unitholder of the Terminating Fund will receive units of the Continuing Fund, the value of which are equal to the net asset value (“**NAV**”) of the

- units held by such unitholder in the Terminating Fund.
- 6 The board of directors of the Filer approved the Merger on April 23, 2013 and the independent review committee ("IRC") that has been appointed for the Funds has considered the Merger and provided a positive recommendation to the Filer on the basis that the Merger would achieve a fair and reasonable result for each Fund.
- 7 Unitholders of the Terminating Fund will be asked to approve the Merger at a special meeting of unitholders to be held on June 3, 2013 (the "Meeting").
- 8 In connection with the Meeting, the Filer, as manager of the Terminating Fund, sent unitholders of the Terminating Fund a notice of special meeting, a management information circular and a related form of proxy (collectively, the "Meeting Materials").
- 9 It is proposed that the Merger will occur on or about June 14, 2013 (the "Merger Date"), subject to unitholder approval.
- 10 Following the Merger, the Continuing Fund will continue as a privately offered open-end mutual fund and the Terminating Fund will be wound-up and terminated.
- 11 The Merger will take place on a taxable basis. Unitholders of the Terminating Fund will be provided with tax disclosure about the ramifications of the Merger in the Meeting Materials.
- 12 The following steps will be carried out to effect the Merger:
- (a) On the Merger Date, the Terminating Fund will transfer all of its assets (other than such assets as are sufficient to satisfy its liabilities) to the Continuing Fund in exchange for units of the Continuing Fund. The Terminating Fund will receive units of the Continuing Fund, the value of which is equal to the NAV of the Terminating Fund transferred to the Continuing Fund, calculated as of the close of business on the Merger Date.
- (b) Immediately thereafter, the units of the Continuing Fund received by the Terminating Fund will be distributed to unitholders of the Terminating Fund and the unitholders' units of the Terminating Fund will be redeemed and cancelled. Each unitholder of the Terminating Fund will receive units of the Continuing Fund, the value of which are equal to the NAV of the units of the Terminating Fund
- previously held by the unitholder as of the close of business on the Merger Date.
- 13 The Terminating Fund and the Continuing Fund have substantially similar investment objectives, valuation procedures and fee structures.
14. The information circular sent to unitholders of the Terminating Fund in connection with the Merger provides sufficient information about the Merger to permit unitholders to make an informed decision about the Merger.
15. Unitholders of the Terminating Fund will continue to have the right to redeem their units of the Terminating Fund until the Merger Date on the terms provided for in the Terminating Fund's offering memorandum.
16. No sales charges will be payable in connection with the acquisition by a Continuing Fund of the investment portfolio of the Terminating Fund.
17. The investment portfolio of the Terminating Fund to be acquired by the Continuing Fund as a result of the Merger is acceptable to the portfolio manager of the Continuing Fund and is consistent with the investment objectives of the Continuing Fund.
18. Each Fund is a mutual fund trust under the Tax Act and, accordingly, units of the Funds are "qualified investments" under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans and tax-free savings accounts.
19. The transfer of the investment portfolio of the Terminating Fund to the Continuing Fund (and the corresponding purchase of such investment portfolio by the Continuing Fund) as a step in the Merger may be considered a purchase or sale of securities, knowingly caused by a registered adviser that manages the investment portfolio of the Funds, from the Terminating Fund to, or by the Continuing Fund from, an associate of a "responsible person" or from or to an investment fund for which a "responsible person" acts as an adviser, contrary to NI 31-103.
20. In the absence of this order, the Filer would be prohibited from purchasing and selling the securities of the Terminating Fund (and thereby transferring its investment portfolio to the Continuing Fund) in connection with the Merger.
21. The Funds will bear none of the costs and expenses associated with the Merger, and no sales charges, redemption fees or other fees or commissions will be payable by unitholders of the Terminating Fund in connection with the Merger.

22. The transfer of assets from the Terminating Fund to the Continuing Fund will take place at a value determined by common valuation procedures and unitholders of the Terminating Fund will receive units of the Continuing Fund, the value of which are equal to the NAV of the units held by such unitholder in the Terminating Fund.
23. In the opinion of the Filer, the Merger will not adversely affect unitholders of the Terminating Fund or the Continuing Fund and will in fact be in the best interests of unitholders of the Terminating Fund. The Filer believes that the Merger will be beneficial to unitholders of the Terminating Fund for the following reasons:
- (a) the Continuing Fund has a larger portfolio and broader investment mandate than the Terminating Fund, and so should offer improved portfolio diversification and liquidity to unitholders of the Terminating Fund; and
 - (b) unitholders of the Terminating Fund should benefit from increased economies of scale and lower proportionate fund operating expenses as unitholders of the Continuing Fund, as the Merger is expected to eliminate the administrative and regulatory costs of operating the Terminating Fund as a separate investment fund which costs are borne by the Terminating Fund and, therefore, indirectly by the unitholders.
24. The desired end result of the Merger could be achieved by each unitholder of the Terminating Fund redeeming its units of the Terminating Fund and using the proceeds to purchase the units of the Continuing Fund. Executing the trades in this manner could result in negative consequences to the Funds by incurring unnecessary brokerage charges in forcing the sale and repurchase of portfolio holdings.

year after this Merger contains a reservation in respect of the value of the portfolio assets acquired by the Continuing Fund as a result of this Merger, then each securityholder of the Continuing Fund and of the Terminating Fund at the time of the merger shall be sent a copy of those financial statements.

“Vera Nunes”
Manager, Investment Funds Branch
Ontario Securities Commission

Decision

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

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

- a. upon a request by a unitholder of the Terminating Fund for financial statements, the Filer will make best efforts to provide the unitholder with financial statements of the Continuing Fund; and
- b. if the audit report accompanying the Continuing Fund’s audited financial statements for its first completed financial

2.1.2 Intus Capital Corporation

Headnote

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

Applicable Legislative Provisions

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

Citation: Intus Capital Corporation, Re, 2013 ABASC 460

October 4, 2013

**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
INTUS CAPITAL CORPORATION
(the Filer)**

DECISION

Background

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

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

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

Interpretation

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

Representations

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

1. The Filer was incorporated on October 6, 2009 under the *Business Corporations Act* (Alberta).
2. The head office of the Filer is located at 6205 - 10th Street S.E. Calgary, Alberta, T2H 2Z9.
3. The Filer is a Capital Pool Company (**CPC**), as defined in Policy 2.4 of the TSX Venture Exchange Corporate Finance Manual.
4. The Filer filed a prospectus (the **Prospectus**) on September 27, 2012 as amended and restated on December 27, 2012 and March 1, 2013, in relation to a proposed initial public offering (the **IPO**) with the Alberta Securities Commission (the **ASC**), the British Columbia Securities Commission and the Ontario Securities Commission.
5. The Filer received a receipt for the Prospectus from the ASC, as principal regulator, on September 28, 2012 and as a result became a reporting issuer in Alberta, British Columbia and Ontario.
6. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 51 security holders worldwide.
7. The outstanding securities of the Filer are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions of Canada, except in Alberta, where the Filer has 22 security holders. Of the remaining security holders, there are five security holders in Ontario, one security holder in Manitoba and seven security holders in the United States.
8. The Filer's initial public offering was conditional upon receiving a minimum subscription for 5,000,000 common shares in the capital of the Filer (the **Minimum Subscription**) within 90 days of the issuance of the Receipt. The Filer did not complete its initial public offering within the 90 day timeframe, as the Minimum Subscription was not met.
9. No securities of the Filer have been, or will be, distributed pursuant to the Prospectus and the Filer has no intention to seek public financing by way of an offering of its securities.
10. No securities, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operations* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.
11. The Filer is not in default of any of securities legislation in any of the Jurisdictions.

12. The Filer is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.
13. The Filer has the same security holders as it had prior to filing the Prospectus and the outstanding securities of the Filer have not changed since it filed the Prospectus.
14. No trading of the Filer's securities has occurred since it filed the Prospectus.
15. The Filer has filed a notice with the British Columbia Securities Commission pursuant to British Columbia Instrument 11-502 – *Voluntary Surrender of Reporting Issuer Status* and the Filer has been notified that its non-reporting status in British Columbia is effective as of May 19, 2013.
16. The Filer issued a news release on August 30, 2013 announcing that it had applied to cease to be a reporting issuer in each of the Jurisdictions.
17. 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 Issuer* as the Filer's outstanding securities, at the date hereof, are beneficially owned, directly or indirectly, by more than 15 persons in the Province of Alberta.
18. The Filer is applying for a decision that it cease to be a reporting issuer in each of the Jurisdictions.
19. The Filer will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the granting of the Decision.

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.

"Denise Weeres"
Manager, Legal
Corporate Finance

2.1.3 Kingwest & Company and the Kingwest High Income Portfolio

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted from the mutual fund conflict of interest restrictions in the Securities Act (Ontario) to allow pooled funds to make and hold an investment from time to time in more than 20% of the outstanding voting securities of an underlying fund – relief subject to certain conditions.

Applicable Legislative Provisions

Securities Act (Ontario), R.S.O. 1990. c. S.5, as am., ss. 111(2)(b), 111(3), 113.

October 11, 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
KINGWEST & COMPANY.
(the Filer)**

AND

**THE KINGWEST HIGH INCOME PORTFOLIO
(the First Top Fund)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on its behalf and on behalf of the First Top Fund and any mutual fund which is not a reporting issuer and may be established and managed by the Filer in the future (together with the First Top Fund, the **Top Funds**), which invests its assets in The Kingwest U.S. Equity Portfolio or the Kingwest Canadian Equity Portfolio (the **First Underlying Funds**) or any other investment fund which is not a reporting issuer under the *Securities Act* (Ontario) and may be established, advised and managed by the Filer in the future (together with the First Underlying Funds, the **Underlying Funds**), for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Top Funds and the Filer from:

- (a) the restriction in the Legislation which prohibits a mutual fund from knowingly making an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial security holder;
- (b) the restriction in the Legislation which prohibits a mutual fund, its management company or its distribution company from knowingly holding an investment described in paragraph (a) above.

(collectively, the **Requested Relief**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in Alberta.

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:

Filer

1. The Filer is a partnership established under the laws of Ontario with its head office located in Toronto, Ontario.
2. The Filer is registered as an investment fund manager and investment dealer in Ontario and as an investment dealer in British Columbia, Alberta, Manitoba, Quebec, New Brunswick and Nova Scotia.
3. The Filer is or will be the investment fund manager and portfolio manager for the Underlying Funds. The Filer assists or will assist in the marketing of the Underlying Funds and acts or will act as a distributor of the securities of the Underlying Funds. Any future Underlying Funds will be structured as trusts under the laws of Ontario and governed by the same trust agreement and declaration of trust, as may be amended from time to time and the Filer will act as the investment fund manager of any such funds.
4. The Filer is or will be the investment fund manager and portfolio manager for the Top Funds. The Filer assists or will assist in the marketing of the Top Funds and acts or will act as a distributor of

the securities of the Top Funds. Any future Top Funds will be structured as trusts under the laws of Ontario and governed by the same trust agreement and declaration of trust, as may be amended from time to time and the Filer will act as the investment fund manager of any such funds.

5. The Filer is not a reporting issuer in any jurisdiction.
6. The Filer is not in default of securities legislation of any jurisdiction of Canada.

Top Funds

7. The First Top Fund is an open-ended unit trust established under the laws of the Province of Ontario by a trust agreement between the Filer and The Royal Trust Company. Any future Top Funds will be structured as trusts under the laws of Ontario and governed by the same trust agreement and declaration of trust, as may be amended from time to time.
8. Securities of each Top Fund are, or will be, sold solely to investors pursuant to exemptions from the prospectus requirements in accordance with National Instrument 45-106 *Prospectus and Registration Exemptions ("NI 45-106")*.
9. Each of the Top Funds is, or will be, a "mutual fund" as defined in securities legislation of the jurisdictions in which the Top Funds are distributed.
10. The First Top Fund is aimed at achieving a balance of current income, stability and long term capital appreciation by investing primarily in a diversified portfolio of dividend paying preferred and common shares, income trusts, royalty trusts, real estate investment trusts, convertible debentures and fixed income securities.
11. None of the Top Funds is, or will become, a reporting issuer in any jurisdiction of Canada.
12. The First Top Fund is not in default of securities legislation in any jurisdiction of Canada.

Underlying Funds

13. The First Underlying Funds are open-ended unit trusts established under the laws of the Province of Ontario by a trust agreement between the Filer and The Royal Trust Company. Any future Underlying Funds will be structured as trusts under the laws of Ontario and governed by the same trust agreement and declaration of trust, as may be amended from time to time.
14. The First Underlying Funds have engaged the Filer to manage the ongoing business and administrative affairs of the First Underlying Funds

and to provide investment advisory services to the First Underlying Funds. Each future Underlying Fund will engage the Filer to provide investment advisory services to such future Underlying Fund.

15. Each of the Underlying Funds, is, or will be, a "mutual fund" as defined securities legislation of the jurisdictions of Canada.
16. Each of the Underlying Funds has, or will have, separate investment objectives and investment strategies.
17. The Kingwest U.S. Equity Portfolio is aimed at providing capital appreciation through investments in equity securities of companies listed on recognized U.S. stock exchanges, including NASDAQ. The Kingwest Canadian Equity Portfolio is aimed at providing capital appreciation through investments in equity securities of listed Canadian companies. The First Underlying Funds do not invest in other investment entities managed by the Filer or its affiliates.
18. In Canada, securities of each Underlying Fund are or will be sold solely to investors pursuant to exemptions from the prospectus requirements in accordance with NI 45-106.
19. None of the Underlying Funds, is or will become, a reporting issuer in any jurisdiction of Canada.
20. The First Underlying Funds are not in default of securities legislation of any jurisdiction of Canada.

Fund-on-Fund Structure

21. The Filer believes that the First Top Fund will be better and more efficiently able to achieve its objectives through indirect exposure to the investment portfolios of the Underlying Funds and their investment strategies than through direct investments by the Top Funds in securities of the Underlying Funds (the **Fund-on-Fund Structure**).
22. The First Underlying Funds will invest primarily in equity securities of listed companies.
23. The Top Funds and the Underlying Funds have, or will have, matching redemption dates. The First Top Fund and the First Underlying Funds are redeemable twice a month.
24. Securityholders of a Top Fund will receive, on request, a copy of the Top Fund's audited annual and interim financial statements. The financial statements of each Top Fund will disclose its holdings of securities of Underlying Funds.
25. Securityholders of a Top Fund will receive, on request, a copy of the offering document, if available, and the annual and interim statements

of any Underlying Fund in which the Top Fund invests.

Generally

26. The amounts invested from time to time in an Underlying Fund by a Top Fund, either alone or together with the other Top Funds, may exceed 20% of the outstanding voting securities of the Underlying Fund. As a result, each Top Fund could, either alone or together with the other Top Funds, become a substantial securityholder of an Underlying Fund. The Top Funds are, or will be, related mutual funds by virtue of common management by the Filer.
27. Since the Top Funds and the Underlying Funds do not offer their securities under a simplified prospectus, they are not subject to NI 81-102 and therefore the Top Funds and the Underlying Funds are unable to rely upon the exemption codified under subsection 2.5(7) of NI 81-102.
28. In the absence of the Requested Relief, each Top Fund would be precluded from purchasing and holding securities of an Underlying Fund due to the investment restrictions contained in the Legislation.
29. Each investment by a Top Fund in an Underlying Fund represents the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Top Fund.

Decision

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

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

- (a) securities of the Top Fund are distributed in Canada solely pursuant to exemptions from the prospectus requirements in NI 45-106;
- (b) the investment by a Top Fund in an Underlying Fund is compatible with the fundamental investment objectives of the Top Fund;
- (c) no Top Fund will invest in an Underlying Fund unless the Underlying Fund invests less than 10% of its net asset value in other mutual funds other than mutual funds that are "money market funds" (as defined by NI 81-102) or that issue "index participation units" (as defined by NI 81-102);
- (d) no management fees or incentive fees are payable by the Top Fund that, to a reasonable person, would duplicate a fee payable by an Underlying Fund for the same service;

- (e) no sales fees or redemption fees are payable by the Top Fund in relation to its purchases or redemptions of securities of an Underlying Fund;
- (f) the Filer will not vote the securities of an Underlying Fund held by a Top Fund at any meeting of the securityholders of the Underlying Fund; and
- (g) Prior to the purchase of securities of a Top Fund, an investor will be provided with the offering memorandum, where available, or other disclosure document of a Top Fund that will disclose:
 - a. that the Top Fund may purchase securities of the Underlying Funds;
 - b. the fact that the Filer is the investment fund manager of both the Top Funds and the Underlying Funds;
 - c. the approximate or maximum percentage of net assets of the Top Fund that it is intended be invested in securities of the Underlying Funds; and
 - d. the process or criteria used to select the Underlying Funds.

“Edward P. Kerwin”
Commissioner
Ontario Securities Commission

“Sarah B. Kavanagh”
Commissioner
Ontario Securities Commission

2.1.4 Epoch Investment Partners, Inc. et al.

Headnote

Under paragraph 4.1(1)(b) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations a registered firm must not permit an individual to act as a dealing, advising or associate advising representative of the registered firm if the individual is registered as a dealing, advising or associate advising representative of another registered firm. The Filers are affiliated entities and have valid business reasons for the individuals to be registered with both firms. The Filers have policies in place to handle potential conflicts of interest. The Filers are exempted from the prohibition.

Applicable Legislative Provisions

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

October 15, 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
EPOCH INVESTMENT PARTNERS, INC.
(EPOCH)**

AND

**TD ASSET MANAGEMENT INC.
(TDAM)**

AND

**TD WATERHOUSE PRIVATE INVESTMENT COUNSEL
INC.
(TDWPIC)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from Epoch, TDAM and TDWPIC (each a **Filer**, and together, the **Filers**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for relief from the restriction under paragraph

4.1(1)(b) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)*, pursuant to section 15.1 of NI 31-103, to permit John Andrew Miller (**Miller**), currently an advising and dealing representative of Epoch, to also be a registered dealing representative of both TDAM and TDWPIC (the **Exemption Sought**).

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

- a) the Ontario Securities Commission is the principal regulator for this application; and
- b) the 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 by the Filers in each jurisdiction of Canada outside of Ontario (together 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.

Representations

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

1. Epoch is incorporated in Delaware, United States under the Delaware General Corporation Law. The head office of Epoch is located in New York, United States. Epoch is registered as:
 - a. an adviser in the category of portfolio manager in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Quebec and Saskatchewan; and
 - b. a dealer in the category of exempt market dealer in Manitoba and Ontario.
2. Epoch is primarily engaged in the business of investment management.
3. TDAM is incorporated under the *Business Corporations Act* (Ontario) and its head office is located in Toronto, Ontario. TDAM is registered as:
 - a. an adviser in the category of portfolio manager in each jurisdiction of Canada;
 - b. a dealer in the category of exempt market dealer in each jurisdiction of Canada;
 - c. an investment fund manager in Newfoundland and Labrador, Ontario and Quebec; and

d. an adviser in the category of commodity trading manager in Ontario.

4. TDAM is primarily engaged in the management of various investment funds and provides portfolio management services.
5. TDWPIC is a wholly-owned subsidiary of TDAM and is a corporation incorporated under the *Canada Business Corporations Act*. TDWPIC's head office is located in Toronto, Ontario. TDWPIC is registered in each jurisdiction of Canada as a dealer in the category of exempt market dealer and as an adviser in the category of portfolio manager.
6. TDWPIC is primarily engaged in the business of portfolio management activities.
7. Epoch, TDAM and TDWPIC are specified affiliates. Epoch is a wholly-owned subsidiary of Epoch Holding Corporation which is an indirect wholly-owned subsidiary of The Toronto-Dominion Bank (**TD Bank**), a bank listed in Schedule I to the *Bank Act* (Canada); TDAM is a wholly-owned subsidiary of TD Bank, and TDWPIC is a wholly-owned subsidiary of TDAM.
8. The Filers are not in default of any requirement of securities or derivatives legislation in any of the Jurisdictions.
9. In March 2013, TD Bank indirectly acquired Epoch. Accordingly, the Exemption Sought will allow TD Bank to integrate the product lines of its recently acquired affiliate (Epoch) with two of its current registrants (TDAM and TDWPIC).
10. Miller is currently registered with Epoch as an advising representative in all jurisdictions where Epoch is registered as a portfolio manager. He is also registered as a dealing representative in Ontario under Epoch's exempt market dealer registration. If the Exemption Sought is granted, in addition to being registered as an advising representative and dealing representative of Epoch, Miller would be registered as a dealing representative of TDAM and TDWPIC under their respective registrations as exempt market dealers (the **Multiple Registration**).
11. Miller's role with TDAM and TDWPIC would be as the resident Epoch product specialist marketing the Epoch product line to these affiliates. Miller will devote the majority of his time to these activities. The Multiple Registration will allow Miller to support the TDAM and TDWPIC registered representatives by attending client or prospective client meetings with those registered representatives (in order to provide information to these clients on the Epoch line of products). Miller will have no TDAM or TDWPIC clients and he will not make investment recommendations to such clients

in respect of investing in Epoch products. Miller intends to devote his time between Epoch, TDAM and TDWPIC, with his activities continuing to be completely directed to the Epoch product line.

12. There are valid business reasons for Miller to be registered with each of the Filers, namely:
 - a) to provide support to TDAM and TDWPIC representatives through Miller's expertise in the Epoch product line; and
 - b) to attend client meetings to provide information to TDAM and TDWPIC clients about Epoch's products, including investment strategies and philosophy.
13. The Filers' Chief Compliance Officers will ensure Miller has sufficient time and resources to adequately serve each Filer and their clients.
14. The Filers are each wholly-owned direct or indirect subsidiaries of TD Bank and, accordingly, the Multiple Registration will not give rise to the conflicts of interest present in a similar arrangement involving unrelated, arm's length firms. The interests of the Filers are aligned, and as Miller's role at TDAM and TDWPIC would be to support the business activities and interests of each of the Filers, the potential for conflicts of interest arising from the Multiple Registration is remote.
15. The Filers have policies and procedures in place that address any conflicts of interest that may arise as a result of the Multiple Registration and the Filers believe they will be able to appropriately deal with these conflicts.
16. The Filers will be able to deal with conflicts of interest, including supervising how Miller will deal with these conflicts of interest. Miller will be supervised by each of the Filers and is subject to all policies and procedures addressing conflicts of interest that may arise as a result of the Multiple Registration.
17. Miller shall act in the best interest of all clients of the Filers and will deal fairly, honestly and in good faith with those clients.
18. In order to minimize any client confusion, Miller will disclose his Multiple Registration to TDAM or TDWPIC clients when he attends a meeting with these clients.
19. In the absence of the Exemption Sought, the Filers would be prohibited under paragraph 4.1(1)(b) of NI 31-103 from permitting Miller to act as a representative of TDAM and TDWPIC while he also registered as an advising and dealing representative of Epoch, even though the Filers are affiliates.

Decision

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

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that the circumstances described above in paragraphs 13, 15, 16, 17 and 18 remain in place.

"Elizabeth A. King"
Manager, Compliance and Registrant Regulation
Ontario Securities Commission

2.1.5 O’Leary Funds Management L.P. and O’Leary Global Bond Yield Advantaged Fund

Headnote

Policy Statement 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – investment fund manager obtaining relief from the requirement in subsection 5.1(c) of Regulation 81-102 to obtain the approval of securityholders before changing the fundamental investment objectives of the Fund – relief required as a result of changes to federal budget eliminating certain tax benefits associated with character conversion transactions – Filer required to send written notice at least 60 days before the effective date of the change to the investment objectives of the Fund setting out the change and the reasons for such change (including the fact that the Fund will no longer be able to provide tax-advantaged returns).

Applicable Legislative Provisions

Regulation 81-102 respecting Mutual Funds, ss. 5.1(c), 19.1.

September 30, 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
O’LEARY FUNDS MANAGEMENT L.P.
(the Filer)**

AND

**IN THE MATTER OF
O’LEARY GLOBAL BOND YIELD ADVANTAGED FUND
(the Fund)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption under section 19.1 of *Regulation 81-102 respecting Mutual Funds* (c. V-1.1, r.39) (**Regulation 81-102**) from the requirements of subsection 5.1(c) of Regulation 81-102 in order to permit the Fund to change its fundamental investment objectives (the **Change of Investment Objectives**) without obtaining the prior

approval of the unitholders of the Fund (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* (c. V-1.1, r.1) (**Regulation 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions* (c. V-1.1, r.3) 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 a limited partnership formed under the laws of Ontario.
2. The Filer’s head office is located in 1010, Sherbrooke Street West, suite 1700, Montréal, Québec.
3. The Filer is the investment fund manager and the trustee of the Fund.
4. The Filer is duly registered as an investment fund manager under the securities legislation of Quebec.
5. The Filer is not in default of securities legislation in any province of Canada.

The Fund

6. The Fund (formerly known as O’Leary Advantaged Tactical Global Corporate Bond Fund) is an open-ended investment trust established under the laws of Ontario pursuant to a declaration of trust dated May 28, 2010, which was amended and restated as of August 15, 2011 and further amended and restated as of June 18, 2012 (the **Master Declaration of Trust**).

7. The Fund is a reporting issuer under the securities legislation of each province of Canada.
8. The Fund is a “mutual fund” as defined in the Legislation and is governed by Regulation 81-102. The Fund was originally a non-redeemable investment fund offered under a long form prospectus dated May 28, 2010, and subsequently qualified for distribution as a mutual fund. The Fund is currently qualified for distribution by a simplified prospectus dated June 25, 2013, prepared in accordance with *Regulation 81-101 respecting Mutual Fund Prospectus Disclosure* (c. V-1.1, r.38) (**Regulation 81-101**) (the **Current Simplified Prospectus**).
9. The investment objectives of the Fund, as currently stated in the Current Simplified Prospectus, are as follows: “The Fund’s objectives are to preserve capital and to provide tax efficient exposure to a portfolio comprised primarily of publicly traded debt securities of global issuers with market capitalizations of at least \$1 billion. To achieve its investment objectives, the Fund invests primarily in equity securities and enters into forward contracts in order to provide the Fund with a return determined with reference to the performance of a high yield fixed income fund managed by the Manager. The Fund will seek to provide unitholders with periodic distributions in accordance with the distribution policy established for each series.”
10. Since the creation of the Fund, the “high yield fixed income fund” referred to in the investment objectives of the Fund has always been the O’Leary Bond Portfolio Trust (the **Reference Fund**), as stated in the investment strategies of the Fund in the Current Simplified Prospectus.
11. Before March 21, 2013, the Fund invested its assets in a portfolio of equity securities (the **Equity Portfolio**) and entered into a forward contract with a counterparty (the **Forward Agreement**) whereby the Fund agreed to deliver the Equity Portfolio to the counterparty, a Canadian financial institution, at maturity of the Forward Agreement in return for a cash payment determined by reference to the net asset value of the Reference Fund. In this way, unitholders in the Fund receive a return on their investment based on the performance of the Reference Fund, with tax benefits that can be achieved through the Forward Agreement. This type of transaction is commonly referred to as a “character conversion transaction”.
12. The Fund is not in default of securities legislation in any province of Canada.

The Reference Fund

13. The Reference Fund is an open-ended investment trust established under the laws of Ontario pursuant to a declaration of trust dated May 28, 2010, which was amended and restated as of August 15, 2011.
14. The Reference Fund is a “mutual fund” as defined in the Legislation and is governed by Regulation 81-102. The Reference Fund is qualified for distribution under a simplified prospectus. The Reference Fund only offers series I units, which are held by the counterparty referred to above.
15. The investment objectives of the Reference Fund are: “to preserve capital and to provide unitholders with capital appreciation by investing in a portfolio comprised primarily of publicly traded debt securities of global issuers with market capitalization of at least \$1 billion.”
16. The Filer is the investment fund manager and the trustee of the Reference Fund.
17. The Reference Fund is not in default of securities legislation in any province of Canada.

The Change of Investment Objectives

18. On March 21, 2013, the federal Minister of Finance presented the government’s 2013 budget. The budget contains proposed amendments to the ITA (the **Budget Amendments**). The Budget Amendments are expected to eliminate the tax advantages of character conversion transactions like those employed by the Fund. The changes apply to character conversion transactions entered into or amended after March 20, 2013.
19. The federal Minister of Finance has given some guidance with respect to the interpretation of the Budget Amendments, and it is the Filer’s current understanding that the Fund may continue to use the Forward Agreement until the expiration of its term (June 23, 2015), but that Fund may only use available subscription moneys to extend the size of the Forward Agreement under limited circumstances.
20. As new subscriptions into the Fund are limited as to the amount and way in which such moneys may be invested in the Forward Agreement, the Fund must use an alternate investment strategy. In order to most closely follow the original investment decision of investors, the Fund will invest directly in publicly traded debt securities of global issuers with market capitalization of at least \$1 billion (the **Direct Investment Strategy**) as currently set out in the investment strategies of the Fund and in the investment objectives of the Reference Fund.

21. In order to reflect the change to the ITA, the Filer must amend the Master Declaration of Trust to change the fundamental investment objectives of the Fund.
22. The fundamental investment objectives of the Fund would be amended to remove the reference to the Forward Agreement. The amended investment objectives of the Fund will be the same as the investment objectives of the Reference Fund and would be stated as follows: "The Fund's objectives are to preserve capital and to provide unitholders with potential for capital appreciation by investing, primarily, directly or indirectly in publicly traded debt securities of global issuers with market capitalizations of at least \$1 billion. The Fund will seek to provide unitholders with periodic distributions in accordance with the distribution policy established for each series."
23. The proposed changes to the investment objectives of the Fund will permit the Fund to maintain the tax benefits of the Forward Agreement as long as possible since utilization of the Forward Agreement will continue to be part of the Fund's investment strategies until the termination of that agreement, thus allowing all unitholders of the Fund to benefit from both the Forward Agreement and the Direct Investment Strategy. The changes to the investment objectives will remove the reference to the Forward Agreement, which then will be disclosed in the investment strategies, and will focus the investment objectives on the Direct Investment Strategy investments.
24. The board of directors of O'Leary Funds Management Inc., the general partner of the Filer, has approved the Change of Investment Objectives, subject to receipt of the Exemption Sought.
25. The Filer has referred the Change of Investment Objectives to the independent review committee of the Fund (the **IRC**) and the IRC has made a positive determination with respect to the Change of Investment Objectives.
26. If the Exemption Sought is granted, the Change of Investment Objectives will be implemented promptly thereafter through an amendment to the Master Declaration of Trust and this will be announced by press release, material change report and an amendment to the simplified prospectus of the Fund.
27. Upon the expiration of the Forward Agreement or in the event of a decision by the Filer to pre-settle the entire Forward Agreement at an earlier date due to factors which make it more advantageous to the Fund and its unitholders to do so, the Filer will amend the investment strategies of the Fund

to remove the references to the Forward Agreement.

28. Most of unitholders invest in the Fund through non-registered or taxable vehicles. In order to continue to provide tax efficient distributions, the Filer will use income from the Direct Investment Strategy to offset expenses so that the overall tax treatment of the Fund's investments will be similar to that currently experienced by the Fund until the termination of the Forward Agreement. The Filer will monitor the new subscriptions of the Fund to ensure that the new investments in the Fund will not have a significant negative impact on the Fund.
29. The proposed Change of the Investment Objectives was announced in the Amendment no 6 to the simplified prospectus of the Fund filed on May 17, 2013.

The Reasons for the Exemption Sought

30. The Filer is of the view that continuing to operate the Fund by using the Forward Agreement to the end of its term is of significant value to the unitholders.
31. In the absence of the Exemption Sought, the Change of Investment Objectives would require approval of unitholders of the Fund pursuant to Section 5.1(c) of Regulation 81-102.
32. The Change of Investment Objectives is a change made in response to the Budget Amendments. The Fund wishes to use the Direct Investment Strategy instead of getting exposed to the Reference Fund by using the Forward Agreement after the expiration of the Forward Agreement.
33. In the opinion of the Filer, the Change of Investment Objectives will not adversely affect unitholders in the Fund. Both current unitholders and new unitholders in the Fund will be treated in the same way and will not be prejudiced by the Change of Investment Objectives.

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, at least 60 days before the effective date of the Change of Investment Objectives, the Filer send to each unitholder of the Fund a written notice that sets out the change of investment objectives, the reasons for such change and a statement that the Fund will no longer be able to provide tax-advantaged returns after the expiration of the Forward Agreement.

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

2.1.6 Manulife Asset Management Limited

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted from sections 2.3(f), 2.3(h), 2.5(2)(a) and 2.5(2)(c) of National Instrument 81-102 – Mutual Funds to permit a mutual fund to use ETFs to invest up to 10 percent of its net assets, in aggregate, in gold and other physical commodities – ETFs will be traded on a Canadian or U.S. stock exchange – subject to 10 percent exposure to physical commodities, in aggregate, and certain conditions

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.3(f) and (h), 2.5(2)(a) and (c), 19.1.

October 4, 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
MANULIFE ASSET MANAGEMENT LIMITED
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for an exemption pursuant to section 19.1 of National Instrument 81-102 – *Mutual Funds* (**NI 81-102**) exempting the mutual funds listed in Schedule A attached hereto (each an **Existing Fund** and, collectively, the **Existing Funds**), and each future mutual fund managed by the Filer or an affiliate of the Filer that is subject to NI 81-102 and is an asset allocation fund that primarily invests in one or more underlying mutual funds managed by the Filer or by other investment fund managers (together with the Existing Funds, the **Manulife Asset Allocation Funds** and, individually, a **Manulife Asset Allocation Fund**) from clauses:

- (a) 2.3(f) and (h) of NI 81-102 to permit the Manulife Asset Allocation Funds to invest indirectly in physical commodities (in addition to gold, which is permitted by clause 2.3(e) of NI 81-102) through investments in Commodity ETFs (as defined below);

(b) 2.5(2)(a) and (c) of NI 81-102 to permit the Manulife Asset Allocation Funds to invest in exchange-traded funds (**ETFs**) traded on a stock exchange in Canada or the United States that have exposure to one or more physical commodities other than gold or silver, on an unlevered basis (**Commodity ETFs**).

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

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

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

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

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102 and NI 81-102 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 Manulife Asset Allocation Funds

1. The Filer is a corporation governed under the *Business Corporations Act* (Ontario) and has its head office located in Toronto, Ontario.
2. The Filer is registered in the categories of commodity trading manager, exempt market dealer, portfolio manager and investment fund manager.
3. The Filer is or will be the manager of each of the Manulife Asset Allocation Funds. The Filer additionally is, or will be, the portfolio advisor and/or trustee of each Manulife Asset Allocation Fund. Affiliates of the Filer are, or may be, portfolio sub-advisor to a Manulife Asset Allocation Fund.
4. The Manulife Asset Allocation Funds are mutual funds whose mandates are to provide investors with a variable mix of multiple asset classes such as Canadian, U.S. and/or other foreign equities, bonds, commodities and/or cash equivalents.
5. Each Manulife Asset Allocation Fund is, or will be, a mutual fund organized and governed under the laws of a jurisdiction of Canada, is, or will be, a reporting issuer under the laws of some or all of

the provinces and territories of Canada and is, or will be, governed by the provisions of NI 81-102.

6. Securities of each Manulife Asset Allocation Fund are, have been, or will be, qualified for distribution in some or all of the provinces and territories of Canada under a simplified prospectus and annual information form filed with and received by the securities regulators in the applicable jurisdiction(s).

7. Neither the Filer nor any of the Manulife Asset Allocation Funds is in default of securities legislation in the Jurisdictions.

8. In addition to investing in silver and various ETFs pursuant to the decision document granted by the Principal Regulator to the Filer on July 11, 2011, (with the Commodity ETFs, the **Underlying ETFs**) each of the Manulife Asset Allocation Funds wishes to be additionally able to invest, to meet its investment objectives, in Commodity ETFs:

(a) to a maximum collective limit of 10 percent of its net asset value, taken at market value at the time of the purchase of securities of an Underlying ETF; and

(b) to a maximum of 2.5 percent of its net asset value of each of the Manulife Asset Allocation Funds in any one commodity sector, other than gold and/or silver, taken at market value at the time of purchase. For this purpose, the relevant commodity sectors are energy, grains, industrial metals, livestock, precious metals (other than gold and silver) and softs (including cocoa, cotton, coffee and sugar).

9. Each Commodity ETF will be a "mutual fund" (as such term is defined under the *Securities Act* (Ontario)) and will be listed and traded on a stock exchange in Canada or the United States.

10. The assets of a Commodity ETF consist primarily of one or more physical commodities, other than gold or silver, or derivatives that have an underlying interest in such physical commodity or commodities. These physical commodities may include, without limitation, precious metals commodities (such as platinum, platinum certificates, palladium and palladium certificates), energy commodities (such as crude oil, gasoline, heating oil and natural gas), industrials and/or metals commodities (such as aluminum, copper, nickel and zinc) and agricultural commodities (such as coffee, corn, cotton, lean hogs, live cattle, soybeans, soybean oil, sugar and wheat). The objective of a Commodity ETF is to reflect the price of the applicable commodity or commodities (less the Commodity ETF's expenses and liabilities) on an unlevered basis.

Investments in Commodity ETFs

11. The investment objectives and investment strategies of the Manulife Asset Allocation Funds are designed to offer investors an opportunity to obtain exposure to a broad array of asset classes and strategies. To better fulfill their investment objectives, the Manulife Asset Allocation Funds require the ability to invest indirectly in physical commodities, in addition to gold or silver, through investments in the Commodity ETFs.
12. In addition to investing in securities of ETFs that are “index participation units” (as such term is defined in NI 81-102) (**IPUs**), the Manulife Asset Allocation Funds propose to have the ability to invest in the Commodity ETFs whose securities are not IPUs.
13. Any regulatory concerns, such as undue risk, liquidity concerns or lack of transparency, in connection with the Exemption Sought are mitigated by the following facts:
 - (i) There are no liquidity concerns with permitting the Manulife Asset Allocation Funds to invest in Commodity ETFs, since the securities trade on a Canadian or U.S. exchange and therefore are highly liquid investments. The Commodity ETFs will either be “registered” investment companies in the United States or reporting issuers in one or more of the Jurisdictions, which means that there will be clear disclosure about the Commodity ETFs readily available in the marketplace.
 - (ii) In accordance with its investment objective and investment strategies and in addition to its investments indirectly in commodities, the Manulife Asset Allocation Funds will be permitted generally to invest in ETFs.
 - (iii) The amount of loss that can result from an investment by a Manulife Asset Allocation Fund in an Commodity ETF will be limited to the amount invested by the Manulife Asset Allocation Fund in securities of the Commodity ETF.
 - (iv) The Commodity ETFs are attractive investments for the Manulife Asset Allocation Funds, as, in addition to being liquid, they provide an efficient and cost effective means of achieving diversification and exposure to the asset classes and strategies that the Manulife Asset Allocation Funds will invest in.
 - (v) Investments by the Manulife Asset Allocation Funds in the Commodity ETFs

will be very limited. In accordance with the investment strategies of the Manulife Asset Allocation Funds, no more than 10 percent of the net asset value of each Manulife Asset Allocation Fund will be invested in a combination of Commodity ETFs taken at market value at the time of purchase. In addition, no more than 2.5 percent of the net asset value of each of the Manulife Asset Allocation Funds may be invested in any one commodity sector, other than gold and/or silver, taken at market value at the time of purchase. For this purpose, the relevant commodity sectors are energy, grains, industrial metals, livestock, precious metals other than gold and silver and softs (including cocoa, cotton, coffee and sugar).

- (vi) The simplified prospectus of the Manulife Asset Allocation Funds discloses or will disclose the next time it is renewed (i) the fact that the Manulife Asset Allocation Funds have obtained relief to invest in Commodity ETFs, (ii) an explanation of what each category of Commodity ETFs is, (iii) that the Manulife Asset Allocation Funds may invest indirectly in gold and other physical commodities and (iv) the risks associated with such investments and strategies.
14. Any investment by the Manulife Asset Allocation Funds in securities of a Commodity ETF will be made in compliance with the custodian requirements in Part 6 of NI 81-102.
15. An investment by the Manulife Asset Allocation Funds in securities of a Commodity ETF will represent the business judgment of responsible persons uninfluenced by considerations other than the best interest of the Manulife Asset Allocation Funds.
16. The Filer has determined that it would be in the best interests of the Manulife Asset Allocation Funds to receive the Exemption Sought.

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, in respect of each Manulife Asset Allocation Fund:

- (a) an investment by the Manulife Asset Allocation Fund in securities of a Commodity ETF is in accordance with the fundamental investment objectives and

- investment strategies of the Manulife Asset Allocation Fund;
- (b) the Manulife Asset Allocation Fund will limit its exposure to all physical commodities, including gold and silver, (whether direct or indirect) to no more than 10 percent of the net assets of the Fund in aggregate, taken at market value at the time of purchase;
 - (c) the Manulife Asset Allocation Fund may not purchase securities of an Commodity ETF if, immediately after the purchase, more than 10 percent of the net assets of the Fund in aggregate, taken at market value at the time of purchase, would consist of securities of Commodity ETFs;
 - (d) the securities of the Commodity ETFs are traded on a stock exchange in Canada or the United States; and
 - (e) the simplified prospectus of the Manulife Asset Allocation Funds discloses or will disclose the next time it is renewed (i) the fact that the Manulife Asset Allocation Funds have obtained relief to invest in Commodity ETFs, (ii) an explanation of what each category of Commodity ETFs is, (iii) that the Manulife Asset Allocation Funds may invest indirectly in gold and other physical commodities and (iv) the risks associated with such investments and strategies.

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

SCHEDULE A

LIST OF EXISTING FUNDS

Manulife Balanced Income Private Pool
Manulife Balanced Income Private Trust
Manulife Diversified Income Portfolio
Manulife Diversified Strategies Fund
Manulife Global Managed Volatility Portfolio
Manulife Leaders Balanced Growth Portfolio
Manulife Leaders Balanced Growth Class
Manulife Leaders Balanced Income Portfolio
Manulife Leaders Balanced Income Class
Manulife Leaders Opportunities Portfolio
Manulife Leaders Opportunities Class
Manulife Simplicity Conservative Portfolio
Manulife Simplicity Moderate Portfolio
Manulife Simplicity Balanced Portfolio
Manulife Simplicity Global Balanced Portfolio
Manulife Simplicity Growth Portfolio

2.1.7 Seaborne Minerals Inc.

Headnote

Subsection 1(10) of the Securities Act – Application by a reporting issuer for an order that it is not a reporting issuer – The outstanding securities of the Applicant including debt securities are beneficially owned, directly or indirectly, by less than 50 shareholders, all of whom are resident in British Columbia – Applicant has not created a SEDI profile – relief granted.

Applicable Legislative Provisions

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

October 16, 2013

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO AND ALBERTA (the Jurisdictions)
R.S.O. 1990, CHAPTER S.5, AS AMENDED

AND

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

AND

IN THE MATTER OF
SEABORNE MINERALS 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 under the securities legislation of the Jurisdictions (the **Legislation**) for an order that the Filer has ceased to be a reporting issuer in the Jurisdictions.

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 the other Decision Maker.

Interpretation

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

In this application, “securityholder” means, for a security, the beneficial owner of the security.

Representations

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

1. The Filer was incorporated under the *Business Corporations Act* (British Columbia) on January 11, 2010. The Applicant’s head office is located at 910 – 475 Howe Street, Vancouver, British Columbia. All of its shareholders are resident of British Columbia and its resource property is also located in the Province of British Columbia. Until its final prospectus was received on June 28, 2012, it was a private company.
2. The Filer filed a prospectus (the **Prospectus**) in relation to a proposed initial public offering of common shares (the **IPO**) with the British Columbia Securities Commission (**BCSC**), Alberta Securities Commission and OSC on April 13, 2012. The Filer received a receipt for the Prospectus from the BCSC, as principal regulator, on June 28, 2012. As a result, the Filer became a reporting issuer in Alberta, British Columbia and Ontario.
3. The Filer never completed its IPO and has provided the notice contemplated by British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status (BCI 11-502)* to the BCSC. The Filer received confirmation from the BCSC that it has ceased to be a reporting issuer in British Columbia effective August 16, 2013.
4. The outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 50 securityholders, all of whom are resident in British Columbia.
5. No securities of the Filer including any debt securities have ever traded in the past or 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;
6. The Filer has no current intention to seek public financing by way of an offering of securities.
7. The Filer is applying for a decision that it is not a reporting issuer in all of the Jurisdictions.
8. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, other than an obligation to file an issuer profile supplement in *System for Electronic Disclosure by Insiders (SEDI)* format within three business days after the date that it becomes a reporting issuer.
9. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307

Application For A Decision That An Issuer Is Not A Reporting Issuer because it has more than 15 shareholders in the province of British Columbia.

10. The Filer will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the granting of the Requested Relief.
11. There is no prejudice to any person in Alberta or Ontario in the grant of this application.

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.

Dated this 16th day of October, 2013.

“Judith Robertson”
Commissioner
Ontario Securities Commission

“Deborah Leckman”
Commissioner
Ontario Securities Commission

2.1.8 Holland Global Capital Corporation – 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).

October 15, 2013

Holland Global Capital Corporation
c/o Afzal A. Hasan
Cassels Brock & Blackwell LLP
40 King Street West
Scotia Plaza, Suite 2100
Toronto, Ontario M4H 3C2

Dear Sirs/Mesdames:

Re: Holland Global Capital Corporation (the Applicant) – application for a decision under the securities legislation of Ontario, Saskatchewan, Manitoba and Alberta (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.

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

2.1.9 Castle Silver Mines Inc. – s. 1(10)(a)(ii)

Headnote

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

Applicable Legislative Provisions

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

October 18, 2013

Castle Silver Mines Inc.
c/o Heenan Blaikie LLP
1250 René-Lévesque Blvd. West
Suite 2500
Montreal, Quebec H3B 4Y1

Attention: Mr. Kosta Kostic

Dear Sirs/Mesdames:

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

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

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.

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

2.1.10 Desjardins Investments Inc. et al.

Headnote

Policy Statement 11-203 respecting Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund merger of assets – Approval required because merger of assets do not meet the criteria for pre-approved reorganizations and transfers in Regulation 81-102 – The transaction is not a “qualifying exchange” within the meaning of section 132.2 of the ITA or is a tax-deferred transaction under subsection 85(1), 85.1(1), 86(1) or 87(1) of the ITA.

Applicable Legislative Provisions

Regulation 81-102 respecting Mutual Funds, ss. 5.5(1)(b), 5.6(1)(b).

[Translation]

October 11, 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)

AND

DIAPASON RETIREMENT PORTFOLIO G (HIGH
GROWTH)
(the Terminating Fund)

AND

IN THE MATTER OF
DIAPASON RETIREMENT PORTFOLIO F (GROWTH)
(the Continuing Fund)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer on behalf of the Terminating Fund, for a decision under the securities legislation of the Jurisdictions (the **Legislation**) approving the proposed merger of the Terminating Fund into the Continuing Fund

(the **Proposed Merger**) pursuant to paragraph 5.5(1)(b) of *Regulation 81-102 respecting Mutual Funds* (c. V-1.1, r. 39) (**Regulation 81-102**) (the **Approval Sought**).

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

- (a) the Autorité des marchés financiers (the **Autorité**) 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* (c. V-1.1, r. 1) (**Regulation 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, the Yukon Territory and Nunavut Territory; 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* (c. V-1.1, r. 3) 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 a corporation established under the *Business Corporation Act* (RSQ, c.s-31.1) of Québec.
2. The Filer's head office is located at 1 Complexe Desjardins, South Tower, P.O. Box 34, Montreal, Québec H5B 1E4.
3. The Filer is duly registered as an investment fund manager in Québec, Ontario and Newfoundland and Labrador.
4. The Filer is acting as the investment fund manager, promoter, registrar and transfer agent for the Terminating Fund and the Continuing Fund (collectively, the **Funds**).
5. The Filer is not in default of securities legislation in any jurisdiction of Canada.

The Funds

6. The Funds are mutual fund trusts established under the laws of Québec pursuant to an amended and restated declaration of trust dated January 5, 2009 with Desjardins Trust Inc. acting as trustee.

7. Units of the Funds are distributed in each province and territory of Canada under a simplified prospectus governed by *Regulation 81-101 respecting Mutual Fund Prospectus Disclosure* (c. V-1.1, r. 38).
8. The Funds are reporting issuers under applicable securities legislation of each province and territory of Canada.
9. The net asset value of the Funds is determined by the Filer as at the close of business (Montreal time) on each business day.
10. The Funds are not in default of securities legislation in any province or territory of Canada.

The Proposed Merger

11. The Proposed Merger is scheduled to close on or about October 18, 2013 (the **Effective date**).
12. The board of directors of the Filer approved the Proposed Merger on June 25, 2013.
13. The Proposed Merger will not constitute a material change for the Continuing Fund.
14. The Proposed Merger will not result in an increase in the management fees or operating expenses for securityholders of the Terminating Fund.
15. On June 26, 2013, the Filer issued a press release related to the Proposed Merger. The Terminating Fund filed a material change report with respect of the Proposed Merger.
16. On July 12, 2013, the Autorité issued a receipt for amendment no. 1 dated June 27, 2013 to the simplified prospectus of the Funds dated March 28, 2013. This amendment provided information on the Proposed Merger.
17. In accordance with *Regulation 81-107 respecting Independent Review Committee for Investment Funds* (c. V-1.1, r. 43), the Filer presented the terms of the Proposed Merger to the Independent Review Committee of the Funds (the **IRC**) at an IRC meeting held on June 20, 2013. After reasonable inquiry, the IRC determined that the Proposed Merger, subject to the approval of the securityholders and the Decision Makers, would achieve a fair and reasonable result for the Funds.

The reasons for the Approval Sought

18. The approval of the Proposed Merger by the Decision Makers is required because the Proposed Merger does not satisfy all of the conditions for pre-approved reorganizations and transfers set out in section 5.6 of *Regulation 81-102*.
19. Specifically, the Proposed Merger does not satisfy the condition set out in paragraph 5.6(1)(b) of

Regulation 81-102 since the Proposed Merger will not be completed as a "qualifying exchange" within the meaning of Section 132.2 of the ITA nor a tax deferred transaction under subsection 85(1), 85.1(1), 86(1) or 87(1) of the ITA (the **Qualifying Exchange Requirement**).

20. Except for the Qualifying Exchange Requirement set forth in paragraph 5.6(1)(b) of Regulation 81-102, the Proposed Merger meets all the other Requirements set forth at section 5.6 of Regulation 81-102.
21. Securityholders of the Terminating Fund have to approve the Proposed Merger as required by pursuant to paragraph 5.1(f) of Regulation 81-102. Securityholders of the Terminating Fund have approved the Proposed Merger at the Meeting held on September 18, 2013.
22. As required by section 5.4 of Regulation 81-102 and Part 12 of *Regulation 81-106 respecting Investment Fund Continuous Disclosure* (c.V-1.1, r. 42), the Filer has sent to securityholders of the Terminating Fund, on August 13, 2013, more than 21 days before the date of the meeting, a notice of meeting, a proxy solicitation and information circular (the **Circular**).
23. The Circular sent to securityholders of the Terminating Fund :
 - (a) complies with paragraph 5.6(1)(f) of Regulation 81-102;
 - (b) provides information on the significant differences between the Continuing Fund and the Terminating Fund;
 - (c) provides information on the process of the Proposed Merger and its structure in an orderly manner;
 - (d) provides information on the Proposed Merger to enable the securityholders of the Terminating Fund to make an informed decision regarding the Proposed Merger.
24. The approval of the Proposed Merger by the securityholders of the Terminating Fund was announced by a press release dated September 18, 2013.
25. All of the securityholders of the Terminating Fund invested through registered plans or other non-taxable entities. Consequently, the Proposed Merger will be tax neutral to securityholders.
26. No later than by the Effective date, securities in the portfolio of the Terminating Fund will need to be liquidated if they do not meet the investment objective of the Continuing Fund. This will result in a realized capital gain or loss to the Terminating Fund. On the Effective date, the Terminating Fund

will dispose of its assets to the Continuing Fund for proceeds of disposition equal to the fair value thereof at that time. Accordingly, the Terminating Fund will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the particular asset exceed (or are exceeded by) the adjusted cost base of the particular portfolio asset and any reasonable cost of disposition.

27. Assets of the Terminating Fund to be acquired by the Continuing Fund will be consistent with the investment objectives of the Continuing Fund.
28. Following the Proposed merger, the securityholders of the Terminating Fund will become securityholders of the Continuing Fund.
29. As a result, the securityholders of the Terminating Fund will receive units of the Continuing Fund that are equivalent in value to the units of the Terminating Fund.
30. The Terminating Fund will be wound up as soon as reasonably possible following the Proposed Merger and the Continuing Fund will continue as a publicly offered open-end mutual fund.
31. No sales charge, redemption fees or other fees or commissions will be payable by securityholders of the Terminating Fund in connection with the Proposed Merger.
32. All costs and expenses associated with the Proposed Merger will be borne by the Filer.
33. Securityholders of the Terminating Fund will have the right to redeem units of the Terminating Fund up to noon (12:00 pm) on the Effective date of the Proposed Merger.
34. Pursuant to this Proposed Merger, the Continuing Fund will be identified in English under the name Melodia Diversified Income Portfolio.

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 Approval Sought is granted.

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

2.1.11 Dream Unlimited Corp.

Headnote

National Policy 11-203 Process for Exemptive Relief Application in Multiple Jurisdictions – Issuer granted relief from requirements of section 12.3 of National Instrument 41-101 General Prospectus Requirements in respect of future distribution of restricted securities and securities that are, directly or indirectly, convertible into, or exercisable or exchangeable for restricted securities – relief subject to conditions.

OSC Rule 56-501 Restricted Shares – Exemption granted from the requirements of section 3.2 of OSC Rule 56-501 in respect of future exempt distributions of securities that are directly or indirectly, convertible into, or exercisable or exchangeable for restricted securities – relief subject to conditions.

Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, s. 12.3.

OSC Rule 56-501 Restricted Shares, s. 3.2.

October 18, 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
DREAM UNLIMITED CORP.
(the Filer)**

DECISION

Background

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

- (a) the requirements under section 12.3 of National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) for a prospectus distribution of restricted securities shall not apply to the Filer in connection with any future distributions of Class A subordinate voting shares of the Filer or securities that are, directly or indirectly, convertible into, or exercisable or exchangeable for, Class A subordinate voting shares of the Filer, other than Class

B common shares and First Preference Shares, Series 1 of the Filer (the **41-101 Exemption**); and

- (b) the requirements under section 3.2 of Ontario Securities Commission Rule 56-501 (**OSC Rule 56-501**) for a prospectus exemption to be available for a stock distribution of securities shall not apply to the Filer in connection with any future distributions of securities that are, directly or indirectly, convertible into, or exercisable or exchangeable for, Class A subordinate voting shares of the Filer (the **56-501 Exemption** and, together with the 41-101 Exemption, the **Exemptions Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut in respect of the 41-101 Exemption.

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

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

1. The Filer was created under the *Business Corporations Act* (Ontario) (the **OBCA**) by articles of arrangement filed pursuant to a plan of arrangement completed on May 30, 2013 involving, among others, Dundee Corporation (**Dundee**) and the holders of Class A subordinate voting shares, Class B common shares and First Preference Shares, Series 1 of Dundee (the **Arrangement**). The Filer's head office is located in Toronto, Ontario.
2. The Filer has been a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut since May 30, 2013 and in Ontario since May 31, 2013. The Filer is not in default of securities legislation in any jurisdiction of Canada.
3. The Arrangement was approved at a meeting of holders of Class A subordinate voting shares,

Class B common shares and First Preference Shares, Series 1 of Dundee (collectively, the **Voting Shareholders**) in accordance with the requirements of the OBCA and by a majority of the “disinterested” holders of Class A subordinate voting shares of Dundee pursuant to Multilateral Instrument 61-101 *Protection of Security Holders in Special Transactions*. In connection with the meeting, Dundee prepared and delivered an information circular to its Voting Shareholders that contained the disclosure regarding the Arrangement required by applicable securities laws (the **Information Circular**). Following the approval of the Arrangement by Voting Shareholders, the Arrangement was approved by the Superior Court of Justice of Ontario.

4. Pursuant to the Arrangement, DREAM acquired, directly or indirectly, 70% of the common shares and Class C preference shares of Dundee Realty from Dundee and DREAM issued Class A Subordinate Voting Shares (the **DREAM Subordinate Voting Shares**) to Dundee representing approximately 28.57% of the total number of outstanding DREAM Subordinate Voting Shares and Class B common shares of DREAM (the **DREAM Common Shares**).
5. In addition, pursuant to the Arrangement, holders of Dundee’s Class A subordinate voting shares and Class B common shares received, directly or indirectly, their proportionate interest in DREAM based on their Dundee share ownership through a distribution of DREAM Subordinate Voting Shares and DREAM Common Shares.
6. Additionally, pursuant to the Arrangement, holders of Dundee’s First Preference Shares, Series 1 (each of which had a liquidation amount of \$25.00) received, for each share held, (i) a new First Preference Share, Series 4 of Dundee with a liquidation amount of \$17.84 and an annual dividend of 5%, and (ii) a First Preference Share, Series 1 of DREAM (the **DREAM Series 1 Preference Shares**) with a liquidation amount of \$7.16 and an annual dividend of 7%, payable quarterly.
7. At the time of completion of the Arrangement, the DREAM Subordinate Voting Shares were held by Dundee and the holders of the Class A subordinate voting shares of Dundee, and the DREAM Common Shares were held by the holders of the Class B common shares of Dundee. Holders of DREAM Subordinate Voting Shares and DREAM Common Shares are entitled to one vote and 100 votes, respectively, for each such share held on all votes taken at meetings of the shareholders of DREAM. Subject to the rights of holders of DREAM Series 1 Preference Shares and other shares of DREAM ranking prior to the DREAM Subordinate Voting Shares and DREAM Common Shares, the DREAM Subordinate Voting

Shares and DREAM Common Shares participate equally, share for share, as to dividends. The DREAM Common Shares are convertible into DREAM Subordinate Voting Shares on a one-for-one basis at any time, subject to adjustment.

8. The Filer is seeking the 41-101 Exemption in connection with any future distributions of DREAM Subordinate Voting Shares, or securities that are, directly or indirectly, convertible into, or exercisable or exchangeable for, DREAM Subordinate Voting Shares, by means of a prospectus, and the Filer is seeking the 56-501 Exemption in connection with any future distributions of securities that are, directly or indirectly, convertible into, or exercisable or exchangeable for, DREAM Subordinate Voting Shares, pursuant to a prospectus exemption. Dundee was a reporting issuer at the time of the Arrangement and it prepared and delivered the Information Circular to the Voting Shareholders in connection with the Arrangement. The Arrangement, being the restricted security reorganization pursuant to which DREAM Subordinate Voting Shares were created, received prior majority approval of the Voting Shareholders and of the holders of Class A subordinate voting shares of Dundee, excluding “interested parties” and “control persons” pursuant to Multilateral Instrument 61-101 – *Protection of Security Holders in Special Transactions*.
9. The Filer was not a reporting issuer at the time that it issued the DREAM Subordinate Voting Shares as part of the Arrangement. Upon completion of the Arrangement, the Filer became a reporting issuer and the Voting Shareholders (who had approved the Arrangement) became holders of DREAM Subordinate Voting Shares, DREAM Common Shares and DREAM Series 1 Preference Shares.

Decision

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

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

- (a) in respect of the 41-101 Exemption, any subsequent restricted security reorganization, if any, carried out by the Filer related to the DREAM Subordinate Voting Shares, other than a restricted security reorganization that results only in the creation of a security that is not itself a subject security or a restricted security but that is, directly or indirectly, convertible into or exercisable or exchangeable for DREAM Subordinate Voting Shares, complies with the provisions of section 12.3 of NI 41-101; and

- (b) in respect of the 56-501 Exemption, any subsequent restricted security reorganization, if any, carried out by the Filer related to the DREAM Subordinate Voting Shares, other than a restricted security reorganization that results only in the creation of a security that is not itself a subject security or a restricted security but that is, directly or indirectly, convertible into or exercisable or exchangeable for DREAM Subordinate Voting Shares, complies with the provisions of section 3.2 of OSC Rule 56-501.

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

2.1.12 Desjardins Investments Inc. et al.

Headnote

Policy Statement 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – investment fund manager obtaining relief from the requirement in subsection 5.1(f) of Regulation 81-102 to obtain the prior approval of securityholders before the Proposed Mergers – Approval of mutual fund mergers – Approval required because these mergers do not satisfy the criteria for pre-approved reorganizations and transfers in Regulation 81-102 – provided with timely and adequate disclosure regarding the Proposed Mergers.

Applicable Legislative Provisions

Regulation 81-102 respecting Mutual Funds, ss. 5.1(f), 5.5(1)(b), 19.1.

October 17, 2013

[Translation]

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

AND

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

AND

IN THE MATTER OF
DESJARDINS INVESTMENTS INC.
(the Filer)

AND

IN THE MATTER OF
DIAPASON RETIREMENT PORTFOLIO C (INCOME)
AND DIAPASON RETIREMENT PORTFOLIO E
(BALANCED GROWTH)
(collectively, the Terminating Funds)

AND

IN THE MATTER OF
DIAPASON CONSERVATIVE PORTFOLIO AND
DIAPASON RETIREMENT PORTFOLIO D
(BALANCED INCOME)
(collectively, the Continuing Funds)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an

application from the Filer, on behalf of the Terminating Funds, for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for:

- a) An exemption under section 19.1 of *Regulation 81-102 respecting Mutual Funds* (c. V-1.1, r. 39) (**Regulation 81-102**) from the requirements of subsection 5.1(f) of Regulation 81-102 in order to permit the mergers of the Diapason Retirement Portfolio C (Income) into the Diapason Conservative Portfolio and the Diapason Retirement Portfolio E into the Diapason Retirement Portfolio D (Balanced Income) (the **Proposed Mergers**) without obtaining prior approval of the security-holders of the Terminating Funds (the **Exemption Sought**), and
- b) An approval of the Proposed Mergers pursuant to paragraph 5.5 (1)(b) of Regulation 81-102 (the **Approval Sought**).

Under the process of 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* (c. V-1.1, r. 1) (**Regulation 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador, Nunavut, Northwest Territories and Yukon Territory, 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* (c. V-1.1, r. 3) 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 a corporation established under the *Business Corporations Act* (RSQ, c. s-31.1) of Québec.
2. The Filer's head office is located at 1 Complexe Desjardins, South Tower, P.O. Box 34, Montréal Québec, H5B 1E4.

3. The Filer is duly registered as an investment fund manager in Québec, Ontario and Newfoundland and Labrador.
4. The Filer is acting as the investment fund manager, promoter, registrar and transfer agent of the Terminating Funds and the Continuing Funds (collectively, the **Funds**).
5. The Filer is not in default of securities legislation in any province or territory of Canada.

The Funds

6. The Funds are mutual funds trusts established under the laws of Québec pursuant to an amended and restated declaration of trust dated January 5, 2009. Desjardins Trust Inc. acts as trustee (the **Trustee**).
7. Units of the Funds are distributed in each province and territory of Canada under a simplified prospectus governed by *Regulation 81-101 respecting Mutual Fund Prospectus Disclosure* (c.V-1.1, r.38).
8. The Funds are reporting issuers under applicable securities legislation of each province and territory of Canada.
9. The net asset value of the Funds is determined by the Filer as at the close of business (Montréal time) on each business day.
10. The Funds are not in default of securities legislation in any province or territory of Canada.

The Proposed Mergers

11. The Proposed Mergers are scheduled to close on or about October 18, 2013.
12. The board of directors of the Filer approved the Proposed Mergers on June 25, 2013.
13. The Proposed Mergers will not constitute a material change for each of the Continuing Funds.
14. The Proposed Mergers will not change the constitution or proportions of the investment portfolio in which the Terminating Funds invest their respective assets, nor will the Proposed Mergers result in an increase in the management fees or operating expenses for securityholders of the Terminating Funds.
15. On June 26, 2013, the Funds issued a press release and the Terminating Funds filed a material change report with respect to the Proposed Mergers.
16. On July 12, 2013, the Autorité des marchés financiers issued a receipt for the amendment to

the simplified prospectus of the Terminating Funds that includes information relating to the Proposed Mergers.

17. The Proposed Mergers were announced to securityholders of the Terminating Funds by a written notice dated July 29, 2013, which is more than 60 days prior to the scheduled closing of the Proposed Mergers. The written notice sets out the detail of the changes relating to the Proposed Mergers.
18. In accordance with the *Regulation 81-107 Independent Review Committee for Investment Funds* (c. V-1.1, r. 43), the Filer presented the terms of the Proposed Mergers to the independent review committee of the Terminating Funds (the **IRC**) for its approval. In June 2013, further to reasonable inquiry, the IRC approved the Proposed Mergers, subject to the approval of the Decision Makers, on the basis that the Proposed Mergers would achieve a fair and reasonable result for the Terminating Funds.

The reasons for the Exemption Sought and the Approval Sought

19. In accordance with subsection 5.1(f) of Regulation 81-102, the prior approval of the securityholders of a mutual fund is required before a mutual fund undertakes a reorganization with or transfers its assets to another mutual fund if:
- a) the terminating fund ceases to continue after the reorganization or transfer of assets, and
 - b) the transaction results in the securityholders of the terminating fund becoming securityholders in the continuing fund.
- (a **Reorganization**)
20. Subsection 5.3(2) of Regulation 81-102 permits mutual funds to merge without securityholders approval, provided the conditions in this subsection are met.
21. In particular, paragraph 5.3(2)(c) requires that a Reorganization must comply with the criteria set out in paragraph 5.6(1)(b) of Regulation 81-102. This criteria imposes prior approval of the securityholders if a mutual fund undertakes a Reorganization unless the transaction is a “qualifying exchange” within the meaning of section 132.2 of the ITA or is a tax-deferred transaction under subsection 85(1), 85.1(1), 86(1) or 87(1) of the ITA (the **Qualifying Exchange Requirement**).
22. The Proposed Mergers will not satisfy the criteria set out in paragraph 5.6(1)(b) of Regulation 81-102 since the Proposed Mergers will not meet the

Qualifying Exchange Requirement. Consequently, the approval of the securityholders of the Terminating Funds is required because the Proposed Mergers do not satisfy all of the conditions set out in paragraph 5.3(2)(c) of Regulation 81-102.

23. Except for the condition stated above, the Proposed Mergers will meet all the other conditions under subsection 5.3(2) of Regulation 81-102.
24. All of the securityholders in each of the Terminating Funds invest through registered plans and non-taxable vehicles. Since all units of the Terminating Funds are held in registered plans and non-taxable vehicles, the Proposed Mergers will not have any negative tax consequences for securityholders, whether or not the Proposed Mergers meet the Qualifying Exchange Requirement.
25. On the date of the Proposed Mergers, the Terminating Funds will sell its assets to the Continuing Funds for an amount equal their fair value at that time. Accordingly, the Terminating Funds will realize a capital gain (or a capital loss) equal to the amount by which the fair value exceed (or are exceeded by) the adjusted cost base of the particular portfolio asset and any reasonable cost of disposition. To ensure that the Terminating funds will not be subject to tax for its current taxation year, immediately after the sale of its assets to the Continuing Funds, the Terminating Funds will distribute a sufficient amount of its net income and net realized capital gains, if any to securityholders. Since units are held in registered plans and non-taxable vehicles, the income reported will not be included in securityholders’ income tax.
26. In accordance with paragraph 5.5(1)(b) of Regulation 81-102, the prior approval of the Decision Maker is required before a mutual fund undertakes a Reorganization.
27. The approval by the Decision Maker of the Proposed Mergers is required because the Proposed Mergers will not satisfy all of the conditions for pre-approved Reorganizations as set out in section 5.6 of Regulation 81-102. The Proposed Mergers will not satisfy the conditions set out in paragraphs 5.6(1)(b), 5.6(1)(e) and 5.6(1)(f) of Regulation 81-102 since:
- a) the Proposed Mergers will not meet the Qualifying Exchange Requirement;
 - b) the Proposed Mergers will not be approved by the securityholders of the Terminating Funds; and

Decisions, Orders and Rulings

- c) No material will be sent to the securityholders of the Terminating Funds in connection with the approval.
28. Except for the three conditions stated above, the Proposed Mergers meet all the other conditions for pre-approved Reorganizations under section 5.6 of Regulation 81-102.
29. No sales charge, redemption fees or other fees or commissions will be payable by securityholders of the Terminating Funds in connection with the Proposed Mergers.
30. The Filer will pay for the costs of the Proposed Mergers. These costs consist mainly of brokerage charges associated with the Proposed Mergers related trades that occur both before and after the Proposed Mergers date, as well as legal fees and fees related to reporting to the securityholders and with respect to the applicable regulatory requirements.
31. Assets of the Terminating Funds to be acquired by the Continuing Funds will be consistent with the investment objectives of the Continuing Funds and the Funds have substantially similar valuation policies.
32. Following the Proposed Mergers, the securityholders of the Terminating Funds will become securityholders of the Continuing Funds. As such, they will receive series of units of the Continuing Funds that are equivalent to the series of units of the Termination Funds.
33. As soon as reasonably possible following the date of the Proposed Mergers, the Terminating Funds will be wound up.
34. Securityholders of the Terminating Funds will have the right to redeem units of the Terminating Funds up to 12:00 pm on the effective date of the Proposed Mergers.
35. As stated in representation no. 17, a written notice of the Proposed Mergers was provided to securityholders of the Terminating Funds more than 60 days prior to the scheduled closing of the Proposed Mergers.
36. Effective on October 18, 2013, the Diapason Conservative Portfolio will be identified in English under the name Melodia Conservative Income Portfolio.
- The decision of the Decision Maker under the Legislation is that the Exemption Sought and the Approval Sought are granted.
- "Josée Deslauriers"
Senior Director,
Investment Funds and Continuous Disclosure
Autorité des marchés financiers

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.

2.1.13 BMO Nesbitt Burns Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted for 55-day extension of prospectus lapse date to December 17, 2013 – Funds are being merged with continuing funds an affiliated mutual fund family on or about December 13, 2013– extension sought to allow Funds to continue operations until mergers are complete – extension of lapse date will not impact currency of disclosure relating to the terminating funds.

Applicable Legislative Provisions

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

October 17, 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
BMO NESBITT BURNS INC.
(the Filer)

AND

BMO NESBITT BURNS CANADIAN
STOCK SELECTION FUND
BMO NESBITT BURNS U.S. STOCK SELECTION FUND
BMO NESBITT BURNS BOND FUND
BMO NESBITT BURNS BALANCED FUND
BMO NESBITT BURNS INTERNATIONAL EQUITY FUND
BMO NESBITT BURNS BALANCED PORTFOLIO FUND
BMO NESBITT BURNS GROWTH PORTFOLIO FUND
BMO NESBITT BURNS MAXIMUM GROWTH
PORTFOLIO FUND
(collectively, the Funds)

DECISION

I. BACKGROUND

1. The principal regulator in the Jurisdiction (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption that the time limits pertaining to filing the renewal prospectus of the Funds be extended as if the lapse date of the prospectus of the Funds dated

October 23, 2012, as amended by amendment no. 1 dated August 30, 2013 and amendment no. 2 dated September 27, 2013 (the **Current Prospectus**) was December 17, 2013 (the **Requested Relief**).

2. Under the *Process for Exemptive Relief Applications in Multiple Jurisdictions* (for a passport application):
 - (a) The Ontario Securities Commission is the principal regulator for this application; and
 - (b) The Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* is intended to be relied upon in each of the other provinces and territories of Canada.

II. INTERPRETATION

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

III. REPRESENTATIONS

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

1. The Filer is the manager of the Funds.
2. The Filer is a corporation incorporated under the laws of Canada.
3. The Filer is registered as an investment fund manager in Ontario, Quebec and Newfoundland and Labrador.
4. Each of the Funds is a reporting issuer in each of the provinces and territories of Canada.
5. Neither the Funds nor the Filer are in default of securities legislation in any province or territory of Canada.
6. Units of the Funds are currently qualified for distribution in each of the provinces and territories of Canada under the Current Prospectus.
7. Pursuant to the Legislation, the lapse date for the Current Prospectus is October 23, 2013 (the **Current Lapse Date**). Accordingly, under the Legislation, the distribution of units of the Funds would have to cease on the Current Lapse Date unless (i) the Funds file a pro-forma simplified prospectus at least 30 days prior to the Current Lapse Date; (ii) the final simplified prospectus is filed no later than 10 days after the Current Lapse Date; and (iii) a receipt for the final simplified prospectus is obtained within 20 days of the Current Lapse Date.

8. On August 19, 2013 the Independent Review Committee of each of the Funds approved the merger of BMO Nesbitt Burns Canadian Stock Selection Fund, BMO Nesbitt Burns U.S. Stock Selection Fund, BMO Nesbitt Burns Bond Fund, BMO Nesbitt Burns Balanced Fund, BMO Nesbitt Burns International Equity Fund, BMO Nesbitt Burns Balanced Portfolio Fund, BMO Nesbitt Burns Growth Portfolio Fund and BMO Nesbitt Burns Maximum Growth Portfolio Fund into BMO Canadian Stock Selection Fund, BMO U.S. Equity Fund, BMO Bond Fund, BMO Asset Allocation Fund, BMO International Value Fund, BMO FundSelect Balanced Portfolio, BMO FundSelect Growth Portfolio and BMO FundSelect Equity Growth Portfolio, respectively (the **Mergers**). The Mergers are expected to occur after the close of business on or about December 13, 2013 (the **Merger Date**). Purchases of, and switches into, units of each of the Funds will be suspended at the close of business on the fifth business day prior to the Merger Date.
9. The Filer intends to cease distribution of units of the Funds at the close of business on December 6, 2013.
10. The Filer does not intend to renew the Funds' simplified prospectus and annual information form under subsection 62(2) of the *Securities Act* (Ontario). Therefore, securities of the Funds will not be qualified for distribution in the period that follows the Current Lapse Date and that leads up to the effective date of the Mergers unless an extension is granted to permit the continued distribution of securities of the Funds during that period.
11. The Filer expects that, following the Current Lapse Date, distributions of the Funds' securities will be primarily made to existing investors under the Funds' pre-authorized purchase plan (**PAP**). Scheduled purchases under the PAP will continue until the Merger Date.
12. There have been no material changes in the affairs of the Funds since the date of the Current Prospectus other than those described in amendment no. 1 to the Current Prospectus dated August 30, 2013 and amendment no. 2 to the Current Prospectus dated September 27, 2013.
13. Should any material changes be proposed in the interim, the Current Prospectus of the Funds will be amended accordingly.

IV. 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 Decision Maker under the Legislation is that the Requested Relief is granted.

“Vera Nunes”
Manager, Investment Funds
Ontario Securities Commission

2.2 Orders

2.2.1 Sino-Forest Corporation et al.

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

AND

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

ORDER

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

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

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

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

AND WHEREAS on October 10, 2012 the hearing in this matter was adjourned to January 17, 2013;

AND WHEREAS on January 17, 2013 counsel for Staff, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley appeared before the Commission and requested that the hearing be adjourned to May 13, 2013 for the purpose of conducting a pre-hearing conference;

AND WHEREAS on January 17, 2013 the Commission ordered that a pre-hearing conference be held on May 13, 2013;

AND WHEREAS on May 13, 2013 a pre-hearing conference was commenced before the Commission, at which counsel for Staff, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley appeared and no one appeared on behalf of Sino-Forest;

AND WHEREAS the Commission was satisfied that Sino-Forest was provided with notice of the May 13, 2013 pre-hearing conference;

AND WHEREAS on May 13, 2013 the Commission ordered that the pre-hearing conference in this matter continue on July 19, 2013;

AND WHEREAS on July 19, 2013 the pre-hearing conference continued before the Commission, at which counsel for Staff, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley appeared and no one appeared on behalf of Sino-Forest;

AND WHEREAS the Commission was satisfied that Sino-Forest was provided with notice of the July 19, 2013 pre-hearing conference;

AND WHEREAS on July 19, 2013 the Commission ordered that the pre-hearing conference in this matter continue on August 13, 2013;

AND WHEREAS on August 13, 2013 the pre-hearing conference continued before the Commission, at which counsel for Staff, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley appeared and no one appeared on behalf of Sino-Forest;

AND WHEREAS the Commission was satisfied that Sino-Forest was provided with notice of the August 13, 2013 pre-hearing conference;

AND WHEREAS on August 13, 2013 counsel for Staff, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley all made submissions regarding the scheduling of the hearing on the merits (the "Merits Hearing");

AND WHEREAS on August 13, 2013 counsel for Ip, Hung, Ho and Yeung requested that a motion for particulars and further disclosure be scheduled (the "Particulars Motion");

AND WHEREAS on August 13, 2013 the Commission ordered that:

1. the Merits Hearing shall commence on June 2, 2014 at 10:00 a.m., and continue as follows:
 - a) Staff's case in the Merits Hearing shall be held on the following dates: June 2, 2014; June 4 to June 6, 2014; June 10 to June 13, 2014; June 16, 2014; June 18 to June 20, 2014; June 24 to June 27, 2014; June 30, 2014; July 3 to 4, 2014; July 8 to 11, 2014; July 14, 2014; July 16 to 18, 2014; July 22 to 25, 2014; August 11, 2014; August 13 to 15, 2014; August 19 to 22, 2014; August 25, 2014; August 27 to 29, 2014; September 2 to 5, 2014; September 8, 2014; September 10 to 12, 2014, and September 15, 2014 or on such other dates as ordered by the Commission;
 - b) the Respondents' case in the Merits Hearing be held October 15 to 17, 2014; October 20, 2014; October 22 to 24, 2014; October 28 to 31, 2014; November 3, 2014; November 5 to 7, 2014; November 11, 2014; November 19 to 21, 2014; November 25 to 28, 2014; December 1, 2014; December 3 to 5, 2014; December 9 to 12, 2014; December 15, 2014; December 17 to 19, 2014; January 7 to 9, 2015; January 12, 2015; January 14 to 16, 2015; January 20 to 23, 2015; January 26, 2015; January 28 to 30, 2015; February 3 to 6, 2015; February 9, 2015; and February 11 to 13, 2015 or on such other dates as ordered by the Commission;
2. the Particulars Motion be held on October 16, 2013 commencing at 10:00 a.m., or such other date and time as ordered by the Commission; and
3. the pre-hearing conference in this matter be continued on September 10, 2013, at 2:00 p.m., or such other date and time as ordered by the Commission.

AND WHEREAS on September 10, 2013 the pre-hearing conference continued before the Commission, at which counsel for Staff, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley appeared and no one appeared on behalf of Sino-Forest;

AND WHEREAS on September 10, 2013 counsel for Staff, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley all made submissions with respect to the timetable for service of Staff's hearing briefs in connection with the Merits Hearing;

AND WHEREAS on September 10, 2013, the Commission ordered that (i) Staff shall serve its hearing briefs in connection with the Merits Hearing on the Respondents on or before February 3, 2014; and (ii) the pre-hearing conference in this matter be continued on October 10, 2013 at 10:00 a.m.;

AND WHEREAS on October 10, 2013 the pre-hearing conference continued before the Commission, at which counsel for Staff, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley appeared and no one appeared on behalf of Sino-Forest;

AND WHEREAS counsel for Ip, Hung, Ho and Yeung requested that the hearing date scheduled for the Particulars Motion be vacated;

AND WHEREAS counsel for Ip, Hung, Ho and Yeung further requested that the Commission vacate the dates scheduled for the Merits Hearing on October 20 and 22 to 24, 2014 to accommodate a scheduling conflict;

IT IS HEREBY ORDERED that:

1. the hearing date scheduled for the Particulars Motion, namely October 16, 2013, is vacated;
2. the hearing dates scheduled for October 20 and 22 to 24, 2014 for the Respondents' case in the Merits Hearing are vacated and further hearing dates are hereby scheduled for February 17 to 20, 2015; and

3. the pre-hearing conference in this matter be continued on November 21, 2013 at 11:00 a.m. or such other date and time as agreed to by the parties and set by the Office of the Secretary.

DATED at Toronto this 10th day of October, 2013.

“Mary G. Condon”

2.2.2 Crown Hill Capital Corporation and Wayne Lawrence Pushka

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

AND

**IN THE MATTER OF
CROWN HILL CAPITAL CORPORATION
and WAYNE LAWRENCE PUSHKA**

ORDER

WHEREAS on July 7, 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 July 7, 2011 in respect of Crown Hill Capital Corporation and Wayne Lawrence Pushka (collectively, the "Respondents");

AND WHEREAS the Respondents were served with the Notice of Hearing and Statement of Allegations on July 7, 2011;

AND WHEREAS the hearing on the merits in this matter commenced on May 9, 2012 and continued on May 10, 14-17, 24, 25, July 18-20, August 13 and 15, and September 18, 2012;

AND WHEREAS the Commission released its reasons and decision with respect to the hearing on the merits on August 23, 2013;

AND WHEREAS Staff and counsel for the Respondents attended at a case conference on October 15, 2013 to discuss the scheduling of the sanctions hearing and related procedural matters;

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 case conference with respect to the sanctions hearing is scheduled for December 12, 2013 at 2:00 p.m. or to such other date as may be agreed to by the parties and fixed by the Office of the Secretary, for the purpose of addressing various procedural matters or for such other purposes as the Panel hearing the matter may determine.

DATED at Toronto this 16th day of October, 2013.

"James E. A. Turner"

2.2.3 Heritage Education Funds Inc.

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

AND

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

ORDER

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

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

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

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

AND WHEREAS by Order dated October 10, 2012, the Commission clarified certain matters with respect to the Temporary Order;

AND WHEREAS by Order dated November 22, 2012, the Commission ordered that the Temporary Order be extended to December 21, 2012 and that the hearing be adjourned to December 20, 2012;

AND WHEREAS by Order dated December 20, 2012, the Commission amended certain of the Terms and Conditions and extended the Temporary Order to March 22, 2013;

AND WHEREAS by Order dated January 28, 2013, the Manager of the Compliance and Registrant Regulation Branch (the "OSC Manager") approved the compliance plan dated January 14, 2013 (the "Plan") submitted by the Consultant;

AND WHEREAS on March 21, 2013, the Commission ordered that the Temporary Order be extended to April 19, 2013;

AND WHEREAS on April 8, 2013, HEFI filed a motion with the Commission to vary the terms of the

Temporary Order by, among other matters, suspending the on-going monitoring by the Monitor of HEFI's compliance with the Terms and Conditions (the "Motion");

AND WHEREAS on April 18, 2013, the Commission heard oral submissions from the parties and issued an Order which: (i) dismissed the Motion; (ii) extended the Temporary Order to May 31, 2013, or until such further order of the Commission; (iii) adjourned the hearing to May 27, 2013 at 11:00 a.m. for the purpose of providing the Commission with an update on the work completed by the Monitor and the Consultant; and (iv) provided that the Monitor, Staff and HEFI may seek further direction from the Commission, if necessary or desirable;

AND WHEREAS on May 23, 2013, the Commission issued an order on consent of the parties that: (i) the Temporary Order is extended to June 17, 2013; or until such further order of the Commission; (ii) the hearing is adjourned to June 14, 2013 at 10:00 a.m.; and (iii) the hearing date of May 27, 2013 be vacated;

AND WHEREAS by letter dated June 12, 2013 the Manager approved Compliance Support Services to replace Deloitte as Consultant subject to three conditions;

AND WHEREAS on June 14, 2013, the Commission ordered that: (i) the Temporary Order is extended to July 22, 2013; and (ii) the hearing be adjourned to July 18, 2013 at 10:00 a.m.;

AND WHEREAS on July 17, 2013, the Commission ordered that: (i) the Temporary Order be extended to September 9, 2013; (ii) the hearing be adjourned to September 6, 2013 at 10:00 a.m.; and (iii) the hearing date of July 18, 2013 at 10:00 a.m. be vacated;

AND WHEREAS on September 6, 2013, the Commission ordered that: (i) the role and activities of the Monitor and HEFI set out in paragraphs 5, 6, 7 and 8 of the Terms and Conditions, as amended by Commission order dated December 20, 2012, be suspended as of the start of business on September 16, 2013; (ii) the resumption of any future monitoring shall take place on the recommendation of the Consultant with the agreement of the OSC Manager and the parties may seek the direction from the Commission; (iii) the Temporary Order be extended to October 22, 2013; and (iv) the hearing be adjourned to October 18, 2013 at 10:00 a.m.;

AND WHEREAS the parties consent to the terms of this Order;

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

IT IS HEREBY ORDERED pursuant to section 127 of the Act that:

1. the hearing date of October 18, 2013 at 10:00 a.m. is vacated;

2. the Temporary Order is extended to December 19, 2013 or until such further order of the Commission; and

3. the hearing is adjourned to December 16, 2013 at 10:00 a.m. for the purpose of providing the Commission with an update on the work completed by the Consultant and to consider the possible extension of the Temporary Order.

DATED at Toronto this 15th day of October, 2013.

"James E. A. Turner"

2.2.4 MRS Sciences Inc. (formerly Morningside Capital Corp.) et al.

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

AND

**IN THE MATTER OF
MRS SCIENCES INC.
(FORMERLY MORNINGSIDE CAPITAL CORP.),
AMERICO DEROSA, RONALD SHERMAN,
EDWARD EMMONS, IVAN CAVRIC AND
PRIMEQUEST CAPITAL CORPORATION**

ORDER

WHEREAS on November 30, 2007, a Notice of Hearing was issued by 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") with respect to a Statement of Allegations issued by Staff of the Ontario Securities Commission ("Staff") on November 29, 2007, to consider whether MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons, Ivan Cavric and Primequest Capital Corporation (collectively, the "Respondents") breached the Act and acted contrary to the public interest;

AND WHEREAS on March 25, 2006 an Amended Statement of Allegations was issued by Staff, and on April 14, 2009 an Amended Amended Statement of Allegations was issued by Staff;

AND WHEREAS the Commission conducted the hearing on the merits in this matter with respect to the Respondents on May 7, 8, 11, 13, June 10, 11, 12, 22, 26, September 3, 4, and October 7, 2009;

AND WHEREAS the Commission issued its Reasons and Decision on the merits in this matter on February 2, 2011 (the "Merits Decision");

AND WHEREAS the Commission conducted a motion hearing on November 2, 2011 addressing the issue of the composition of the Sanctions and Costs Hearing Panel (the "Motion");

AND WHEREAS the Commission issued its Reasons and Decision on the Motion on December 6, 2011 (the "Motion Decision");

AND WHEREAS on January 3, 2012, the Respondents filed a Notice of Appeal with respect to the Motion Decision, and on February 24, 2012, the Respondents filed an Application to Divisional Court for Judicial Review of the Motion Decision;

AND WHEREAS on December 17, 2012, the Divisional Court heard the Application for Judicial Review

and rendered its decision that the Application for Judicial Review is premature;

AND WHEREAS on September 5 and 13, 2013, confidential pre-hearing conferences were held before the Commission to discuss procedural issues and scheduling the Sanctions and Costs hearing;

AND WHEREAS on September 24, 2013, the Commission ordered that:

1. The confidential pre-hearing conference will continue on October 17, 2013 at 10:00 a.m. or such other date or at such other time as set by the Office of the Secretary and agreed to by the parties; and
2. The Sanctions and Costs hearing in this matter will commence on November 28, 2013 at 10:00 a.m. and, if necessary, continue on November 29, 2013 at 10:00 a.m.;

AND WHEREAS on October 17, 2013, a confidential pre-hearing conference was held before the Commission to discuss procedural issues;

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

IT IS ORDERED that the confidential pre-hearing conference will continue on November 7, 2013 at 9:00 a.m. or such other date or at such other time as set by the Office of the Secretary and agreed to by the parties.

DATED at Toronto this 17th day of October, 2013.

"Vern Krishna"

2.2.5 Pro-Financial Asset Management Inc. – ss. 127(1), (2) and (8)

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

AND

IN THE MATTER OF
PRO-FINANCIAL ASSET MANAGEMENT INC.

ORDER
(Subsections 127(1), (2) and (8))

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

PFAM’s Business

1. Pro-Financial Asset Management Inc. (“PFAM”), formerly Pro-Hedge Funds Inc., is a company incorporated under the laws of Ontario with its registered office located in Oakville Ontario. PFAM has been registered under the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) as a limited market dealer and an investment counsel and portfolio manager from 2004 to 2009, and has been registered as a dealer in the category of exempt market dealer and as an adviser in the category of portfolio manager since 2009.
2. PFAM has also been operating as an investment fund manager under the grandfathering provision found in subsection 16.4(1) of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (“NI 31-103”).
3. PFAM is the portfolio manager and the investment fund manager (“IFM”) for prospectus-qualified mutual funds known as the Pro-Index Funds.
5. PFAM also acts as the portfolio manager (“PM”) for managed accounts (the “Managed Accounts”).
6. PFAM, operating under its former name Pro-Hedge Funds Inc., performed various roles in connection with the distribution of exempt products known as principal protected notes (“PPNs”) in or between 2003 and 2007.

PFAM’s Working Capital Deficiency

7. On October 31, 2012, PFAM advised Staff of the Commission (“Staff”) that PFAM had a working capital deficiency of at least \$183,367. On February 22, 2013, PFAM advised Staff that PFAM had a continuing working capital deficiency and filed a Form 31-103F1 – *Calculation of Excess Working Capital* (“Form 31-103F1”) with the Commission which showed that PFAM in fact had a working capital deficiency of \$726,746 as at October 31, 2012 based on its audited annual financial statements.
8. Subsection 12.1(1) of NI 31-103 states that if, at any time, the excess working capital of a registered firm, as calculated in accordance with Form 31-103F1, is less than zero, the registered firm must notify the regulator as soon as possible. Subsection 12.1(2) of NI 31-103 states that the excess working capital of a registered firm as calculated in accordance with Form 31-103F1 must not be less than zero for two consecutive days.
9. PFAM has not rectified its working capital deficiency to this date.

Principal Protected Notes (“PPNs”)

10. PFAM has participated in various roles in the distribution of nine series of PPNs issued by BNP Paribas Canada and Société Générale Canada (collectively, the “Banks”) from mid-2003 to early 2007. The PPNs have maturity dates ranging from December 2010 to October 31, 2016.
11. In December 2012, Staff became aware of a discrepancy in the number of outstanding PPNs reported in the records of the record-keeper for the PPNs and the trustee for the PPNs.
12. Over the period from February 2013 to the present, Staff and PFAM have been discussing the PPN discrepancy.

13. On April 17, 2013, PFAM and its chief executive and chief financial officer provided an undertaking to Staff that: (i) all early redemptions for the nine series of PPNs and all redemptions at maturity of these PPNs cease immediately while PFAM completes its reconciliations of both the PPNs and PFAM's trust accounts; (ii) no payments be made in respect of any early redemptions or maturation of PPNs; and (iii) the undertaking remains in effect until the signatories to it are advised by Staff that they are released from the undertaking.
14. PFAM's undertaking to Staff remains in effect.
15. On April 23, 2013, PFAM's counsel provided Staff with a preliminary reconciliation report (the "Preliminary Report"). The Preliminary Report stated that the discrepancy between the records of the record-keeper and those of the trustee was \$1,222,549.45, meaning that the total cash obligations to PPN noteholders disclosed in the record-keeper's records exceeded the amount in the trustee's records by \$1,222,549.45. The Preliminary Report stated that PFAM expected to finalize its reconciliation by the end of May 2013.
16. From April 23, 2013 to September 30, 2013, Staff and PFAM exchanged correspondence with respect to the initial findings in the Preliminary Report including asking for answers to various follow-up questions.
17. On September 30, 2013, PFAM delivered to Staff its final PPN reconciliation report (the "Final Report"). The Final Report indicated that: (i) the quantum of the discrepancies identified in the Preliminary Report has not changed; and (ii) PFAM was unable to explain the discrepancy in any more detail than as set out in the Preliminary Report.

Proposed Sale of PFAM's Assets

18. On September 30, 2013, PFAM agreed to sell to another portfolio manager PFAM's interest in all of the investment management contracts for the Pro-Index Funds and the Managed Accounts. The transaction is subject to regulatory review by the Commission.
19. The proposed transaction must be the subject of an application under section 11.9 of NI 31-103. Once made, the application will be reviewed by Staff and the Director must advise if he or she objects to the acquisitions based on the criteria set out in subsection 11.9(2) of NI 31-103.

AND WHEREAS on May 17, 2013, the Commission issued a temporary order (the "Temporary Order") with respect to PFAM pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") ordering that:

- (i) pursuant to paragraph 1 of subsection 127(1) of the Act, the registration of PFAM as a dealer in the category of exempt market dealer is suspended and the following terms and conditions apply to the registration of PFAM as an adviser in the category of portfolio manager and to its operation as an investment fund manager:
 - a. PFAM's activities as a PM and IFM shall be applied exclusively to the Managed Accounts and to the Pro-Hedge Funds and Pro-Index Funds; and
 - b. PFAM shall not accept any new clients or open any new client accounts of any kind in respect of the Managed Accounts;
- (ii) pursuant to subsection 127(6) of the Act, the Temporary Order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS on May 28, 2013, the Commission ordered: (i) the Temporary Order extended to June 27, 2013; (ii) the hearing to consider whether to further extend the terms of the Temporary Order and/or to make any further order as to PFAM's registration, would proceed on June 26, 2013 at 10:00 a.m.;

AND WHEREAS on June 26, 2013, the Commission ordered that: (i) the Temporary Order be extended to July 15, 2013; and (ii) the affidavit of Michael Denyszyn sworn May 24, 2013 not be marked as an exhibit until the next appearance in the absence of a Commission order to the contrary; and the hearing to consider this matter would proceed on July 12, 2012;

AND WHEREAS on July 11, 2013, the Commission ordered that: (i) the Temporary Order be extended to July 22, 2013; (ii) the hearing be adjourned to July 18, 2013 at 11:00 a.m.; and (iii) the hearing date of July 12, 2013 at 10:00 a.m. be vacated;

AND WHEREAS on July 18, 2013, PFAM brought a motion (the "First PFAM Motion") that the hearing be held *in camera* and that the affidavits of Michael Denyszyn sworn May 24 and June 24, 2013 and the affidavit of Michael Ho sworn July 17, 2013 (collectively the "Staff Affidavits") either not be admitted as evidence or else be treated as confidential documents and the parties agreed that the motion should be heard *in camera*;

AND WHEREAS on July 18, 2013, PFAM's counsel filed supporting documents (the "PFAM Materials") in support of the First PFAM Motion and counsel for PFAM and Staff made oral submissions and filed written submissions;

AND WHEREAS on July 22, 2013, the Commission ordered:

- (i) the Temporary Order be extended to August 26, 2013;
- (ii) leave be granted to the parties to file written submissions in respect of the First PFAM Motion;
- (iii) the Staff Affidavits, the transcript of the PFAM motion, the PFAM Materials, written submissions filed by Staff and PFAM and other documents presented during the course of the First PFAM Motion shall be treated as confidential documents until further direction or order of the Commission; and
- (iv) the hearing be adjourned to August 23, 2013 at 10:00 a.m.;

AND WHEREAS on August 23, 2013, Staff filed with the Commission the affidavit of Michael Ho sworn August 22, 2013 and PFAM's counsel filed the affidavit of Stuart McKinnon dated August 23, 2013 but the parties did not seek to mark these affidavits as exhibits;

AND WHEREAS on August 23, 2013, Staff and counsel for PFAM advised the Commission that the parties had agreed on the terms of a draft order;

AND WHEREAS on August 23, 2013, PFAM requested that the hearing be held *in camera* so PFAM's submissions on certain confidentiality issues could be heard and Staff did not oppose PFAM's request;

AND WHEREAS on August 27, 2013, the Commission ordered:

- (i) the Temporary Order be extended to October 11, 2013;
- (ii) the affidavit of Michael Ho sworn August 22, 2013 and the affidavit of Stuart McKinnon sworn August 23, 2013 be treated as confidential documents until further order of the Commission;
- (iii) PFAM will deliver to Staff the final PPN reconciliation report by 4:30 p.m. on September 30, 2013; and
- (iv) the hearing to consider whether to: (i) make any further order as to PFAM's registration as an adviser in the category of PM or in respect of its operation as an IFM, as a result of PFAM's ongoing capital deficiency; and/or (ii) otherwise vary or extend the terms of the Temporary Order, will proceed on October 9, 2013 at 11:00 a.m.;

AND WHEREAS on October 9, 2013, PFAM brought a second motion (the "Second PFAM Motion") for an order that the hearing be held *in camera* and for a confidentiality order treating as confidential documents: (i) the Staff and PFAM affidavits; (ii) all facts and correspondence exchanged by Staff and PFAM; and (iii) any transcript of this and prior *in camera* proceedings;

AND WHEREAS on October 9, 2013, PFAM's counsel filed written submissions dated October 8, 2013, the affidavit of Stuart McKinnon sworn October 7, 2013 and the affidavit of Kenneth White sworn October 7, 2013 in support of the Second PFAM Motion and Staff filed written submissions dated October 9, 2013 and the affidavit of Michael Ho sworn October 8, 2013 and opposed the request for an *in camera* hearing and for the confidentiality order;

AND WHEREAS on October 9, 2013, the Commission heard submissions from counsel on the Second PFAM Motion *in camera* and the Commission requested the parties to prepare a draft order that, among other matters, addressed the confidentiality of documents filed with the Commission and permitted the Banks to review certain documents attached to Staff affidavits dealing substantively with the PPN reconciliation process, provided the Banks treated such documents as confidential;

AND WHEREAS on October 11, 2013, the Commission ordered that:

- (i) the Temporary Order be extended to December 15, 2013;
- (ii) the affidavit of Michael Ho sworn October 8, 2013, the affidavit of Stuart McKinnon sworn October 7, 2013, the affidavit of Kenneth White sworn October 7, 2013 and the written submissions of the parties dated October 8 and 9, 2013 shall be treated as confidential documents until further order of the Commission; and

- (iii) the hearing to consider whether to: (i) make any further order as to PFAM's registration as an adviser in the category of PM or in respect of its operation as an IFM, as a result of PFAM's ongoing capital deficiency; and/or (ii) otherwise vary or extend the terms of the Temporary Order, shall proceed on December 12, 2013 at 10:00 a.m.;

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. the affidavit of Michael Ho sworn October 8, 2013, the affidavit of Stuart McKinnon sworn October 7, 2013, the affidavit of Kenneth White sworn October 7, 2013 and the written submissions of the parties dated October 8 and 9, 2013 shall be treated as confidential documents until further order of the Commission;
2. the previous orders as to confidentiality made by the Commission's orders on July 22, 2013 and August 27, 2013 shall remain in force until further order or direction of the Commission, subject to the order referred to in paragraph 3 below;
3. Staff shall be entitled to provide copies of the documents relating to the PPN reconciliation process listed on Schedule "A" to this order to counsel for the Banks on condition that the Banks treat those documents as confidential documents and not provide copies to any third party without further direction or order of the Commission.

DATED at Toronto this 17th day of October, 2013.

"James E. A. Turner"

Schedule "A"

1. Copy of PFAM undertaking provided to Staff dated April 17, 2013 (Tab 30 of M. Denyszyn affidavit sworn May 24, 2013 and Tab K of M. Ho affidavit sworn October 8, 2013)
2. Letter from M. Jog to D. Ferris dated April 23, 2013 (Tab 31 of M. Denyszyn affidavit sworn May 24, 2013)
3. Letter to from D. Ferris to R. Sorell dated May 6, 2013 (Tab 1 of M. Denyszyn affidavit sworn June 24, 2013)
4. Letter from S. Pinto to D. Ferris dated June 21, 2013 in response to Staff's May 6th letter and attachments (Tab 4 of M. Denyszyn affidavit sworn June 24, 2013)
5. Letter from M. Ho to S. Pinto dated July 4, 2013 (Tab A of M. Ho affidavit sworn August 22, 2013)
6. Letter from S. Pinto to D. Ferris dated July 31, 2013 (Tab B of M. Ho affidavit sworn August 22, 2013)
7. Letter from S. Pinto to M. Ho dated August 22, 2013 (Tab K of M. Ho affidavit sworn August 22, 2013)
8. Letter from S. Pinto to D. Ferris dated September 30, 2013 (Tab H of M. Ho affidavit sworn October 8, 2013)

2.2.6 Conrad M. Black et al.

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

AND

IN THE MATTER OF
CONRAD M. BLACK, JOHN A. BOULTBEE
AND PETER Y. ATKINSON

ORDER

WHEREAS on March 18, 2005 the Ontario Securities Commission (the "Commission") issued a Notice of Hearing (the "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 (the "Original Proceeding") filed by Staff of the Commission ("Staff") with respect to Hollinger Inc., Conrad M. Black ("Black"), F. David Radler ("Radler"), John A. Boulton ("Boulton") and Peter Y. Atkinson ("Atkinson") (collectively, the "Original Respondents");

AND WHEREAS the Commission held a contested hearing on October 11 and November 16, 2005, to determine the appropriate date for a hearing on the merits of the Original Proceeding;

AND WHEREAS on January 24, 2006, the Commission issued its Reasons and Order setting down the matter for a hearing on the merits commencing June 2007, subject to each of the individual Original Respondents agreeing to execute an undertaking to the Commission to abide by interim terms of a protective nature within 30 days of that decision;

AND WHEREAS following the Reasons and Order dated January 24, 2006, each of the individual Original Respondents provided an undertaking in a form satisfactory to the Commission;

AND WHEREAS on March 30, 2006, the Commission issued an Order with attached undertakings provided by the individual Original Respondents and ordered, among other things, that the hearing on the merits commence on Friday, June 1, 2007, or as soon thereafter as may be fixed by the Secretary to the Commission and agreed to by the parties;

AND WHEREAS the individual Original Respondents further provided to the Commission amended undertakings, in a form satisfactory to the Commission, stating that each of the Original Respondents agreed to abide by interim terms of a protective nature (the "Amended Undertakings"), pending the Commission's final decision regarding liability and sanctions in the proceeding commenced by the Notice of Hearing;

AND WHEREAS on April 4, 2007, the Commission issued an Order which attached the Amended Undertakings, and ordered that the hearing on the merits

be scheduled to commence on November 12 through to December 14, 2007, and January 7 to February 15, 2008 or such other dates as may be fixed by the Secretary to the Commission and agreed to by the parties;

AND WHEREAS Black and Boulton brought motions and requests to adjourn the Original Proceeding pending the outcome of a criminal proceeding in the United States and Staff consented to the adjournment requests;

AND WHEREAS on September 11, 2007, the Commission issued an Order which adjourned the hearing on the merits of this matter and scheduled a hearing on December 11, 2007 for the purpose of addressing the scheduling of the Original Proceeding;

AND WHEREAS Black and Boulton brought a series of additional motions and requests to adjourn the Original Proceeding, pending the outcome of criminal proceedings in the United States, and Staff consented to the adjournment requests;

AND WHEREAS the Commission issued orders on December 10, 2007, January 7, March 27, and September 25, 2008, February 12, May 20 and July 9, 2009, which granted Black and Boulton's motions and adjourned the hearing of the matter;

AND WHEREAS by Order dated October 7, 2009, the Commission adjourned the hearing *sine die*, pending the release of a decision of the United States Supreme Court, in relation to an appeal brought by Boulton, or until such further order as may be made by the Commission;

AND WHEREAS on November 12, 2012, Staff filed a new Statement of Allegations against Radler alone;

AND WHEREAS on November 13, 2012, Radler provided a new undertaking to the Commission;

AND WHEREAS on November 14, 2012, the Commission approved a settlement agreement reached between Staff and Radler and approved an Order resolving the new proceeding against Radler and releasing Radler from the Amended Undertakings;

AND WHEREAS on November 15, 2013, Staff withdrew its allegations in the Original Proceeding with respect to Radler;

AND WHEREAS on July 12, 2013, Staff withdrew its allegations in the Original Proceeding with respect to Hollinger;

AND WHEREAS on July 12, 2013, the Commission issued a new Notice of Hearing pursuant to sections 127 and 127.1 of the Act, in relation to an Amended Statement of Allegations filed by Staff with respect to Black, Boulton and Atkinson (together, the "Respondents");

AND WHEREAS the new Notice of Hearing stated that a hearing before the Commission would be held on August 16, 2013;

AND WHEREAS on August 16, 2013, the Commission heard submissions from counsel for Staff, counsel for Black, and from Atkinson and Boulton on their own behalf;

AND WHEREAS on August 16, 2013, Staff requested that the matter be adjourned to a pre-hearing conference and the Respondents consented to this request;

AND WHEREAS on August 16, 2013, the Commission ordered that the matter be adjourned to a confidential pre-hearing conference to be held on Monday, October 21, 2013 at 10:00 a.m.;

AND WHEREAS on September 23, 2013, the Commission approved a settlement agreement reached between Staff and Atkinson and approved an Order releasing Atkinson from the Amended Undertakings and requiring Atkinson to comply with a new undertaking;

AND WHEREAS counsel for Black filed a signed consent of all parties to reschedule the confidential pre-hearing conference of October 21, 2013 to Wednesday, October 23, 2013 at 3:00 p.m.;

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

IT IS HEREBY ORDERED that the confidential pre-hearing conference is adjourned to Wednesday, October 23, 2013 at 3:00 p.m.

DATED at Toronto this 17th day of October, 2013.

"Mary G. Condon"

2.2.7 Portfolio Capital 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
PORTFOLIO CAPITAL INC., DAVID ROGERSON
and AMY HANNA-ROGERSON**

ORDER

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

WHEREAS on March 25, 2013, 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 March 25, 2013 with respect to Portfolio Capital Inc. ("Portfolio Capital"), David Rogerson ("Rogerson") and Amy Hanna-Rogerson ("Hanna-Rogerson") (collectively, the "Respondents");

AND WHEREAS the Notice of Hearing set a hearing in this matter for April 17, 2013;

AND WHEREAS on April 17, 2013, Staff and counsel to Rogerson appeared before the Commission and no one appeared on behalf of Hanna-Rogerson or Portfolio Capital;

AND WHEREAS on April 17, 2013, the Commission ordered that a pre-hearing conference take place on May 27, 2013 at 9:00 a.m.;

AND WHEREAS on May 27, 2013, Staff and counsel to the Respondents appeared and made submissions before the Commission;

AND WHEREAS on May 27, 2013, the Commission ordered that a pre-hearing conference take place on June 24, 2013 at 9:00 a.m.;

AND WHEREAS on May 27, 2013, the parties agreed that at the pre-hearing conference scheduled for June 24, 2013 at 9:00 a.m., the parties would be prepared to set the following dates:

- (a) a date in September 2013 for a pre-hearing conference, by which time the Respondents and Staff will have provided witness lists and disclosure to the other parties;
- (b) a date in October 2013 for a further pre-hearing conference to prepare for the hearing on the merits; and

- (c) dates in November 2013 for the hearing on the merits;

AND WHEREAS on June 4, 2013, Staff filed an Amended Statement of Allegations with respect to the Respondents;

AND WHEREAS on June 24, 2013, Staff appeared and made submissions and counsel to Rogerson appeared and made submissions on behalf of his client and on behalf of counsel to Hanna-Rogerson and Portfolio Capital;

AND WHEREAS on June 24, 2013, the Commission ordered that:

- (a) Staff shall provide any additional disclosure to the Respondents by July 12, 2013;
- (b) Staff shall provide its witness list and hearing briefs to the Respondents by September 12, 2013;
- (c) the Respondents shall provide their witness lists and hearing briefs to Staff by September 25, 2013;
- (d) the hearing be adjourned to a further pre-hearing conference to be held on September 27, 2013 at 10:00 a.m. to prepare for the hearing on the merits; and
- (e) the hearing on the merits in this matter shall commence on November 4, 2013 at 10:00 a.m. and shall continue on November 6, 7, 8 and 11, 2013;

AND WHEREAS on June 26, 2013, Staff filed an Amended Amended Statement of Allegations with respect to the Respondents;

AND WHEREAS on September 27, 2013, Staff appeared and made submissions and counsel to Rogerson and Portfolio Capital appeared and made submissions on behalf of his clients and on behalf of counsel to Hanna-Rogerson;

AND WHEREAS on September 27, 2013, the Commission ordered that the hearing be adjourned to a further pre-hearing conference to be held on October 9, 2013 at 2:00 p.m.;

AND WHEREAS on October 9, 2013, Staff and counsel to the Respondents appeared and made submissions before the Commission;

AND WHEREAS on October 9, 2013, the Commission ordered that:

- (a) the hearing dates of November 4, 6, 7 and 8, 2013 be vacated;

- (b) the hearing on the merits in this matter shall commence on November 11, 2013 at 10:00 a.m. and shall continue on November 13, 14 and 15, 2013;

- (c) the hearing be adjourned to a further pre-hearing conference to be held on October 17, 2013 at 2:00 p.m.;

- (d) the motion brought by counsel to Rogerson and Portfolio Capital to adjourn the commencement date of November 11, 2013 for the hearing on the merits (the "Motion") will be heard immediately following the pre-hearing conference scheduled for October 17, 2013; and

- (e) the Respondents shall be granted one last indulgence and shall provide their hearing briefs, will-say statements and witness list to Staff by October 29, 2013;

AND WHEREAS counsel to Rogerson and Portfolio Capital filed a Notice of Motion, dated October 15, 2013, and Staff filed the Affidavit of Stephanie Collins, sworn October 16, 2013, in relation to the Motion;

AND WHEREAS on October 17, 2013, Staff and counsel to the Respondents appeared and made submissions for a pre-hearing conference;

AND WHEREAS on October 17, 2013, following the pre-hearing conference, the Commission held a hearing with respect to the Motion, which Staff opposed and counsel to Hanna-Rogerson supported;

AND WHEREAS the Commission considered the factors to grant an adjournment set out in Rule 9.2 of the Commission's *Rules of Procedure* (2012), 35 O.S.C.B. 10071;

AND WHEREAS the Commission considered the motion materials and submissions of 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:

- (a) the hearing on the merits scheduled to commence on November 11, 2013 will commence on February 10, 2014 and shall continue on February 12, 13, 14 and 18, 2014; and
- (b) the hearing is adjourned to a further pre-hearing conference to be held on December 18, 2013 at 10:00 a.m.

DATED at Toronto this 17th day of October, 2013.

"Alan Lenczner"

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Metron Capital Corp.	18 Oct 13	30 Oct 13		
Wasco Capital Inc.	07 Oct 13	18 Oct 13	18 Oct 13	

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order

THERE ARE NO ITEMS FOR THIS WEEK.

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Strike Minerals Inc.	19 Sept 13	01 Oct 13	01 Oct 13		

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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 45-16F1 AND 45-501F1

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	# of Securities Distributed
10/01/2013	8	Acheson Commercial Corner RRSP Inc. - Bonds	158,000.00	N/A
09/30/2013	34	ACM Commercial Mortgage Fund - Units	2,141,722.31	19,204.66
10/09/2013	15	African Queen Mines Ltd. - Units	300,415.00	6,008,300.00
09/26/2013	39	Air Canada - Notes	914,210,000.00	39.00
10/04/2013	1	Allegion US Holdings Company Inc. - Notes	5,153,000.00	1.00
10/02/2013	2	American International Group, Inc. - Notes	3,355,784.52	2.00
10/03/2013	4	Amorfix Life Sciences Ltd. - Units	84,000.00	240,000.00
10/02/2013	94	Avivagen Inc. - Common Shares	2,075,304.00	29,647,202.00
08/02/2013 to 09/12/2013	4	BCR Environmental Corporation - Preferred Shares	5,999,992.95	5,217,393.00
09/27/2013	2	Boart Longyear Management Pty Limited - Notes	20,600,000.00	20,000.00
09/30/2013	3	Boreal Agrominerals Inc. - Common Shares	205,000.00	1,025,000.00
03/26/2013	14	Breakeven Inc. (Amended) - Preferred Shares	355,488.00	2,884.00
10/08/2013	43	Calfrac Holdings LP - Notes	154,383,881.25	43.00
09/24/2013	1	Chieftain Metals Corp. - Flow-Through Shares	25,000.00	31,250.00
09/27/2013	3	China Huishan Dairy Holdings Company Limited - Common Shares	453,966.64	1,280,000.00
09/25/2013	4	CHIP Mortgage Trust - Notes	100,000,000.00	N/A
09/30/2013	1	CNSX Markets Inc. - Common Shares	1,843,642.90	3,352,078.00
09/24/2013	25	Coronet Metals Inc. - Investment Trust Interests	673,350.00	13,467,000.00
09/27/2013	3	Cummins Inc. - Notes	10,222,616.10	10,094.22
10/07/2013	4	Denali Borrower LLC and Danali Finance Corp. - Notes	39,140,000.00	38,000.00
10/02/2013	4	Deutsche Annington Finance B.V. - Notes	5,424,300.00	5,250.00
09/24/2013	4	DuPont Fabros Technology, L.P. - Notes	17,419,140.00	4.00
09/25/2013	4	FireEye, Inc. - Common Shares	417,977.00	20,300.00
09/25/2013	13	FireEye, Inc. - Common Shares	3,099,598.01	150,539.00
10/01/2013	15	First Reliance Real Estate Investment Trust - Units	528,197.50	47,628.27

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	# of Securities Distributed
09/30/2013	3	Foundation Medicine, Inc. - Common Shares	1,055,241.00	57,000.00
10/07/2013	1	Fuel Transfer Technologies Inc. - Common Shares	15,000.00	15,000.00
09/27/2013	24	Gainey Capital Corp. - Common Shares	6,000,000.00	12,000,000.00
09/26/2013	3	GLP J-REIT - Units	2,323,535.85	2,423.00
09/27/2012 to 03/18/2013	1	Goldman Sachs Capital Growth Fund - Class A - Common Shares	844.24	32.00
09/27/2012 to 03/18/2013	1	Goldman Sachs Technology Tollkeeper Fund- Class A - Common Shares	168.85	11.63
10/01/2013	4	Hercules Offshore, Inc. - Notes	3,616,550.00	300,000.00
10/04/2013	3	Hilton Worldwide Finance LLC and Hilton Worldwide Finance Corp. - Notes	3,076,341.00	2,985.00
10/02/2013	3	Hockey Merger Sub 2 Inc. - Notes	18,184,320.00	17,600.00
09/27/2013	21	Hudson River Minerals Ltd. - Common Shares	410,000.00	82,000,000.00
09/30/2013	9	Imperial Capital Partners Ltd. - Capital Commitment	7,400,000.00	N/A
10/03/2013 to 10/08/2013	24	Iskander Energy Corp. - Units	2,811,249.75	3,748,333.00
10/04/2013	7	Ivanhoe Mines Ltd. - Common Shares	108,000,000.00	54,000,000.00
10/18/2013	41	Khalkos Exploration Inc. - Flow-Through Units	275,400.00	5,508,000.00
09/15/2013	1	Kingwest High Income Fund - Units	150,000.00	25,013.34
03/31/2013 to 08/31/2013	59	Kootenay Energy RSP Fund - Units	522,823.58	N/A
10/02/2013	7	Lachlan Star Limited - Common Shares	2,247,839.80	11,239,199.00
09/03/2013	1	Lakefront Utilities Inc. - Debentures	1,847,658.00	1.00
09/10/2013	50	Maplewood International Real Estate Investment Trust - Units	2,000,000.00	625,000.00
09/27/2013	7	Micromem Technologies Inc. - Common Shares	297,424.00	1,851,250.00
10/04/2013	1	Minexco Petroleum, Inc. - Debentures	4,128,800.00	4,000.00
09/30/2013	2	Morgan Stanley - Common Shares	42,168,500.00	1,640,000.00
09/30/2013	1	Mortgage Fund One - Units	500,000.00	170.15
09/30/2013	7	NewStart Financial Inc. - Notes	431,000.00	7.00
10/15/2013	1	Oban Exploration Limited - Common Shares	3,106,200.00	5,000,000.00
09/30/2013	5	Ophthotech Corporation - Common Shares	1,855,414.00	82,000.00
10/03/2013	14	Organic Potash Corporation - Units	200,000.00	2,000,000.00
09/19/2013	22	Portland CVBI Holdings LP - Units	3,104,648.27	N/A

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	# of Securities Distributed
10/04/2013	3	QIWI plc - American Depository Shares	1,413,900.00	45,000.00
10/03/2013	1	Rainbow Resources Inc. - Flow-Through Units	25,000.00	500,000.00
10/03/2013	6	Rainbow Resources Inc. - Units	80,000.00	1,600,000.00
09/20/2013	19	Redstone Investment Corporation - Notes	1,126,400.00	N/A
10/02/2013	1	Regal Lifestyle Communities Inc. - Common Shares	12,499,997.30	1,760,563.00
09/26/2013	10	Response Biomedical Corp. - Receipts	3,119,136.65	1,273,117.00
10/02/2013	4	RingCentral, Inc. - Common Shares	1,954,297.80	145,500.00
09/27/2013	1	Royal Bank of Canada - Notes	10,000,000.00	100,000.00
10/07/2013	9	Royal Bank of Canada - Notes	6,118,900.00	61,189.00
10/04/2013	6	Royal Bank of Canada - Notes	4,766,525.00	46,250.00
10/02/2013	20	Savanna Energy Services Corp. - Notes	49,750,000.00	49,750.00
12/03/2012	1	Scopia PX International Limited - Common Shares	24,820,000.00	N/A
09/25/2013	1	Shutterstock, Inc. - Common Shares	2,470,800.00	40,000.00
09/24/2013	5	Sirius XM Radio Inc. - Notes	23,678,500.00	23,000.00
10/03/2013	8	Solarvest BioEnergy Inc. - Units	425,000.00	1,700,000.00
10/11/2013	2	Spire Real Estate Limited Partnership - Units	1,345,000.00	11,829.38
09/26/2013	1	Standard Chartered PLC - Notes	5,160,500.00	1.00
10/12/2013	3	S.P.C.M. SA - Notes	2,257,542.00	2,185.00
10/18/2013	1	Tasca Resources Ltd. (Amended) - Common Shares	4,000.00	200,000.00
09/27/2013	1	The Nielsen Company (Luxembourg) S.ar.l - Notes	2,575,000.00	2,500.00
10/03/2013	1	TheraVita Inc. - Common Shares	300,000.00	6,000,000.00
09/30/2013	64	TMX Group Limited - Debentures	1,000,000,000.00	1,000,000.00

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Acasti Pharma Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Base Shelf Prospectus dated October 16, 2013
NP 11-202 Receipt dated October 16, 2013

Offering Price and Description:

US\$150,000,000.00

Common Shares

Warrants

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2121181

Issuer Name:

Altus Group Limited
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated October 17, 2013
NP 11-202 Receipt dated October 17, 2013

Offering Price and Description:

\$40,107,500.00 - 3,050,000 Common Shares

Price: \$13.15 per Offered Share

Underwriter(s) or Distributor(s):

BMO NESBITT BURNS INC.
CANACCORD GENUITY CORP.
NATIONAL BANK FINANCIAL INC.
CIBC WORLD MARKETS INC.
CORMARK SECURITIES INC.
HSBC SECURITIES (CANADA) INC.

Promoter(s):

-

Project #2120249

Issuer Name:

American Hotel Income Properties REIT LP
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated October 17, 2013
NP 11-202 Receipt dated October 17, 2013

Offering Price and Description:

Cdn\$35,017,500.00 - 3,450,000 Subscription Receipts
each representing the right to receive one Unit

Price: Cdn\$10.15 per Subscription Receipt

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.
National Bank Financial Inc.

TD Securities Inc.

CIBC World Markets Inc.

Scotia Capital Inc.

Haywood Securities Inc.

Dundee Securities Ltd.

GMP Securities L.P.

Promoter(s):

-

Project #2119976

Issuer Name:

Argent Energy Trust
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated October 17, 2013
NP 11-202 Receipt dated October 18, 2013

Offering Price and Description:

\$60,000,000.00 - 6.50% Convertible Unsecured
Subordinated Debentures Due December 31, 2018

Price: \$1,000.00 per Debenture

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
TD Securities Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Canaccord Genuity Corp.

FirstEnergy Capital Corp.

Promoter(s):

Aston Hill Financial Inc.

Project #2120223

Issuer Name:

Bauer Performance Sports Ltd.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated October 17, 2013
NP 11-202 Receipt dated October 17, 2013

Offering Price and Description:

Cdn\$66,825,000.00 - 5,500,000 Common Shares
Price: Cdn\$12.15 per Offered Share

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #2120174

Issuer Name:

Baylin Technologies Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated October 15, 2013
NP 11-202 Receipt dated October 15, 2013

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

PARADIGM CAPITAL INC.
RAYMOND JAMES LTD.
CORMARK SECURITIES INC.
CLARUS SECURITIES INC.
M PARTNERS INC.

Promoter(s):

-

Project #2120756

Issuer Name:

Baytex Energy Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Base Shelf Prospectus dated October 16, 2013
NP 11-202 Receipt dated October 16, 2013

Offering Price and Description:

CDN\$750,000,000.00
Common Shares

Subscription Receipts

Warrants

Options

Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2121258

Issuer Name:

Bellatrix Exploration Ltd.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated October 21, 2013
NP 11-202 Receipt dated October 21, 2013

Offering Price and Description:

\$175,000,000 - 21,875,000 Common Shares
Price: \$8.00 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.
Dundee Securities Limited
National Bank Financial Inc.
Altacorp Capital Inc.
CIBC World Markets Inc.

Promoter(s):

-

Project #2122291

Issuer Name:

Dynamic Global Balanced Fund
Dynamic Global Equity Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated October 8, 2013
NP 11-202 Receipt dated October 15, 2013

Offering Price and Description:

Series A, E, F, FH, FI, H, I, O and T Units

Underwriter(s) or Distributor(s):

GCIC Ltd.

Promoter(s):

GCIC Ltd.

Project #2120437

Issuer Name:

Franco-Nevada Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Base Shelf Prospectus dated October 21, 2013
NP 11-202 Receipt dated October 21, 2013

Offering Price and Description:

C\$1,000,000,000.00:

Common Shares

Preferred Shares

Debt Securities

Warrants

Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2122161

Issuer Name:

Gear Energy Ltd.
Principal Regulator - Alberta

Type and Date:

Preliminary Long Form Non-Offering Prospectus dated
October 16, 2013

NP 11-202 Receipt dated October 16, 2013

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2121260

Issuer Name:

Man AHL DP Limited
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Non-Offering Prospectus dated
October 15, 2013

NP 11-202 Receipt dated October 17, 2013

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2121300

Issuer Name:

Novadaq Technologies Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Base Shelf Prospectus dated October 11,
2013

NP 11-202 Receipt dated October 15, 2013

Offering Price and Description:

US\$250,000,000.00:

Preferred Shares

Common Shares

Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2120471

Issuer Name:

Petrowest Corporation
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated October 18,
2013

NP 11-202 Receipt dated October 18, 2013

Offering Price and Description:

\$15,000,000.00 - 8,750,000 Class A Common Shares

Price: \$0.80 per Offered Share

Underwriter(s) or Distributor(s):

Beacon Securities Limited

Canaccord Genuity Corp.

Dundee Securities Ltd.

GMP Securities L.P.

Cormark Securities Inc.

Paradigm Capital Inc.

Promoter(s):

-

Project #2121864

Issuer Name:

ProMetic Life Sciences Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated October 21, 2013

NP 11-202 Receipt dated October 21, 2013

Offering Price and Description:

Up to \$20,000,000.00 - * Common Shares

Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

PARADIGM CAPITAL INC.

BEACON SECURITIES LIMITED

D&D SECURITIES INC.

CORMARK SECURITIES INC.

Promoter(s):

-

Project #2122150

Issuer Name:

Twin Butte Energy Ltd.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated October 16, 2013
NP 11-202 Receipt dated October 16, 2013

Offering Price and Description:

\$70,001,100.00 - 35,898,000 Subscription Receipts each representing the right to receive one Common Share
Price \$1.95 per Subscription Receipt

Underwriter(s) or Distributor(s):

Peters & Co. Limited
National Bank Financial Inc.
Canaccord Genuity Corp.
CIBC World Markets Inc.
Cormark Securities Inc.
GMP Securities L.P.
Raymond James Ltd.
Scotia Capital Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Paradigm Capital Inc.

Promoter(s):

-

Project #2119705

Issuer Name:

Boyd Group Income Fund
Principal Regulator - Manitoba

Type and Date:

Final Short Form Prospectus dated October 15, 2013
NP 11-202 Receipt dated October 15, 2013

Offering Price and Description:

2,000,000 Units
Price: \$27.60 per Unit

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
Cormark Securities Inc.
CIBC World Markets Inc.
Laurentian Bank Securities Inc.
Scotia Capital Inc.
Octagon Capital Corporation

Promoter(s):

-

Project #2119106

Issuer Name:

Canadian Imperial Bank of Commerce
Principal Regulator - Ontario

Type and Date:

Final Base Shelf Prospectus dated October 16, 2013
NP 11-202 Receipt dated October 16, 2013

Offering Price and Description:

\$3,000,000,000.00 Medium Term Notes (Principal at Risk Structured Notes)

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Desjardins Securities Inc.
Dundee Securities Ltd.
Laurentian Bank Securities Inc.
MacQuarie Capital Markets Canada Ltd.
National Bank Financial Inc.

Promoter(s):

-

Project #2116650

Issuer Name:

Dynamic Strategic Global Bond Fund (Series A, F, FH, H, I, IP, O and OP units)
Dynamic Blue Chip U.S. Balanced Class (Series A, E, F, FH, FI, H, I, O and T shares)
Principal Regulator - Ontario

Type and Date:

Amendment No. 7 dated October 4, 2013 to the Simplified Prospectuses dated January 30, 2013 (SP amendment no. 7) and Amendment No. 8 dated October 4, 2013 (together with SP amendment no. 7, Amendment no. 8) to the Annual Information Form dated January 30, 2013
NP 11-202 Receipt dated October 16, 2013

Offering Price and Description:

Series A, F, FH, H, I, IP, O and OP units and Series A, E, F, FH, FI, H, I, O and T shares

Underwriter(s) or Distributor(s):

GCIC Ltd.

Promoter(s):

GCIC Ltd.

Project #1997932

Issuer Name:

Dynamic Credit Spectrum Fund (formerly Dynamic High Yield Credit Fund)
Principal Regulator - Ontario

Type and Date:

Amendment #2 dated September 30, 2013 to the Simplified Prospectus and Annual Information Form dated December 24, 2012

NP 11-202 Receipt dated October 16, 2013

Offering Price and Description:

Series A, E, F, FH, FI, H, I and O units @ Net Asset Value

Underwriter(s) or Distributor(s):

GCIC Ltd

Promoter(s):

GCIC, Ltd.

Project #1994869

Issuer Name:

Faircourt Gold Income Corp.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated October 15, 2013
NP 11-202 Receipt dated October 17, 2013

Offering Price and Description:

Rights to Subscribe for up to 2,645,983 Class A Shares at
a Subscription Price of \$4.22 per Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2116588

Issuer Name:

George Weston Limited
Principal Regulator - Ontario

Type and Date:

Final Base Shelf Prospectus dated October 17, 2013
NP 11-202 Receipt dated October 18, 2013

Offering Price and Description:

\$1,000,000,000.00 - Debt Securities (unsecured)
Preferred Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #2115341

Issuer Name:

Front Street Flow-Through 2013-II Limited Partnership
Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated October 16, 2013
NP 11-202 Receipt dated October 18, 2013

Offering Price and Description:

Maximum Offering: \$20,000,000.00 - 800,000 Units
Minimum Offering - 200,000 Units (\$5,000,000.00)
Subscription Price: \$25.00 per Unit

Underwriter(s) or Distributor(s):

NATIONAL BANK FINANCIAL INC.
CIBCWORLD MARKETS INC.
RBC DOMINION SECURITIES INC.

SCOTIA CAPITAL INC.

BMO NESBITT BURNS INC.

TD SECURITIES INC.

GMP SECURITIES L.P.

CANACCORD GENUITY CORP.

MACQUARIE CAPITAL MARKETS CANADA LTD.

RAYMOND JAMES LTD.

DESJARDINS SECURITIES INC.

LAURENTIAN BANK SECURITIES, INC

MANULIFE SECURITIES INCORPORATED

SHERBROOKE STREET CAPITAL (SSC) INC.

TUSCARORA CAPITAL INC.

Promoter(s):

FSC GP VII Corp.
Front Street Capital 2004

Project #2113182

Issuer Name:

Harvest Banks & Buildings Income Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated October 18, 2013
NP 11-202 Receipt dated October 18, 2013

Offering Price and Description:

Series A, Series F and Series R Units @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Harvest Portfolios Group Inc.

Project #2112799

Issuer Name:

Plazacorp Retail Properties Ltd.
Principal Regulator - New Brunswick

Type and Date:

Final Short Form Prospectus dated October 17, 2013
NP 11-202 Receipt dated October 17, 2013

Offering Price and Description:

\$39,950,000.00 - 9,400,000 Common Shares and
\$30,000,000.00 5.75% Convertible Unsecured
Subordinated Debentures due December 31, 2018

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES INC.

SCOTIA CAPITAL INC.

BMO NESBITT BURNS INC.

CIBC WORLD MARKETS INC.

DESJARDINS SECURITIES INC.

NATIONAL BANK FINANCIAL INC.

MACQUARIE CAPITAL MARKETS CANADA LTD.

LAURENTIAN BANK SECURITIES INC.

GMP SECURITIES L.P.

Promoter(s):

-

Project #2118327

Issuer Name:

Templeton Global Bond Fund (Hedged)
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated September 26, 2013 to the Simplified
Prospectus and Annual Information Form dated August 13,
2013

NP 11-202 Receipt dated October 17, 2013

Offering Price and Description:

Series A, F, I and O units @ Net Asset Value

Underwriter(s) or Distributor(s):

Franklin Templeton Investments Corp.

Promoter(s):

Franklin Templeton Investments Corp.

Project #2082628

Issuer Name:

Pro Real Estate Investment Trust
Principal Jurisdiction - Quebec

Type and Date:

Preliminary Short Form Prospectus dated July 8, 2013

Withdrawn on October 18, 2013

Offering Price and Description:

\$*- * Units

Price: \$* per Unit

Underwriter(s) or Distributor(s):

CANACCORD GENUITY CORP.

TD SECURITIES INC.

BMO NESBITT BURNS INC.

CIBC WORLD MARKETS INC.

NATIONAL BANK FINANCIAL INC.

RBC DOMINION SECURITIES INC.

SCOTIA CAPITAL INC.

Promoter(s):

-

Project #2083186

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender of Registration	AMI Partners Inc.	Investment Fund Manager and Portfolio Manager	October 16, 2013
Change in Registration Category	Pacifica Partners Inc.	From: Portfolio Manager To: Portfolio Manager and Investment Fund Manager	October 18, 2013
New Registration	Gestion de fonds O'Leary, s.e.c. / O'Leary Funds Management LP	Investment Fund Manager	October 18, 2013

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Chapter 13

SROs, Marketplaces and Clearing Agencies

13.1 SROs

13.1.1 OSC Staff Notice and Request for Comment – IIROC – Proposed Provisions Respecting Order Execution Services as a Form of Third-Party Electronic Access to Marketplaces

OSC STAFF NOTICE AND REQUEST FOR COMMENT

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)

PROPOSED PROVISIONS RESPECTING ORDER EXECUTION SERVICES AS A FORM OF THIRD-PARTY ELECTRONIC ACCESS TO MARKETPLACES

IIROC is publishing for public comment proposed amendments to its Dealer Member Rules and Universal Market Integrity Rules to help ensure that activity through order execution services is subject to the same degree of supervision and regulatory oversight as other forms of third-party electronic access to marketplaces.

A copy of the IIROC Notice including the proposed amendments was published on our website at <http://www.osc.gov.on.ca>. The comment period ends on January 14, 2013.

13.2 Marketplaces

13.2.1 TriAct Canada Marketplace LP – Notice of Commission Approval of Proposed Changes

TRIACT CANADA MARKETPLACE LP NOTICE OF COMMISSION APPROVAL OF PROPOSED CHANGES

On October 21, 2013, changes to the Form 21-101F2 of TriAct Canada Marketplace LP (TriAct) were approved to allow the introduction of the minimum tradelet size order feature.

The minimum tradelet size order feature was published for comment on March 28, 2013 at (2013), 36 OSCB 3401 (March Notice), together with other changes which included: 1) minimum price improvement, ii) trading at quote for “large” ETF trades, and iii) better than limit (fractional price increments). These three latter changes had since been approved and the related notices of Commission approval were published.

One comment letter was received in response to the March Notice. A summary of the comments received and TriAct's response was previously published on June 20, 2013 on the OSC website and in the OSC Bulletin at (2013), 36 OSCB 6385.

TriAct is expected to publish a notice indicating the intended implementation date of the approved change.

13.3 Clearing Agencies

13.3.1 OSC Notice and Request for Comment – ICE Clear Credit LLC – Application for Exemption from Recognition as a Clearing Agency

OSC NOTICE AND REQUEST FOR COMMENT

ICE CLEAR CREDIT LLC

APPLICATION FOR EXEMPTION FROM RECOGNITION AS A CLEARING AGENCY

A. Background

ICE Clear Credit LLC (**ICC**) has applied (the **Application**) to the Commission for an order pursuant to section 147 of the *Securities Act* (Ontario) (**OSA**) to exempt ICC from the requirement to be recognized as a clearing agency in subsection 21.2(0.1) of the OSA. Among other factors set out in the Application, the exemption is being sought on the basis that ICC is subject to an appropriate regulatory and oversight regime in its home jurisdiction in the United States by its regulators, the Commodity Futures Trading Commission and the Securities Exchange Commission.

ICC clears and settles various types of credit default swaps.

B. Proposed Regulatory Approach

In reviewing the Application, staff followed the process and assessed the Application against the criteria set out in OSC Staff Notice 24-702 *Regulatory Approach to Recognition and Exemption from Recognition of Clearing Agencies* (**Staff Notice**). As noted in the Staff Notice, we are prepared to exempt a clearing agency if it does not pose significant risk to Ontario capital markets and is subject to an appropriate regulatory and oversight regime in another jurisdiction by its home regulator(s).

In determining whether a clearing agency posed significant risk to Ontario, staff consider the level of activity of the clearing agency in Ontario (using indicators such as notional value and volume of transactions cleared for Ontario-based market participants) and other qualitative and quantitative factors, such as interconnectedness, size of obligations and the role and central importance of a clearing agency to a particular market. The existence of different regulatory regimes is acknowledged in the recent CPSS-IOSCO's Principles for financial market infrastructures that require authorities to cooperate with each other in promoting the safety and efficiency of financial market infrastructures. The proposed exemption of ICC is based on the level of risk it posed to Ontario at this time and the regulatory regime that it is currently subject to.

C. Draft Order

In the Application, ICC describes how it addresses each of the criteria set forth in the Staff Notice. Subject to comments received, staff propose to recommend to the Commission that it issue to ICC an exemption order with terms and conditions in the form of the proposed draft order (**Draft Order**).

The Draft Order requires ICC to comply with various terms and conditions, including relating to:

1. Regulation of ICC
2. Governance
3. Filing requirements
4. Information sharing
5. Submission to jurisdiction and agent for service

D. Comment Process

The Commission is publishing for public comment the Application and Draft Order. The Draft Order is published in the same edition of the OSC Bulletin as is this notice and on the OSC website. The Application can be found on the OSC website. We are seeking comment on all aspects of the Application and Draft Order.

You are asked to provide your comments in writing, via e-mail and delivered on or before November 22, 2013 addressed to the attention of the Secretary of the Commission, Ontario Securities Commission, 20 Queen Street West, 22nd floor, Toronto, Ontario, M5H 3S8, e-mail: comments@osc.gov.on.ca.

The confidentiality of submissions cannot be maintained as comments received during the comment period will be published.

Questions may be referred to:

Emily Sutlic
Senior Legal Counsel, Market Regulation
Tel.: 416-593-2362
esutlic@osc.gov.on.ca

Cosmin Cazan
Accountant, Market Regulation
Tel: 416-593-8211
ccazan@osc.gov.on.ca

[DRAFT ONLY]

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

AND

IN THE MATTER OF
ICE CLEAR CREDIT LLC (ICC)

ORDER
(Section 147 of the Act)

WHEREAS ICC has filed an application (**Application**) with the Ontario Securities Commission (**Commission**) pursuant to section 147 of the Act requesting an order exempting ICC from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the Act (**Order**);

AND WHEREAS the Commission issued an interim order (**Interim Order**) exempting ICC from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the Act, until the earlier of (i) December 30, 2013 and (ii) the effective date of a subsequent order exempting ICC from the requirement to be recognized as a clearing agency under section 147 of the Act;

AND WHEREAS the Interim Order will be replaced by this order and therefore be automatically revoked upon issuance of this order;

AND WHEREAS ICC has represented to the Commission that:

1. ICC is a limited liability corporation incorporated under the laws of the State of Delaware in the United States (**U.S.**) and is a wholly-owned subsidiary of ICE U.S. Holding Company L.P. which in turn is a wholly-owned subsidiary of IntercontinentalExchange, Inc. (**ICE**);
2. ICE is a publicly traded corporation organized under the laws of Delaware and listed for trading on the New York Stock Exchange. ICE is an operator of regulated exchanges and clearing houses serving the risk management needs of global markets for agricultural, credit, currency, emissions, energy and equity index products;
3. ICC is a DCO within the meaning of that term under the U.S. Commodity Exchange Act (**CEA**). As a DCO, ICC is subject to regulatory supervision by the United States Commodity Futures Trading Commission (**CFTC**), a U.S. federal regulatory agency. The CFTC reviews, assesses, and enforces a DCO's adherence to the CEA and the regulations promulgated thereunder on an ongoing basis, including but not limited to, the DCO's compliance with "Core Principles" relating to financial resources, participant and product eligibility, risk management, settlement procedures, treatment of funds, default rules and procedures, rule enforcement and system safeguards. ICC is subject to ongoing examination and inspection by the CFTC;
4. ICC is also a clearing agency within the meaning of that term under the Securities Exchange Act of 1934, as amended (**Exchange Act**), and as such is regulated by the United States Securities and Exchange Commission (**SEC**). As a SEC registered securities clearing agency, ICC is subject to regulatory supervision by the SEC, a federal regulatory agency that reviews, assesses and enforces a clearing agency's adherence to the Exchange Act and the regulations promulgated thereunder on an ongoing basis, including but not limited to, the clearing agency's compliance relating to risk management, participant access, records of financial resources and audited financial statements and minimum operating standards. ICC has frequent contact with the SEC, which includes regular reporting as well as reporting that arises on an "as needed" basis;
5. On July 18, 2012, ICC was designated as a systemically important financial market utility (**SIFMU**) by the Financial Stability Oversight Council. SIFMUs receive increased oversight by regulators including the Board of Governors of the Federal Reserve;
6. ICC currently offers clearing services for 64 North American CDS Indices, 7 Emerging Markets CDS Indices, 47 European CDS Indices, 161 North American Corporate Single Names, 4 Sovereign Single Names and 121 European Corporate Single Names (collectively, the **Clearing Products**). New product launches may require the approval of the CFTC and/or SEC;

7. ICC serves as the central counterparty for all OTC trades submitted for clearing;
8. ICC's risk model includes clear and certain rules and procedures (and other aspects of its legal framework) governing ICC's role as central counterparty, as well as appropriate membership criteria that are risk-based. ICC operates a robust pricing and margining/collateral methodology. ICC also has in place appropriate banking and custody arrangements, default resources and management processes. These components are linked by daily monitoring and oversight, undertaken by an experienced risk management team, with appropriate oversight by the Board of Managers;
9. The membership requirements of ICC are publicly disclosed and are designed to permit fair and open access, while protecting ICC and its Clearing Participants as defined in Schedule "A" to this order. The clearing membership requirements include fitness criteria, financial standards, operational standards and appropriate registration qualifications with applicable statutory regulatory authorities. ICC applies a due diligence process to ensure that all applicants meet the required criteria and conducts on-going monitoring of Clearing Participants;
10. All ICC Clearing Participants, including those that are incorporated/domiciled in non-U.S. jurisdictions, must complete an application for participation and make a deposit into the ICC guaranty fund;
11. ICC's Clearing Participants consist of banks and futures commission merchant (**FCM**)/broker dealers (**BD**);
12. ICC does not have any offices or maintain other physical installations in Ontario or any other Canadian province or territory. ICC does not have any plans to open such an office or to establish any such physical installations in Ontario or elsewhere in Canada. However, ICC offers or proposes to offer direct clearing access in Ontario for clearing OTC derivatives products to entities that have a head office or principal place of business in Ontario (**Ontario Clearing Participants**);
13. ICC currently has one Ontario Clearing Participant that has a head office or principal place of business in Ontario, with privileges to clear CDS products on its own behalf, and on behalf of its branches and affiliated companies;
14. ICC currently carries on business in Ontario pursuant to the Interim Order;
15. ICC submits that it does not pose a significant risk to the Ontario capital markets and is subject to an appropriate regulatory and oversight regime in a foreign jurisdiction;
16. Section 21.2(0.1) of the Act prohibits clearing agencies from carrying on business in Ontario unless they are recognized by the Commission as a clearing agency or exempted from such recognition under section 147;

AND WHEREAS ICC has agreed to the respective terms and conditions as set out in Schedule "B" to this order;

AND WHEREAS based on the Application and the representations ICC has made to the Commission, the Commission has determined that ICC satisfies the criteria set out in Schedule "A" and that the granting of the order exempting ICC from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the Act would not be prejudicial to the public interest;

AND WHEREAS the Commission will monitor developments in international and domestic capital markets and ICC's activities on an ongoing basis to determine whether it is appropriate that ICC continue to be exempted from the requirement to be recognized as a clearing agency and, if so, whether it is appropriate that it continue to be exempted subject to the terms and conditions in this order;

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

PROVIDED THAT ICC complies with the terms and conditions attached hereto as Schedule "B".

DATED ●, 2013.

SCHEDULE "A"

**Criteria for Exemption from Recognition by the Ontario Securities Commission
as a Clearing Agency pursuant to section 21.1(0.1) of the *Securities Act* (Ontario)**

PART 1. Governance

- 1.1 The governance structure and governance arrangements of the clearing agency ensures:
- (a) effective oversight of the clearing agency;
 - (b) the clearing agency's activities are in keeping with its public interest mandate;
 - (c) fair, meaningful and diverse representation on the governing body (Board) and any committees of the Board, including a reasonable proportion of independent directors;
 - (d) a proper balance among the interests of the owners and the different entities seeking access (participants) to the clearing, settlement and depository services and facilities (settlement services) of the clearing agency;
 - (e) the clearing agency has policies and procedures to appropriately identify and manage conflicts of interest;
 - (f) each director or officer of the clearing agency, and each person or company that owns or controls, directly or indirectly, more than 10 percent of the clearing agency is a fit and proper person; and
 - (g) there are appropriate qualifications, limitation of liability and indemnity provisions for directors and officers of the clearing agency.

PART 2. Fees

- 2.1 All fees imposed by the clearing agency are equitably allocated. The fees do not have the effect of creating unreasonable barriers to access.
- 2.2 The process for setting fees is fair and appropriate, and the fee model is transparent.

PART 3. Access

- 3.1 The clearing agency has appropriate written standards for access to its services.
- 3.2 The access standards and the process for obtaining, limiting and denying access are fair and transparent. A clearing agency keeps records of
- (a) each grant of access including, for each participant, the reasons for granting such access, and
 - (b) each denial or limitation of access, including the reasons for denying or limiting access to an applicant.

PART 4. Rules and Rulemaking

- 4.1 The clearing agency's rules are designed to govern all aspects of the settlement services offered by the clearing agency, and
- (a) are not inconsistent with securities legislation,
 - (b) do not permit unreasonable discrimination among participants, and
 - (c) do not impose any burden on competition that is not necessary or appropriate.
- 4.2 The clearing agency's rules and the process for adopting new rules or amending existing rules should be transparent to participants and the general public.
- 4.3 The clearing agency monitors participant activities to ensure compliance with the rules.
- 4.4 The rules set out appropriate sanctions in the event of non-compliance by participants.

PART 5. Due Process

- 5.1 For any decision made by the clearing agency that affects an applicant or a participant, including a decision in relation to access, the clearing agency ensures that:
- (a) an applicant or a participant is given an opportunity to be heard or make representations; and
 - (b) the clearing agency keeps a record of, gives reasons for, and provides for appeals or reviews of, its decisions.

PART 6. Risk Management

- 6.1 The clearing agency's settlement services are designed to minimize systemic risk.
- 6.2 The clearing agency has appropriate risk management policies and procedures and internal controls in place.
- 6.3 Without limiting the generality of the foregoing, the clearing agency's services or functions are designed to achieve the following objectives:
- 1. Where the clearing agency acts as a central counterparty, it rigorously controls the risks it assumes.
 - 2. The clearing agency minimizes principal risk by linking securities transfers to funds transfers in a way that achieves delivery versus payment.
 - 3. Final settlement occurs no later than the end of the settlement day. Intraday or real-time finality is provided where necessary to reduce risks.
 - 4. Where the clearing agency extends intraday credit to participants, including a clearing agency that operates net settlement systems, it institutes risk controls that, at a minimum, ensure timely settlement in the event that the participant with the largest payment obligation is unable to settle.
 - 5. Assets used to settle the ultimate payment obligations arising from securities transactions carry little or no credit or liquidity risk. If central bank money is not used, steps are to be taken to protect participants in settlement services from potential losses and liquidity pressures arising from the failure of the cash settlement agent whose assets are used for that purpose.
 - 6. If the clearing agency establishes links to settle cross-border trades, it designs and operates such links to reduce effectively the risks associated with cross-border settlements.
- 6.4 The clearing agency engaging in activities not related to settlement services carries on such activities in a manner that prevents the spillover of risk to the clearing agency that might affect its financial viability or negatively impact any of the participants in the settlement service.

PART 7. Systems and Technology

- 7.1 For its settlement services systems, the clearing agency:
- (a) develops and maintains,
 - (i) reasonable business continuity and disaster recovery plans,
 - (ii) an adequate system of internal control,
 - (iii) adequate information technology general controls, including controls relating to information systems operations, information security, change management, problem management, network support, and system software support;
 - (b) on a reasonably frequent basis, and in any event, at least annually, and in a manner that is consistent with prudent business practice,
 - (i) makes reasonable current and future capacity estimates,
 - (ii) conducts capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner,

(iii) tests its business continuity and disaster recovery plans; and

(c) promptly notifies the regulator of any material systems failures.

7.2 The clearing agency annually engages a qualified party to conduct an independent systems review and prepare a report in accordance with established audit standards regarding its compliance with section 7.1(a).

PART 8. Financial Viability and Reporting

8.1 The clearing agency has sufficient financial resources for the proper performance of its functions and to meet its responsibilities and allocates sufficient financial and staff resources to carry out its functions as a clearing agency in a manner that is consistent with any regulatory requirements.

PART 9. Operational Reliability

9.1 The clearing agency has procedures and processes to ensure the provision of accurate and reliable settlement services to participants.

PART 10. Protection of Assets

10.1 The clearing agency has established accounting practices, internal controls, and safekeeping and segregation procedures to protect the assets that are held by the clearing agency.

PART 11. Outsourcing

11.1 Where the clearing agency has outsourced any of its key functions, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations and that are in accordance with industry best practices. The outsourcing arrangement provides regulatory authorities with access to all data, information, and systems maintained by the third party service provider required for the purposes of regulatory oversight of the agency.

PART 12. Information Sharing and Regulatory Cooperation

12.1 For regulatory purposes, the clearing agency cooperates by sharing information or otherwise with the Commission and its staff, self-regulatory organizations, exchanges, quotation and trade reporting systems, alternative trading systems, other clearing agencies, investor protection funds, and other appropriate regulatory bodies.

SCHEDULE "B"

Terms and Conditions

DEFINITIONS

For the purposes of this Schedule "B":

"Clearing Participant" means a clearing participant as defined under ICC's rules;

"client clearing" means the ability of a Clearing Participant to clear transactions at ICC for and on behalf of a client who is not a Clearing Participant;

"rule" means any provision or other requirement in ICC's rulebook, operating procedures or manuals, user guides, or similar documents governing rights and obligations between ICC and the Clearing Participants or among the Clearing Participants;

"U.S. Authorities" means the CFTC and SEC. Unless the context otherwise requires, other terms used in this Schedule "B" have the meanings ascribed to them in Ontario securities law (including terms defined elsewhere in this exemption order).

REGULATION OF ICC

1. ICC will maintain its registration as a DCO and as a registered securities clearing agency in the United States and will continue to be subject to the regulatory oversight of the U.S. Authorities.
2. ICC will continue to comply with its ongoing regulatory requirements as a DCO and as a registered securities clearing agency in the United States.
3. ICC will continue to meet the criteria for exemption from recognition as a clearing agency as set out in Schedule "A".

GOVERNANCE

4. ICC will continue to promote a corporate governance structure that minimizes the potential for any conflicts of interest between IntercontinentalExchange, Inc. (and its affiliates) and ICC that could adversely affect the clearance and settlement of trades in contracts or the effectiveness of ICC's risk management policies, controls, and standards.

FILING REQUIREMENTS

Filings with U.S. Authorities

5. ICC will promptly provide staff of the Commission the following information, and to the extent that it is required to file such information with the U.S. Authorities it will file such information concurrently with staff of the Commission:
 - (a) the annual audited financial statements of ICC;
 - (b) details of any material legal proceeding instituted against it;
 - (c) notification that ICC has failed to comply with an undisputed obligation to pay money or deliver property to a Clearing Participant for a period of thirty days after receiving notice from the Clearing Participant of ICC's past due obligation;
 - (d) notification that ICC has instituted a petition for a judgment of bankruptcy or insolvency or similar relief, or to wind up or liquidate ICC or has a proceeding for any such petition instituted against it;
 - (e) the appointment of a receiver or the making of any voluntary arrangement with creditors; and
 - (f) material changes to its bylaws and rules.

Prompt Notice

6. ICC will promptly notify staff of the Commission of any of the following:
 - (a) any material change to its business or operations or the information as provided in the Application;

- (b) any material problem with the clearance and settlement of transactions in contracts cleared by ICC that could materially affect the safety and soundness of ICC;
- (c) any event of default by a Clearing Participant;
- (d) any material system failure of a clearing service utilized by an Ontario Clearing Participant;
- (e) any material change or proposed material change in ICC's status as a DCO or registered securities clearing agency or to the regulatory oversight by the U.S. Authorities;
- (f) the admission of any new Ontario Clearing Participant or any other Ontario resident that has entered into a direct connection arrangement with ICC for facilitating the Ontario resident's direct access to one or more ICC systems; and
- (g) the clearing of new products that are proposed to be offered to Ontario Clearing Participants or products that will no longer be available to Ontario Clearing Participants.

Quarterly Reporting

7. ICC will maintain the following updated information and submit such information to the Commission in a manner and form acceptable to the Commission on a quarterly basis (by the end of the month following the end of the calendar quarter), and at any time promptly upon the request of staff of the Commission:
- (a) a current list of all Ontario Clearing Participants;
 - (b) a list of all Ontario Clearing Participants against whom disciplinary action has been taken in the quarter by ICC or, to the best of ICC's knowledge, by the U.S. Authorities with respect to such Ontario Clearing Participants' clearing activities on ICC;
 - (c) a list of all referrals for disciplinary action by ICC relating to Ontario Clearing Participants;
 - (d) a list of all Ontario applicants who have been denied clearing participant status in ICC in the quarter;
 - (e) the maximum and average daily of: open interest, number of transactions and notional value of trades cleared by Clearing Product during the quarter, for each Ontario Clearing Participant;
 - (f) the percentage of average daily open interest, number of transactions and the notional value of trades cleared by Clearing Product during the quarter for all Clearing Participants that represents the average daily open interest, total transactions and notional value of trades cleared during the quarter for each Ontario Clearing Participant;
 - (g) the average daily open interest, number of transactions and notional value of the Single Name CDS products that reference Canadian entities cleared for both Canadian and Non-Canadian Clearing Participants during the previous quarter;
 - (h) the aggregate total margin amount required by ICC ending on the last trading day during the quarter for each Ontario Clearing Participant;
 - (i) the portion of the total margin required by ICC ending on the last trading day of the quarter for all Clearing Participants that represents the total margin required during the quarter for each Ontario Clearing Participant;
 - (j) the Guaranty Fund contribution, for each Ontario Clearing Participant on the last trading day during the quarter, and its proportion of the total Guaranty Fund contributions;
 - (k) a list of Ontario Clearing Participants who have received permission or approval by ICC during the quarter to:
 - 1) perform client clearing at ICC; or
 - 2) clear at ICC new classes of products that the Ontario Clearing Participant was not otherwise permitted or approved to clear under the terms of its ICC membership;
 - (l) a summary of risk management analysis related to the adequacy of required margin and the level of the guaranty funds, including but not limited to stress testing and back testing results;

- (m) based on information available to ICC, the aggregate notional value and volume of transactions cleared during the quarter by Clearing Participants for and on behalf of clients that are Ontario residents; and, where ICC has subsequently verified the accuracy of such aggregate client clearing information for any previous quarters, any summary that describes the results of such verification including any reconciliation of the information previously reported to the Commission;
- (n) to the extent ICC becomes aware of the offering of client clearing to Ontario residents by a Clearing Participant, the identity of such Clearing Participant and its jurisdiction of incorporation (including that of its ultimate parent) that provides such client clearing services to Ontario residents including, where known,
 - 1) the name of each of the Ontario residents receiving such services; and
 - 2) the value and volume of transactions cleared by Clearing Product during the quarter for and on behalf of each Ontario resident;
- (o) any other information in relation to an OTC derivative cleared by ICC for Ontario Clearing Participants as may be required by the Commission from time to time in order to carry out the Commission's mandate; and
- (p) a copy of the bylaws and rules showing all cumulative changes to the bylaws and rules made during the quarter.

INFORMATION SHARING

- 8. ICC will provide such information as may be requested from time to time by, and otherwise cooperate with, the Commission or its staff, subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information.
- 9. Unless otherwise prohibited under applicable law, ICC will share information relating to regulatory and enforcement matters and otherwise cooperate with other recognized and exempt clearing agencies on such matters, as appropriate.

SUBMISSION TO JURISDICTION AND AGENT FOR SERVICE

- 10. With respect to a proceeding brought by the Commission arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of ICC's activities in Ontario, ICC shall submit to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Ontario and (ii) an administrative proceeding in Ontario.
- 11. For greater certainty, ICC shall file with the Commission a valid and binding appointment of an agent for service in Ontario upon whom the Commission may serve a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding arising out of or relating to or concerning the Commission's regulation and oversight of ICC's activities in Ontario.

13.3.2 Notice of Commission Approval – CDS Introduction of daily subscription fee for IIROC compliance reporting – Regulation 800.49

CDS CLEARING AND DEPOSITORY SERVICES INC.

DAILY SUBSCRIPTION FEE FOR IIROC COMPLIANCE REPORTING – REGULATION 800.49

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on October 1, 2013, a subscription fee for a new reporting service *IIROC Compliance Reporting – Regulation 800.49*. The objective of the IIROC compliance reporting service is to assist IIROC Dealer Members in monitoring their Broker-to-Broker trade matching activities for compliance with IIROC Dealer Member Rule 800.49 and to assist them with managing related trade confirmation exemptions stipulated in IIROC Dealer Member Rule 200.1(h). A copy of the CDS notice was published for comment on August 29, 2013 on the Commission's website at: <http://www.osc.gov.on.ca>. No comments were received.

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Chapter 25

Other Information

25.1 Exemptions

Yours very truly,

25.1.1 Scotia Income Advantage Fund – s. 2.1(2) of NI 81-101 Mutual Fund Prospectus Disclosure

“Vera Nunes”
Manager, Investment Funds Branch
Ontario Securities Commission

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption from s. 2.1(2) of NI 81-101 to file a prospectus more than 90 days after the date of the receipt for the preliminary prospectus – National Instrument 81-101 Mutual Fund Prospectus Disclosure.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 2.1(2), 6.1.

October 10, 2013

Torys LLP

Attention: Marlene Davidge

Dear Sirs/Mesdames:

Re: Scotia Income Advantage Fund

Combined Preliminary and Pro Forma Simplified Prospectus, Annual Information Form and Fund Facts dated July 12, 2013

Exemptive Relief Application under Part 6 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (NI 81-101)

Application No. 2013/0641; SEDAR Project Number 2085046

By letter dated September 17, 2013 (the **Application**), Scotia Asset Management L.P., the manager of the Fund applied to the Director of the Ontario Securities Commission (the **Director**) under section 6.1 of NI 81-101 for relief from the operation of subsection 2.1(2) of NI 81-101, which prohibits an issuer from filing a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

This letter confirms that, based on the information and representations made in the Application, and for the purposes described in the Application, the Director intends to grant the requested exemption to be evidenced by the issuance of a receipt for the Fund's prospectus, subject to the condition that the prospectus be filed no later than November 22, 2013.

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