

The Ontario Securities Commission

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November 30, 2001

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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)

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<p>December 7/2001 9:00 a.m.</p>	<p>Michael Goselin, Irvine Dyck, Donald McCrory, Roger Chiasson s.127 T. Pratt in attendance for staff Panel: TBA</p>	<p>April 15 - 19, 2002 9:00 a.m.</p>	<p>Sohan Singh Koonar s. 127 J. Superina in attendance for staff Panel: PMM</p>
<p>December 17/2001 10:00 a.m.</p>	<p>James Frederick Pincock ss. 127 J. Superina in attendance for staff. Panel: PMM</p>	<p>May 27 - July 5, 2002</p>	<p>Michael Cowpland and M.C.J.C. Holdings Inc. s. 122 M. Kennedy and M. Britton in attendance for staff. 161 Elgin Street, Ottawa</p>
<p>January 8,10,11, 17,18,22,24,25, 31/2002 10:00 a.m.</p>	<p>YBM Magnex International Inc., Harry W. Antes, Jacob G. Bogatin, Kenneth E. Davies, Igor Fisherman, Daniel E. Gatti, Frank S. Greenwald, R. Owen Mitchell, David R. Peterson, Michael D. Schmidt, Lawrence D. Wilder, Griffiths McBurney & Partners, National Bank Financial Corp., (formerly known as First Marathon Securities Limited) s.127</p>	<p><u>ADJOURNED SINE DIE</u></p>	
<p>January 15,29, February 12 2:00 p.m.</p>	<p>K. Daniels/M. Code/J. Naster/I. Smith in attendance for staff.</p>	<p>Buckingham Securities Corporation, Lloyd Bruce, David Bromberg, Harold Seidel, Rampart Securities Inc., W.D. Latimer Co. Limited, Canaccord Capital Corporation, BMO Nesbitt Burns Inc., Bear, Stearns & Co. Inc., Dundee Securities Corporation, Caldwell Securities Limited and B2B Trust</p>	
<p>March 5,7,8,14, 15,19,21,22,28, 29/2002 10:00 a.m.</p>	<p>Michael Bourgon</p>	<p>DJL Capital Corp. and Dennis John Little</p>	
<p>March 12, 26 2:00 p.m.</p>	<p>Panel: HIW / DB / RWD</p>	<p>Dual Capital Management Limited, Warren Lawrence Wall, Shirley Joan Wall, DJL Capital Corp., Dennis John Little and Benjamin Emile Poirier</p>	
<p>April 2,4,5,11,12 10:00 a.m.</p>	<p>Jack Banks et al. s. 127 Ian Smith in attendance for staff. Panel: PMM</p>	<p>First Federal Capital (Canada) Corporation and Monter Morris Friesner</p>	
<p>April 9, 2002 2:00 p.m.</p>	<p>Arlington Securities Inc. and Samuel Arthur Brian Milne J. Superina in attendance for Staff s. 127 Panel: PMM</p>	<p>Ricardo Molinari, Ashley Cooper, Thomas Stevenson, Marshall Sone, Fred Elliott, Elliott Management Inc. and Amber Coast Resort Corporation</p>	
<p>January 3/2002</p>	<p>Global Privacy Management Trust and Robert Cranston</p>	<p>Global Privacy Management Trust and Robert Cranston</p>	

PROVINCIAL DIVISION PROCEEDINGS

Irvine James Dyck

M.C.J.C. Holdings Inc. and Michael
Cowpland

Offshore Marketing Alliance and Warren
English

Robert Thomislav Adzija, Larry Allen
Ayles, David Arthur Bending, Marlene
Berry, Douglas Cross, Allan Joseph
Dorsey, Allan Eizenga, Guy Fangeat,
Richard Jules Fangeat, Michael Hersey,
George Edward Holmes, Todd Michael
Johnston, Michael Thomas Peter
Kennelly, John Douglas Kirby, Ernest
Kiss, Arthur Krick, Frank Alan Latam,
Brian Lawrence, Luke John Mcgee, Ron
Masschaele, John Newman, Randall
Novak, Normand Riopelle, Robert Louis
Rizzuto, And Michael Vaughan

S. B. McLaughlin

Southwest Securities

Terry G. Dodsley

November 9/
2001
1:30 p.m.
Courtroom N

1173219 Ontario Limited c.o.b. as
TAC (The Alternate Choice), TAC
International Limited, Douglas R.
Walker, David C. Drennan, Steven
Peck, Don Gutoski, Ray Ricks, Al
Johnson and Gerald McLeod

s. 122

Mr. D. Ferris in attendance for staff.
Provincial Offences Court
Old City Hall, Toronto

November
15/2001
9:00 a.m.

Einar Bellfield

s. 122

Ms. Sarah Oseni in attendance for staff.

Courtroom 111, Provincial
Offences Court
Old City Hall, Toronto

Reference:

John Stevenson
Secretary to the
Ontario Securities Commission
(416) 593-8145

1.1.2 Amendment to IDA Internal Control Policy 3, Statement 2 Early Warning Reporting

AMENDMENT TO IDA INTERNAL CONTROL POLICY 3, STATEMENT 2, EARLY WARNING REPORTING

NOTICE OF COMMISSION APPROVAL

IDA Internal Control Policy 3, Statement 2 regarding early warning reporting been approved by the Ontario Securities Commission. In addition, the Saskatchewan Securities Commission approved, the Alberta Securities Commission did not disapprove and the British Columbia Securities Commission did not object to these amendments. These amendments are effective as of September 21, 2001. The amendments allow the IDA to exercise closer regulatory scrutiny over the financial condition of the firms that are designated in an early warning category. This is achieved by requiring all member firms to immediately report to the IDA of any occurrences where early warning tests have been triggered. With this information, the IDA will be able to monitor and take remedial regulatory action as required pursuant to By-law 30 so as to prevent the further deterioration of the financial condition of a member firm and future impairment of regulatory capital. A copy and description of the amendments were published on July 27, 2001 at (2001) 24 OSCB4659. No comments were received.

1.1.3 CSA Staff Notice 45-301 - MI 45-102 Resale of Securities

**CANADIAN SECURITIES ADMINISTRATORS
STAFF NOTICE 45-301**

**IMPLEMENTATION OF
MULTILATERAL INSTRUMENT 45-102 RESALE OF
SECURITIES**

Instrument In Effect November 30, 2001

Staff of the Canadian Securities Administrators (the "CSA") remind issuers that Multilateral Instrument 45-102 *Resale of Securities* ("MI 45-102") will come into effect on November 30, 2001, in all Canadian jurisdictions other than Québec. At that time, British Columbia Instrument 45-601 and Alberta Rule 45-501 will cease to apply in British Columbia and Alberta.

Certain Resource Issuers

The CSA have received questions concerning the application of MI 45-102 to certain resource issuers.

- (a) **Technical Report Filing Requirement** - The definition of *qualified issuer* in section 1.1 of MI 45-102 sets out certain conditions that must be satisfied for an issuer to avail itself of certain provisions of MI 45-102. Among the conditions is that the issuer have a *current AIF* filed on SEDAR.

Paragraph (e) of the definition sets out an additional condition applicable to certain issuers that have a mineral project or oil and gas producing activities (including exploration). If that issuer is not qualified to file a short form prospectus under National Instrument 44-101 *Short Form Prospectus Distributions*, paragraph (e) requires, in substance, that as a condition of being a "qualified issuer", the issuer's current AIF be supported by a technical report under National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") or National Policy Statement No. 2-B *Guide for Engineers and Geologists Submitting Oil and Gas Reports to Canadian Provincial Securities Administrators* ("NP 2B").

This result is achieved in paragraph (e), in the case of an oil and gas issuer, by the requirement that a report and certificate prepared in accordance with NP 2B "must be filed with its current AIF, as if the current AIF were a prospectus".

The purpose of those words is to make clear that the report must be filed with that current AIF even though NP 2B refers only to prospectuses. In respect of an issuer with a mineral project, the quoted phrase is not intended to vary or add to requirements for the filing of technical reports in accordance with NI 43-101. An issuer with a mineral project that is in compliance with NI 43-101 has no additional obligations under paragraph (e) of this definition in MI 45-102.

It is acceptable to CSA staff if, in applying paragraph (e) of the definition of "qualified issuer" in MI 45-102, an

issuer with a mineral project interprets the word "prospectus" in the quoted phrase as a reference to either a long form prospectus or a short form prospectus under NI 44-101, at its option.

- (b) **SEDAR Project Number** - Resource issuers should, in the notice filed under subsection 3.1(2) of MI 45-102, identify the SEDAR project number under which it has filed a technical report referred to paragraph (e) of the definition of "qualified issuer".

Expiration Date

This notice will expire December 31, 2002.

Further Information

For further information, contact any of the following:

Leigh-Anne Mercier
British Columbia Securities Commission
P.O. Box 10142, Pacific Center
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
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November 30, 2001.

1.1.4 CSA Staff Notice 13-308 - Increases to SEDAR Annual Filing Service Charges

**CANADIAN SECURITIES ADMINISTRATORS'
STAFF NOTICE 13-308**

Increases to SEDAR Annual Filing Service Charges

Staff of the Canadian Securities Administrators ("CSA") are issuing this notice to advise of increases in annual filing service charges for the System for Electronic Document Analysis and Retrieval ("SEDAR"), effective January 1, 2002. These increases will be implemented by CDS INC. in SEDAR in a code update on January 7, 2002, and cover CDS INC.'s costs of implementing and maintaining the System for Electronic Disclosure by Insiders ("SEDI"), which was launched on October 29, 2001. These increases will apply to all reporting issuers (other than mutual funds) that file disclosure documents through SEDAR ("SEDI issuers").

These annual filing service charges for SEDI were outlined in the Notice and Request for Comments for proposed National Instrument 55-102 System for Electronic Data on Insiders (SEDI) now known as the System for Electronic Disclosure by Insiders (SEDI) ("NI 55-102"), published in June 2000, and announced in the Notice for NI 55-102 published in July 2001.

There are no service charges payable either by insiders for filing in SEDI or by the public for accessing information filed in SEDI. Please refer to the following schedule and explanation of filing service charges. The charges listed do not include taxes. However, applicable taxes are payable on these charges and the amount will vary, depending on the jurisdiction.

Breakdown of SEDAR Annual Filing Service Charges for Continuous Disclosure for the Year 2002

<u>1</u> Type of Issuer	<u>2</u> SEDAR Annual Charge \$	<u>3</u> SEDI Annual Charge \$ (14 months in 2002)	<u>4</u> Total of (2)+(3) Charge for 2002 \$	Paid in SEDAR \$		
				<u>5</u> AFS	<u>6</u> AIF	<u>7</u> Total Of (5)+(6)
Single Jurisdiction	455.00	290.00	745.00	745.00	-	745.00
Multi-Jurisdiction	845.00	875.00	1,720.00	1,720.00	-	1,720.00
Single Jurisdiction and Short Form Prospectus	455.00	2,915.00	3,370.00	745.00	2,625.00	3,370.00
Multi-Jurisdiction and Short Form Prospectus	845.00	2,915.00	3,760.00	1,720.00	2,040.00	3,760.00

The timing and amount of these increases in the annual service charge will vary, depending on the type of SEDI issuer. For example, single and multi-jurisdiction issuers (which are not Short Form Prospectus Issuers) will be required to pay the increased service charges upon the filing of their annual financial statements ("AFS") whereas Short Form Prospectus Issuers (including both single and multi-jurisdiction issuers) will be required to pay part of the increase upon filing their AFS and the remaining amount upon filing their Annual Information Form ("AIF").

For 2002, the portion of the SEDAR annual filing service charges that relate to SEDI will cover a 14 month period (12 months of 2002 plus a prorated sum for the two months of 2001 that SEDI was operational). Fees for each subsequent year will only cover a 12 month period.

Disclosure is a cornerstone of securities regulation. Free and ready access to publicly available information regarding insiders and reporting issuers remains fundamental to the efficient operation of capital markets. The CSA has, therefore, determined that charging individual insiders or those accessing SEDI and SEDAR to view publicly available filed information would be counterproductive and not in the public interest.

For more information, please contact your local SEDAR Customer Service Representative or the CDS INC. Helpdesk for Information on SEDAR and SEDI at 1-800-219-5381.

For further information, please contact:

Nathalie Dumancic
Corporate Finance
B.C. Securities Commission
(604) 899-6725 or
(800) 373-6393 (in BC and Alberta)
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November 30, 2001.

1.2 News Releases

1.2.1 OSC Proceeding in Respect of Sohan Singh Koonar, et al. - Adjournment

FOR IMMEDIATE RELEASE
November 22, 2001

**OSC PROCEEDING IN RESPECT OF
SOHAN SINGH KOONAR, SPORTS & INJURY REHAB
CLINICS INC., SELECTREHAB INC., SHAKTI REHAB
CENTRE INC., NIAGARA FALLS INJURY REHAB
CENTRE INC., 962268 ONTARIO INC.,
APNA HEALTH CORPORATION AND
APNA CARE INC.**

ADJOURNED TO APRIL 15, 16, 17, 18 AND 19, 2002

Toronto – The hearing before the Ontario Securities Commission, in respect of Sohan Singh Koonar, Sports & Injury Rehab Clinics Inc., SelectRehab Inc., Shakti Rehab Centre Inc., Niagara Falls Injury Rehab Centre Inc., 962268 Ontario Inc., Apna Health Corporation and Apna Care Inc., is scheduled for April 15, 16, 17, 18 and 19, 2002 commencing at 10:00 a.m.

Copies of the Notice of Hearing and Statement of Allegations are available at www.osc.gov.on.ca or from the Commission, 19th Floor, 20 Queen Street West, Toronto, Ontario.

For Media Inquiries:

Frank Switzer
Director, Communications
416-593-8120

Michael Watson
Director, Enforcement Branch
416-593-8156

For Investor Inquiries:

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 NCE Petrofund and National Bank Financial Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Section 233 of the Regulation - Registrant underwriting a proposed short-form distribution of trust units exempt from clause 224(1)(b) of the Regulation where the issuer is a connected issuer, but not a related issuer, of such registrant and issuer is not a "specified party" as defined in proposed new instrument.

Applicable Regulations

Regulation made under the Securities Act. R.R.O. 1990, Reg. 1015, as am., ss. 219(1), 224(1)(b) and 233.

Rules Cited

Proposed Multi-Jurisdictional Instrument 33-105 Underwriting Conflicts (1993), 21 O.S.C.B. 781

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
QUÉBEC, ONTARIO AND NEWFOUNDLAND**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR
EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
NCE PETROFUND AND
NATIONAL BANK FINANCIAL INC.**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of Québec, Ontario and Newfoundland (collectively the "Jurisdictions") has received an application from National Bank Financial Inc. ("Bank-Affiliated Underwriter") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirements contained in the Legislation that the portion of an offering of securities to be underwritten by an independent underwriter be at least equal to the largest portion of the offering to be underwritten by any non-independent underwriter, where the offering is otherwise being underwritten by underwriters in respect of which the issuer is a "connected

issuer" (the "Proportional Independent Underwriter Requirements"), or the equivalent, shall not apply to a proposed distribution of trust units (the "Trust Units") of NCE Petrofund (the "Issuer") to be made pursuant to a short form prospectus (the "Offering").

AND WHEREAS pursuant to the Mutual Reliance System for Exemptive Relief Applications (the "System"), the Commission des valeurs mobilières du Québec is the principal regulator for this application.

AND WHEREAS the Issuer and Bank-Affiliated Underwriter has represented to the Decision Makers that:

1. The Issuer is an open-end investment trust created on December 16, 1988 under the laws of the Province of Ontario pursuant to a trust indenture between NCE Petrofund Corp. and Computershare Trust Company of Canada, as trustee.
2. The Issuer is a reporting issuer under the securities laws of the Province of Ontario and is a reporting issuer, or the equivalent thereof, in each of the other provinces and territories of Canada.
3. The Issuer has filed with the securities regulatory authority in each of the provinces and territories of Canada a preliminary short form prospectus dated November 7, 2001 (the "Preliminary Prospectus").
4. The Trust Units are listed and posted for trading on The Toronto Stock Exchange and the American Stock Exchange.
5. The Issuer has agreed to issue 3,200,000 Trust Units on a bought deal basis (for aggregate gross proceeds of \$40,800,000) pursuant to an underwriting agreement dated November 5, 2001 (the "Underwriting Agreement") among the Issuer and Bank-Affiliated Underwriter, CIBC World Markets Inc., TD Securities Inc., Canaccord Capital Corporation, Raymond James Ltd. and Yorkton Securities Inc. (collectively, the "Underwriters"), and has agreed to grant to the Underwriters an option for up to an additional 800,000 Trust Units (such option to be exercised prior to the closing of the Offering). The Issuer has also granted to the Underwriters an option "the "Over Allotment Option"), exercisable for a period of 30 days from closing of the Offering, to purchase up to an additional 15% of the Trust Units sold at closing, at the Offering price.
6. The Underwriting Agreement provides, among other things, for the payment of a commission to the Underwriters equal to 5.0% of the gross proceeds of the Offering.
7. The proportion of the Offering to be sold on behalf of the Issuer by the Underwriters (the "Syndicate

Composition") pursuant to the Underwriting Agreement is as follows:

National Bank Financial Inc.	-	35%
CIBC World Markets Inc.	-	25%
TD Securities Inc.	-	13%
Canaccord Capital Corporation	-	9%
Raymond James Ltd.	-	9%
Yorkton Securities Inc.	-	9%

8. The Issuer has undertaken in the Underwriting Agreement to file a preliminary short form prospectus and a short form prospectus (collectively, the "Prospectuses") with the securities regulatory authorities in each of the provinces of Canada and to obtain a receipt therefor in order to qualify the Trust Units for distribution in those provinces. Alberta will be designated as the principal jurisdiction for filing of the Prospectuses.
9. The Underwriters will not benefit in any manner from the Offering other than the payment of the commissions described in paragraph 6 above. However, it is currently intended that substantially all of the net proceeds of the Offering will be used to repay bank indebtedness.
10. The Issuer has a credit facility (the "Credit Facility") currently established with a syndicate of lenders (the "Banks"). Bank-Affiliated Underwriter is affiliated with one of the Banks. The Issuer currently owes the Banks approximately \$145 million under the Credit Facility.
11. The nature of the relationship among the Issuer and the Bank-Affiliated Underwriter and the Banks will be described in the Prospectuses.
12. The Prospectuses will contain a certificate signed by each Underwriter in accordance with Item 21.2 of Form 44-101F3.
13. The net proceeds of the Offering will be used to reduce outstanding borrowings under the Credit Facility.
14. The Issuer is not, in connection with the Offering, a "related issuer" (or equivalent) of any of the Underwriters for the purposes of the Legislation, for purposes of the 1998 draft Multi-Jurisdictional Instrument 33-105 Underwriting Conflicts (the "1998 Proposed Instrument") or for purposes of the Proposed Multi-Jurisdictional Instrument 33-105 as published June 21, 2001 (the "2001 Proposed Instrument").
15. By virtue of the relationships between the Issuer and the Bank-Affiliated Underwriter, the Issuer may, in connection with the Offering, be considered a "connected issuer" (or equivalent) of the Bank-Affiliated Underwriter for the purposes of the Legislation.
16. The Underwriters will participate in the preparation of the preliminary and final Prospectus, the due diligence relating to the Offering and the determination of the price at which the underwriters will purchase the Units from the Issuer. Neither of the Underwriters will benefit in any manner from the Offering other than by the payment of their fees in connection with the Offering.

17. A member of the underwriting syndicate, CIBC World Markets Inc, will underwrite not less than 20 percent of the dollar value of the Offering. Such underwriter will be an independent underwriter as such term is defined in the Proposed Instrument. The Prospectus will identify the independent underwriter, and disclose the role of the independent underwriter in the structuring and pricing of the Offering and in the due diligence activities performed by the underwriters for the Offering.
18. The Issuer is not under any immediate financial pressure to proceed with the Offering and has not been requested or required by the Financial Institution to repay the amounts owing under the credit facility. The Issuer is not a "specified party" within the meaning of the 1998 Proposed Instrument and is not in financial difficulty.
19. The Preliminary Prospectus and the Prospectus will contain a certificate signed by each Underwriter in accordance with the Legislation.
20. The decision to undertake the Offering, including the determination of the terms of the distribution, was made through negotiation between the Issuer and the Underwriters, without involvement of the Bank.
21. The Preliminary Prospectus and the Prospectus will contain such disclosure concerning the nature of the relationship among the Issuer and the Underwriters as would be required under Appendix "C" of the 1998 Proposed Instrument.
22. The Issuer is not a "specified party" as that term is defined in the 1998 Proposed Instrument.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each of the Decision Makers (collectively, the "Decision");

AND WHEREAS 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.

THE DECISION of the Decision Makers pursuant to the Legislation is that the Bank-Affiliated Underwriters shall be exempted from the Independent Underwriter Requirements contained in the Legislation in respect of the Offering. Provided that:

- (a) at time of the Offering, the Issuer is not a "specified party" as that term is defined in the 1998 Proposed Instrument, and the Issuer is not a "related issuer" of an Underwriter as that term is defined in the 1998 Proposed Instrument; and
- (b) the Prospectus relating to the Offering contains disclosure of the relationship between the Issuer and the Bank-Affiliated Underwriter as would be required under Appendix "C" of the 1998 Proposed Instrument.

November 16, 2001.

"Jean Lorrain"

2.1.2 Viking Energy Royal Trust - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer is a connected issuer, but not a related issuer, in respect of registrants that are underwriters in proposed distribution of securities by the issuer - Underwriters exempt from the independent underwriter requirement in the legislation provided that issuer not in financial difficulty.

Applicable Ontario Regulation

Regulation made under the Securities Act, R.S.O. 1990, Reg. 1015, as am., ss. 219(1), 224(1)(b) and 233.

Applicable Ontario Rules

Proposed Multi-Jurisdictional Instrument 33-105 Underwriting Conflicts

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ONTARIO, ALBERTA
QUEBEC AND NEWFOUNDLAND**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
SCOTIA CAPITAL INC., BMO NESBITT BURNS INC.,
NATIONAL BANK FINANCIAL INC. AND
TD SECURITIES INC.**

AND

**VIKING ENERGY ROYALTY TRUST
MRSS DECISION DOCUMENT**

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of Ontario, Alberta, Quebec and Newfoundland (the "**Jurisdictions**") has received an application from Scotia Capital Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc. and TD Securities Inc. (collectively, the "**Applicants**") for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") that the requirement (the "**Independent Underwriter Requirement**") contained in the Legislation which restricts a registrant from acting as an underwriter in connection with a distribution of securities of an issuer made by means of prospectus, where the issuer is a connected issuer (or the equivalent) of the registrant unless a portion of the distribution at least equal to that portion underwritten by non-independent underwriters is underwritten by an independent underwriter, shall not apply to the Applicants in connection with the proposed offering (the "**Offering**") of trust units (the "**Trust Units**") by Viking Energy Royalty Trust (the "**Issuer**") to be

made by means of a short form prospectus (the "**Prospectus**");

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "**System**"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Applicants have represented to the Decision Makers that:

1. The Applicants are registrants under the Legislation, whose head offices are located in the Province of Ontario.
2. The Issuer is a trust governed by the laws of the Province of Alberta.
3. The Issuer is a limited purpose trust established for the purpose of:
 - (a) acquiring, holding or investing in securities, royalties or other interests of: (i) Viking Holdings Inc. ("VHI"), a trustee of Viking Holdings Trust, a trust holding certain property and assets of the Issuer, Viking Energy Acquisitions Ltd. ("VEAL"), a wholly-owned subsidiary of the Issuer that holds certain property and assets of the Issuer, or any subsidiary of the Issuer; (ii) any affiliate of the Issuer; or (iii) any other corporation, royalty or energy trust, income fund, partnership or other form of incorporated or unincorporated organization, any of which holds assets which derive their value from petroleum and natural gas and energy related assets including, without limitation, facilities of any kind, oil sand interests, electricity and power generating assets and pipeline, gathering, processing and transportation assets or facilities with or without associated properties; or
 - (b) making other permitted investments.
4. The Issuer is a reporting issuer under the securities legislation of each of the provinces of Canada and is not in default of any requirements under such securities legislation. The Issuer's outstanding Trust Units are listed on The Toronto Stock Exchange.
5. The Issuer has a market capitalization in excess of \$270 million.
6. The Issuer intends to enter into an underwriting agreement with a syndicate of underwriters including the Applicants and CIBC World Markets Inc., Merrill Lynch Canada Inc. and Raymond James Ltd. (collectively the "**Underwriters**") whereby the Issuer will agree to issue and sell, and the Underwriters will agree to purchase, as principals, the Trust Units.
7. The Issuer will file a preliminary short form prospectus (the "**Preliminary Prospectus**") and the Prospectus with the securities regulatory authorities in each of the provinces of Canada in order to qualify the Trust Units for distribution in those provinces.

8. The Issuer, indirectly through certain subsidiaries, currently has credit facilities (the "Credit Facilities") with Canadian chartered banks (the "Banks") of which the Applicants are subsidiaries. Under the Credit Facilities, the Issuer has aggregate lines of credit available of \$120 million. As at October 31, 2001, the aggregate amount outstanding under the Credit Facilities was \$93,421,823, with the following amounts outstanding with the Banks:

Bank of Nova Scotia	\$32,445,126
Bank of Montreal	\$20,320,905
National Bank of Canada	\$20,327,896
Toronto Dominion Bank	\$20,327,896

9. The proceeds of the Offering, before deducting the Underwriters' fees and expenses of the Offering, are currently expected to be approximately \$15,240,000, or \$17,526,000 if an over-allotment option granted to the Underwriters is exercised in full. The net proceeds will be used by the Issuer to repay outstanding bank indebtedness, to fund the capital expenditure and acquisition program and for general corporate purposes.

10. Accordingly, the Issuer may be considered a "connected issuer" (within the meaning of the Legislation) of the Applicants. The Issuer is not a "related issuer" (within the meaning of the Legislation) of the Applicants.

11. The proportionate percentage share of the Offering to be underwritten by each of the Applicants is as follows:

Scotia Capital Inc.	35.0%
BMO Nesbitt Burns Inc.	10.0%
National Bank Financial Inc.	10.0%
TD Securities Inc.	10.0%

12. The Underwriters, in connection with the Offering, do not comply with the proportional requirements of the Legislation.

13. The nature and details of the relationship between the Issuer, the Applicants and the Banks will be described in the Preliminary Prospectus and the Prospectus as prescribed by proposed Multilateral Instrument 33-105 and the Preliminary Prospectus and the Prospectus will contain a certificate signed by each Underwriter in accordance with Item 21.2 of Form 44-101F3 to National Instrument 44-101.

14. The Applicants will receive no benefit relating to the Offering other than the payment of their fees in connection therewith.

15. The decision to issue the Trust Units, including the determination of the terms of the distribution, was made through negotiations between Viking Management Ltd. (the manager of the Issuer), on behalf of the Issuer and the Underwriters without involvement of the Banks. Each of the Underwriters has participated in the due diligence activities performed for the Offering, in the preparation of the Preliminary Prospectus and in the

structuring of the distribution and pricing of the Trust Units.

AND WHEREAS under the System, this MRSS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

IT IS THE DECISION of the Decision Makers under the Legislation that the Independent Underwriter Requirement shall not apply to the Applicants in connection with the Offering by the Issuer to be made by means of the Prospectus provided that the Prospectus contains the information required by Appendix C to proposed Multilateral Instrument 33-105 and that the Issuer is not a "related issuer" as that term is defined in proposed Multi-lateral Instrument 33-105.

November 14, 2001.

"Paul M. Moore"

"R.S. Paddon"

2.1.3 Monsanto Company - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief from registration, and prospectus requirements for trades involving employees and former employees pursuant to an equity incentive plan.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S. 5., as am. ss. 25, 53 and 74 (1).

Applicable Ontario Rules

Rule 45-503 - Trades to Employees, Executives and Consultants (1998), 21 OSCB 117

Rule 72-501 - Prospectus Exemption for First Trade Over a Market Outside Ontario (1998), 21 OSCB 3873.

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, ALBERTA, SASKATCHEWAN,
MANITOBA AND NEW BRUNSWICK**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
MONSANTO COMPANY**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, Alberta, Saskatchewan, Manitoba and New Brunswick (the "Jurisdictions") has received an application from Monsanto Company ("Monsanto" or the "Company") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that (i) the requirements contained in the Legislation to be registered to trade in a security (the "Registration Requirements") and to file and obtain a receipt for a preliminary prospectus and a prospectus (the "Prospectus Requirements") (collectively, the "Registration and Prospectus Requirements") shall not apply to certain trades in securities of Monsanto made in connection with the Monsanto 2000 Management Incentive Plan (the "Incentive Plan"); and the Monsanto Broad-Based Stock Option Plan (the "Option Plan"); (ii) the Registration Requirements shall not apply to certain trades in Shares (as defined below) made in connection with the Monsanto Employee Stock Purchase Plan (the "ESPP"); (iii) the Registration Requirements shall not apply to first trades of Shares acquired under the Incentive Plan, the Option Plan, or the ESPP (collectively, the "Plans") executed on an exchange or market outside of Canada; and (iv) the requirements contained in the Legislation relating to

the delivery of an offer and issuer bid circular and any notices of change or variation thereto, minimum deposit periods and withdrawal rights, take-up and payment for securities tendered to an issuer bid, disclosure, restrictions upon purchases of securities, financing, identical consideration, collateral benefits, and form filing (the "Issuer Bid Requirements") shall not apply to certain acquisitions by the Company of Shares pursuant to the Plans in each of the Jurisdictions;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS Monsanto has represented to the Decision Makers as follows:

1. Monsanto is a corporation incorporated under the laws of the state of Delaware, is not a reporting issuer or the equivalent under the Legislation and has no present intention of becoming a reporting issuer or the equivalent under the Legislation;
2. The authorized share capital of Monsanto consists of 1,500,000,000 shares of common stock ("Shares"), and 20,000,000 shares of preferred stock ("Preferred Shares"). As of August 20, 2001 there were 258,083,050 Shares and no Preferred Shares issued and outstanding;
3. Monsanto is subject to the requirements of the *Securities Exchange Act* of 1934, as amended, of the United States, including the reporting requirements thereof;
4. Subject to adjustment as described in the Incentive Plan, the total number of Shares that may be to delivered pursuant to awards under the Incentive Plan shall not exceed 22,567,500 (the number of Shares that equals 8.85% of the outstanding Shares immediately after the initial public offering of the Shares assuming no exercise of the underwriters' over-allotment option);
5. Subject to adjustment as described in the Option Plan, the total number of Shares that may be delivered pursuant to the grant of Options under the Option Plan shall not exceed 2,677,500 (the number of Shares that equals 1.05% of the outstanding Shares immediately after the initial public offering of the Shares assuming no exercise of the underwriters' over-allotment option);
6. The purpose of the Incentive Plan is to (a) focus management on business performance that creates stockholder value, (b) encourage innovative approaches to the business of the Company, (c) reward for results, (d) encourage ownership of Monsanto common stock by management, and (e) encourage taking higher risks with an opportunity for higher reward;
7. The purpose of the Option Plan is to (a) focus employees of Monsanto or of its affiliates (collectively "Monsanto Companies") on business performance that creates stockholder value, (b) provide employees with an incentive to enhance stockholder return, and (c)

- encourage employees to view the Company from the perspective of its stockholders;
8. The purpose of the ESPP is to provide a convenient way for employees of the Monsanto Companies to purchase Shares by enabling them to borrow the purchase price of such Shares from the Company and to repay the borrowed amounts through regular payroll deductions;
 9. Shares offered under the Plans are registered with the Securities and Exchange Commission (the "SEC") under the *Securities Act* of 1933, as amended, of the United States;
 10. The Shares are listed for trading on the New York Stock Exchange ("NYSE");
 11. Under the Incentive Plan and the Option Plan, Monsanto may grant options on Shares ("Options"), stock appreciation rights ("SARs"), bonus Shares ("Bonus Shares"), restricted Shares ("Restricted Shares"), unrestricted Shares, dividend equivalents ("Dividend Equivalents") and other stock based awards (collectively referred to as "Awards") to any employee or member (each a "Director") of the board of directors of Monsanto (the "Board") or of any Monsanto Company;
 12. Under the ESPP, employees may purchase Shares by borrowing the purchase price of such Shares from Monsanto and repaying such borrowed amounts through uniform payroll deductions, at least as often as monthly, over a forty (40) month period;
 13. Monsanto or the Monsanto Companies will identify employees or Directors to be granted Awards under the Plans or who are eligible to participate in the ESPP, including such persons resident in the Jurisdictions (the "Canadian Service Providers"). As of October 3, 2001, there are approximately 29, 111, 38, 82 and 1 Canadian Service Providers resident in Alberta, Manitoba, Saskatchewan, Ontario and New Brunswick respectively, eligible to participate in the Plans;
 14. Monsanto intends to engage the services of agent(s) (each an "Agent", collectively, the "Agents") in connection with the administration and operation of the Plans. The current Agent under the Incentive Plan and Option Plan is Merrill Lynch, Pierce Fenner and Smith Inc. ("Merrill Lynch"). The current Agents for the ESPP are Mellon Investor Services LLC and Mellon Securities Inc.;
 15. The current Agents are, and any additional or replacement Agent will be, either a corporation registered under applicable United States securities or banking legislation or a registrant in the Jurisdictions;
 16. The current Agents are registered only as International Dealers in Ontario and are not otherwise registrants in any of the Jurisdictions. If replaced, the Agents are not expected to be registrants in any of the Jurisdictions;
 17. The Agent's role in the Plans will involve various administrative functions and may include: (i) holding Shares on behalf of participants; (ii) acquiring Shares on the open market or otherwise, for purposes of satisfying Share purchases under the ESPP; (iii) facilitating Award exercises (including cashless exercises and stock swap exercises) under the Incentive Plan and the Option Plan; (iv) maintaining accounts on behalf of participants under the Plans; and (v) facilitating the resale of Shares acquired under the Plans through the NYSE;
 18. Participation in the Plans by Canadian Service Providers is voluntary and such persons are not induced to participate in the Plans or to exercise their Awards by expectation of employment or continued employment with the Monsanto Companies;
 19. Awards are not transferable otherwise than by will or the laws of intestacy;
 20. The committee appointed by the Board of Monsanto (the "Committee") shall establish procedures governing the exercise of Options and other Awards that are capable of being exercised. Generally, in order to exercise an Option (or other Award), the option holder must submit to the Agent a written notice of exercise identifying the Option (or other Award) and the number of Shares being exercised, and deliver full payment for the Shares underlying the Options (or other Award) to Monsanto. The Award exercise price may be paid in cash or where permitted by the Committee by way of a stock swap exercise or cashless exercise or by such other method permitted by the Committee from time to time;
 21. Following the termination of a Canadian Service Provider's relationship with the Monsanto Companies, a former Canadian Service Provider or the beneficiary of an Award or Shares by will or the laws of intestacy and their legal representatives (collectively, "Non-Employee Participants") may continue to have rights in respect of such Shares and Awards ("Post-Termination Rights"). Post-Termination Rights may include, among other things, the right of a Non-Employee Participant to exercise an Award for a specified period and the right to sell Shares acquired under the Plans through the Agent;
 22. A copy of the U.S. Prospectus relating to the relevant Plans will be delivered to each Canadian Service Provider who is granted an Award under the Incentive Plan or the Option Plan and to each employee who is eligible to participate in the ESPP. The annual reports, proxy materials and other materials Monsanto is required to file with the SEC, will be provided to persons who acquire Shares under the Plans and become shareholders at the same time and in the same manner as the documents are provided to U.S. shareholders;
 23. Canadian Service Providers, including Non-Employee Participants who wish to sell Shares acquired under the Plans, may do so through the Agent;

24. At the time of any grant of Awards under the Plan, holders of Shares whose last address as shown on the books of Monsanto was in Canada will not hold more than 10% of the outstanding Shares and will not represent in number more than 10% of the total number of holders of Shares;
25. Because there is no market for the Shares in Canada and none is expected to develop, any resale of the Shares acquired under the Plans will be effected through the facilities of, and in accordance with the rules and laws applicable to, a stock exchange or organized market outside of Canada on which the Shares may be listed or quoted for trading;
26. The Legislation of certain of the Jurisdictions does not contain exemptions from the Registration and Prospectus Requirements for Award exercises by Canadian Service Providers and Non-Employee Participants through the Agent where the Agent is not a registrant;
27. The Legislation of certain Jurisdictions does not contain exemptions from the Registration Requirements for Share purchases by the Agent on the open market on behalf of employees under the ESPP because the Agent is not a registrant;
28. Where the Agent sells Shares on behalf of Canadian Service Providers, or Non-Employee Participants, none of the Canadian Service Providers, Non-Employee Participants or the Agent is able to rely on the exemption from the Registration Requirements contained in the Legislation of certain Jurisdictions to effect such sales;
29. The Legislation of certain Jurisdictions deems any trade in Shares acquired under the Incentive Plan or the Option Plan to be a distribution or primary distribution to the public unless, among other things, Monsanto is a reporting issuer and has been a reporting issuer for a prescribed period of time preceding the trade;
30. The exemptions in the Legislation from the Issuer Bid Requirements are not available for certain acquisitions by the Company of its Shares from Canadian Service Providers or Non-Employee Participants in accordance with the terms of the Incentive Plan and the Option Plan, since acquisitions relating to stock-swap exercises may occur at a price that is not calculated in accordance with the "market price," as that term is defined in the Legislation; under the Incentive Plan and the Option Plan, the Company will acquire such tendered Shares at their fair market value, as determined in accordance with such Plans;

AND WHEREAS pursuant to the System, this Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers pursuant to the Legislation is that:

- a) the Registration and Prospectus Requirements shall not apply to any trade or distribution of Awards or Shares made in connection with the Incentive Plan or the Option Plan, including trades or distributions involving Monsanto, the Monsanto Companies, the Agent, Canadian Service Providers, or Non-Employee Participants, provided that the first trade in Shares acquired under the Incentive Plan or the Option Plan pursuant to this Decision shall be deemed a distribution unless such first trade is executed through the facilities of a stock exchange or market outside of Canada on which the Shares may be listed or quoted for trading;
- b) the Registration Requirements shall not apply to any trade in Shares, made in connection with the ESPP, including trades and distributions involving Monsanto, Monsanto Companies, the Agent or employees;
- c) the first trade by Canadian Service Providers or Non-Employee Participants in Shares acquired pursuant to this Decision, including first trades effected through the Agent, shall not be subject to the Registration Requirements, provided such first trade is executed through a stock exchange or market outside of Canada; and
- d) the Issuer Bid Requirements of the Legislation shall not apply to the acquisition by Monsanto of Shares or Awards from Canadian Service Providers or Non-Employee Participants in connection with stock-swap exercises, made in connection with the provisions of the Incentive Plan or the Option Plan.

November 1, 2001.

"Derek Brown"

"R.S. Paddon"

2.1.4 CIBC World Markets Inc., et al. and Shoppers Drug Mart Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer is a connected issuer, but not a related issuer, in respect of registrants that are underwriters in proposed distribution of common shares by the issuer - Underwriters exempt from the independent underwriter requirement in the legislation subject to certain conditions.

Applicable Ontario Regulations

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., ss. 219(1), 224(1)(b) and 233.

Applicable Ontario Rules

Proposed Multi-Jurisdictional Instrument 33-105 *Underwriting Conflicts* (published for comment February 6, 1998).

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, NEWFOUNDLAND,
ONTARIO AND QUÉBEC**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW
SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
CIBC WORLD MARKETS INC.,
SCOTIA CAPITAL INC.,
MERRILL LYNCH CANADA INC.,
CREDIT SUISSE FIRST BOSTON
SECURITIES CANADA INC.,
RBC DOMINION SECURITIES INC.**

AND

**SHOPPERS DRUG MART CORPORATION
MRRS DECISION DOCUMENT**

WHEREAS the securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Newfoundland, Ontario and Québec (the "Jurisdictions") has received an application from CIBC World Markets Inc., Scotia Capital Inc., Merrill Lynch Canada Inc., Credit Suisse First Boston Securities Canada Inc. and RBC Dominion Securities Inc. (the "Filers"), for a decision under the securities legislation of the Jurisdictions (the "Legislation"), that the requirement (the "Independent Underwriter Requirement") contained in the Legislation which restricts a registrant from acting as an underwriter in

connection with a distribution of securities of an issuer made by means of a prospectus, where the issuer is a connected issuer (or the equivalent) of the registrant unless a portion of the distribution at least equal to that portion underwritten by non-independent underwriters is underwritten by an independent underwriter, shall not apply to the Filers in connection with a proposed initial public offering (the "IPO") of common shares ("Common Shares") of Shoppers Drug Mart Corporation ("Shoppers Drug Mart" or "Shoppers") by means of a long form prospectus (the "Prospectus");

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Filers have represented to the Decision Makers that:

1. Shoppers Drug Mart is a private company incorporated under the laws of the Province of New Brunswick, and is not presently a reporting issuer in any province or territory of Canada or any other jurisdiction.
2. Shoppers Drug Mart is proposing to offer its common shares in Canada by way of a long form prospectus in accordance with applicable securities laws, and in the United States, under available exemptions from the prospectus requirements of that jurisdiction.
3. It is anticipated that the common shares will be offered by an underwriting syndicate comprised of the Filers and UBS Bunting Warburg Inc. ("UBS") (collectively, the "Underwriters").
4. The Underwriters and Shoppers Drug Mart will enter into an underwriting agreement in connection with the IPO to conduct the IPO on a firm commitment basis.
5. As of the date hereof, it is anticipated that thirty-five percent (35%) of the IPO will be underwritten by CIBC World Markets Inc. ("CIBCWM"), twenty percent (20%) by Scotia Capital Inc. ("SCI"), twenty percent (20%) by Merrill Lynch Canada Inc. ("MLCI"), ten percent (10%) by Credit Suisse First Boston Securities Canada Inc. ("CSFB"), ten percent (10%) by RBC Dominion Securities Inc. ("RBCDS") and five percent (5%) by UBS.
6. On February 4, 2000, Shoppers entered into a credit agreement with a syndicate of lenders providing for a series of loan facilities totalling Cdn\$850 million and US\$486 million of credit (the "Senior Credit Facility"). Also on February 4, 2000, Shoppers entered into a senior subordinated loan agreement with several lenders (the "Senior Subordinated Facility") providing Cdn\$525 million of credit. All of the Senior Subordinated Facility and Cdn\$535 million and US\$486 million under the Senior Credit Facility were borrowed in connection with Shoppers' acquisition of the Shoppers Drug Mart/Pharmaprix business from Imperial Tobacco Canada Limited on February 4, 2000. As at September 8, 2001, Cdn\$380 million and US\$471 million was borrowed under the Senior Credit Facility,

- and Cdn\$526 million (including capitalized interest) was borrowed under the Senior Subordinated Facility.
7. Canadian Imperial Bank of Commerce ("CIBC"), the Bank of Nova Scotia ("BNS"), Merrill Lynch Capital Canada Inc. and seven other related entities (together, the "ML Entities"), and Royal Bank of Canada ("RBC") are part of the syndicate of lenders for both the Senior Credit Facility and the Senior Subordinated Facility. Credit Suisse First Boston Canada ("CSFBC") is part of the syndicate of lenders for the Senior Credit Facility. CIBC, BNS, the ML Entities, RBC and CSFBC, are collectively referred to as the "Related Entities".
 8. As at September 8, 2001, CIBC is owed Cdn\$44,500,000.00 under the Senior Credit Facility and Cdn\$96,423,721.07 under the Senior Subordinated Facility; BNS is owed Cdn\$49,700,000.00 and US\$9,771,235.42 under the Senior Credit Facility and Cdn\$121,503,374.54 under the Senior Subordinated Facility; ML Entities are owed Cdn\$33,100,000.00 and US\$59,251,381.42 under the Senior Credit Facility and Cdn\$81,002,249.70 under the Senior Subordinated Facility; CSFBC is owed Cdn\$15,800,000.00 under the Senior Credit Facility; and RBC is owed Cdn\$26,200,000.00 under the Senior Credit Facility and Cdn\$60,149,881.45 under the Senior Subordinate Facility.
 9. In addition, CIBC Capital (SD Holdings) Inc. ("CIBCS D") holds 7,000,000 Shoppers common shares and DLJMB Overseas Partners II, C.V., together with ten other related entities (together, the "DLJ Entities") holds 21,528,917 Shoppers common shares. CIBCS D and the DLJ Entities' holdings respectively constitute approximately 3.9% and 12.5% of Shoppers' outstanding common shares, pre-IPO.
 10. CIBCWM and CIBCS D are wholly owned subsidiaries of CIBC, SCI is a wholly-owned subsidiary of BNS, CSFBC is an affiliate of CSFB, and RBCDS is a wholly-owned subsidiary of RBC. Each of the ML Entities is an affiliate of, or is an investment fund organized by an affiliate of, MLCI. Each of the DLJ Entities is an affiliate of, or is an investment fund organized by an affiliate of CSFB.
 11. Each Filer is a registrant in good standing under the securities legislation of each province and territory of Canada.
 12. By virtue of their relationships with CIBCS D and the DLJ Entities, and by virtue of the debt of Shoppers Drug Mart held by the Filers' Related Entities, Shoppers Drug Mart may be considered a "connected issuer", or equivalent, of the Filers under the Legislation and proposed Multi-Jurisdictional Instrument 33-105 published in February, 1998 ("MI 33-105"), but is not a "related issuer" or equivalent.
 13. Shoppers Drug Mart is not a "related issuer", or equivalent, or a "connected issuer", or equivalent, to UBS for the purposes of the Legislation or MI 33-105.
 14. Shoppers Drug Mart is not a "specified party" as defined in MI 33-105.
 15. The Underwriters will receive no benefit pursuant to the IPO, other than payment of their fees in connection therewith.
 16. The determination to proceed with the IPO, including the determination of the terms of the IPO, will be made through negotiation between Shoppers Drug Mart and the Underwriters, and none of the Filers' Related Entities has had, or will have, any involvement in such decision or determination.
 17. All the Underwriters will sign the underwriter's certificate in the preliminary prospectus and will sign the underwriter's certificate in the final prospectus.
 18. The preliminary prospectus and the prospectus will, to the extent applicable, contain the disclosure set forth in Appendix "C" to MI 33-105 and will describe the relationships between Shoppers Drug Mart and the Filers.

AND WHEREAS under the System, this Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers under the Legislation is that, the Independent Underwriter Requirement shall not apply to the Filers in connection with the IPO provided Shoppers Drug Mart is not a related issuer, as defined in MI 33-105, to the Filers at the time of the IPO and is not a specified party, as defined in MI 33-105 at the time of the IPO.

November 9, 2001

"R. Stephen Paddon"

"Howard I. Wetston"

2.1.5 Merrill Lynch Financial Assets Inc. - MRRS Decision

Headnote

MRRS - Mutual Reliance Review System for Exemptive Relief Applications -- issuer is a related issuer and connected issuer of applicant underwriter -- issuer administered by the underwriter, and both issuer and underwriter are subsidiaries of common parent -- issuer proposing distribution by prospectus of tranche of asset-backed securities -- complete relief from the independent underwriter requirement in the Legislation granted since over 90% of the Offering is expected to be sold to institutional investors and no purchase under the prospectus shall be for less than \$500,000.

Applicable Ontario Regulations

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., 219(1), 224(1)(b) and 233.

Rules Cited

Proposed Multi-jurisdictional Instrument 33-105 - Underwriting Conflicts (1998) 21 OSCB 781.

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ONTARIO, BRITISH COLUMBIA,
ALBERTA, QUÉBEC AND NEWFOUNDLAND**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR
EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
MERRILL LYNCH FINANCIAL ASSETS INC.
(formerly MERRILL LYNCH MORTGAGE LOANS INC.)
AND MERRILL LYNCH CANADA INC.**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, British Columbia, Alberta, Québec and Newfoundland (the "Jurisdictions") has received an application from Merrill Lynch Financial Assets Inc. (formerly Merrill Lynch Mortgage Loans Inc.) (the "Issuer") and Merrill Lynch Canada Inc. ("ML Canada") (the Issuer and ML Canada are collectively referred to herein as the "Filer") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the provision contained in the Legislation mandating independent underwriter involvement shall not apply to ML Canada and the Issuer in respect of the proposed offering of Canada 6 Pass-Through Certificates (as defined below);

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the

"MRRS") the Ontario Securities Commission is the principal regulator for this Application;

AND WHEREAS it has been represented by the Filer to the Decision Makers that:

1. The Issuer was incorporated under the laws of Canada on March 13, 1995; effective March 15, 2001, the Issuer changed its name from Merrill Lynch Mortgage Loans Inc. to Merrill Lynch Financial Assets Inc.; the authorized share capital of the Issuer consists of an unlimited number of common shares, of which 1,000 common shares are issued and outstanding, all of which are held by Merrill Lynch & Co., Canada Ltd. ("ML & Co."); the head office of the Issuer is located in Toronto, Ontario.
2. To date the Issuer has issued 600,000,000 S&P BULLS (the "S&P 500 Bulls"), \$182,083,237 (initial certificate balance) of pass-through certificates of which \$163,874,000 (initial certificate balance) were designated as Exchangeable Commercial Mortgage Pass-Through Certificates, Series 1998 - Canada 1 (the "Offered Certificates"), \$163,874,000 (initial certificate balance) Commercial Mortgage Pass-Through Certificates, Series 1998-Canada 1 (the "C-1 Certificates"), \$193,741,000 (initial certificate balance) of Commercial Mortgage Pass-Through Certificates, Series 1999-Canada 2 (the "C-2 Certificates"), \$220,000,000 (initial certificate balance) of 1st Street Tower Pass-Through Certificates (the "Tower Certificates"), approximately \$227,324,000 (initial certificate balance) of Commercial Mortgage Pass-Through Certificates, Series 2000-Canada 3 (the "C-3 Certificates"), approximately \$115,500,000 (initial certificate balance) of BMCC Corporate Centre Pass-Through Certificates, Series 2000-BMCC (the "BMCC Certificates"), approximately \$255,981,000 (initial certificate balance) of Commercial Mortgage Pass-Through Certificates, Series 2000-Canada 4 (the "C-4 Certificates"), approximately \$187,680,000 (initial certificate balance) of Commercial Mortgage Pass-Through Certificates, Series 2001-LBC (the "LBC Certificates") and approximately \$221,990,000 (initial certificate balance) of Commercial Mortgage Pass-Through Certificates, Series 2001-Canada 5 (the "C-5 Certificates").
3. The Issuer filed a renewal annual information form on May 18, 2001.
4. The Issuer has been a "reporting issuer" pursuant to the securities legislation in certain of the provinces of Canada for over 12 calendar months. Pursuant to a decision dated November 30, 2000 of the Decision Makers of Ontario, British Columbia, Alberta, Newfoundland, Nova Scotia and Saskatchewan (the "November 30, 2000 Decision"), the Issuer has been granted certain relief in connection with the requirement in securities legislation of such jurisdictions to make continuous disclosure of its financial results, and from other forms of continuous disclosure required under such legislation, provided that the Issuer complies with the conditions set out in the November 30, 2000 Decision.

5. The Issuer currently has no assets or liabilities other than its rights and obligations under certain of the material contracts related to the S&P 500 BULLS, the C-1 Certificates, the C-2 Certificates, the C-3 Certificates, the C-4 Certificates, the C-5 Certificates, the LBC Certificates, the Tower Certificates and the BMCC Certificates transactions and does not presently carry on any activities except in relation to the S&P 500 Bulls, the C-1 Certificates, the C-2 Certificates, the C-3 Certificates, the C-4 Certificates, the C-5 Certificates, the LBC Certificates, the Tower Certificates and the BMCC Certificates.
6. The officers and directors of the Issuer are employees of ML Canada or its affiliates.
7. ML Canada was continued and amalgamated under the laws of Canada on August 26, 1999; the authorized share capital of ML Canada consists of an unlimited number of common shares; the common shares of ML Canada are owned by ML & Co. and Midland Walwyn Inc; the head office of ML Canada is located in Toronto, Ontario.
8. ML Canada is not a reporting issuer in any Canadian province;
9. ML Canada is registered as a dealer in the categories of "broker" and "investment dealer" and is a member of the Investment Dealers Association of Canada;
10. The Issuer proposes to offer Commercial Mortgage Pass-Through Certificates, Series 2001-Canada 6 (the "Canada 6 Pass-Through Certificates"), issuable in classes, with an Approved Rating by an Approved Rating Organization, as those terms are defined in the Legislation with respect to short form prospectus distributions, to the public in Canada (the "Offering"), to finance the purchase by the Issuer from Merrill Lynch Capital Canada Inc. and from other originators of mortgage loans as may be specified in the prospectus in respect of the Canada 6 Pass-Through Certificates of ownership interests in particular mortgage loans deposited with Montreal Trust Company of Canada as custodian; each Canada 6 Pass-Through Certificate of a particular class will represent an undivided co-ownership interest in a particular pool of mortgage loans.
11. ML Canada proposes to act as the underwriter in connection with the distribution of 100% of the dollar value of the distribution for the proposed Offering.
12. The Filers expect that approximately 90% of the Offering, in which the minimum subscription will be \$500,000, will be made to Canadian institutions, pension funds, endowment funds or mutual funds based upon the experience of the Canada 1, Canada 2, Canada 3, Canada 4 and Canada 5 offerings and ML & Co.'s U.S. experience.
13. The only financial benefits which ML Canada will receive as a result of the proposed Offering are the normal arm's length underwriting commission and reimbursement of expenses associated with a public offering in Canada, which commissions and reimbursements shall for purposes of this Decision be deemed to include the increases or decreases contemplated by Section 3.5(a)(1) of National Policy No. 44 and by the applicable securities legislation in Québec.
14. ML Canada administers the ongoing operations and pays the ongoing operating expenses of the Issuer, for which ML Canada receives no additional compensation.
15. The Issuer may be considered to be a related issuer (as defined in the Legislation) and therefore a connected (or equivalent) issuer (as defined in the Legislation) of ML Canada for the purposes of the proposed Offering because:
 - (a) both ML Canada and the Issuer are subsidiaries of ML & Co.
 - (b) the officers of the Issuer are employees of ML Canada or its affiliates.
 - (c) ML Canada administers the on-going operations of the Issuer.
16. In connection with the proposed distribution by ML Canada of 100% of the Canada 6 Pass-Through Certificates of the Issuer, the preliminary and final prospectus and the prospectus supplement of the Issuer shall contain the following information:
 - (a) on the front page of each such document,
 - (i) a statement, naming ML Canada, in bold type which states that the Issuer is a related or connected issuer of ML Canada in connection with the distribution,
 - (ii) a summary, naming ML Canada, stating that the Issuer is a related or connected issuer of ML Canada based on, among other things, the common ownership of ML Canada and the Issuer,
 - (iii) a cross-reference to the applicable section in the body of the document where further information concerning the relationship between the Issuer and ML Canada is provided, and
 - (iv) a statement that the minimum subscription amount is \$500,000;
 - (b) in the body of each such document,
 - (i) a statement, naming ML Canada, that the Issuer is a related or connected issuer of ML Canada in connection with the distribution,
 - (ii) the basis on which the Issuer is a related or connected issuer to ML Canada, including details of the common

ownership by ML & Co. of ML Canada and the Issuer, and other aspects of the relationship between ML Canada and the Issuer,

- (iii) disclosure regarding the involvement of ML Canada in the decision to distribute the Canada 6 Pass-Through Certificates being offered and the determination of the terms of the distribution, and
- (iv) details of the financial benefits described in paragraph 13 of this Decision Document which ML Canada will receive from the proposed Offering;

AND WHEREAS pursuant to the MRRS this Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers pursuant to the Legislation is that the requirement contained in the Legislation mandating independent underwriter involvement shall not apply to ML Canada and the Issuer in connection with the Offering provided that the Issuer complies with Paragraph 16 hereof.

November 9, 2001.

"Paul M. Moore"

"Robert W. Korthals"

2.1.6 Queensbury Securities Inc. - Exemption from OSC Rule 31-507 SRO Membership

Headnote

Rule 31-507 - Section 4.1 - extension of time frame in which to become a SRO member - registrant working diligently with IDA to complete application

Rule Cited

OSC Rule 31-507 - SRO Membership - Securities Dealers and Brokers

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

AND

**IN THE MATTER OF
ONTARIO SECURITIES COMMISSION RULE 31-507
SRO MEMBERSHIP - SECURITIES DEALERS AND
BROKERS (the "Rule")**

AND

**IN THE MATTER OF
QUEENSBURY SECURITIES INC.**

EXEMPTION

(Section 4.1 of OSC Rule 31-507)

UPON the application of Queensbury Securities Inc. ("Queensbury") to the Director under the Act (the "Director") for a partial exemption pursuant to section 4.1 of the Rule granting Queensbury an extension of the time period set forth in section 2.2 of the Rule requiring it to be a member of a self regulatory organization recognized under section 21.1 of the Act (a recognized "SRO") on the renewal of its registration under the Act;

AND UPON considering the application and the recommendation of the staff of the Ontario Securities Commission (the "Commission");

AND UPON Queensbury having represented to the Director as follows:

1. Queensbury is a corporation incorporated under the Business Corporations Act (Ontario) and is not a reporting issuer in any of the provinces or territories of Canada or in any other jurisdiction.
2. Queensbury is registered under the Act as a dealer in the category of "securities dealer".
3. Queensbury's registration under the Act as a dealer in the category of securities dealer must be renewed by November 24, 2001.
4. In the absence of this exemption, subsection 1.1(1) and section 2.2 of the Rule would have the effect of

requiring that, on or before November 24, 2001, Queensbury be a member of the Investment Dealers Association of Canada (the "IDA") or the Mutual Fund Dealers Association of Canada (the "MFDA"), in order to be registered under the Act.

5. Queensbury is diligently working on its application (the "IDA Application") for membership in the IDA. It is in active discussions with the IDA concerning certain outstanding issues and is diligently working towards resolving these issues.
6. Queensbury will resolve all outstanding issues relating to the IDA Application and will submit a completed IDA Application to the IDA on or before January 31, 2002. After submitting the completed IDA Application to the IDA, Queensbury will work diligently with the IDA to resolve any deficiencies raised by the IDA during its review of the IDA Application and will use its best efforts to become a member of the IDA by June 1, 2002.
7. Queensbury has agreed to the imposition of the term and condition on Queensbury's registration as a "securities dealer" set out in the attached Schedule "A", which term and condition will be effective as of the date of this Exemption.

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

THE DECISION of the Director under section 4.1 of the Rule is that Queensbury shall be granted an extension to June 1, 2002 of the time period set forth in section 2.2 of the Rule requiring Queensbury to be a member of a Recognized SRO, provided that this exemption will terminate on the earlier of the date that Queensbury becomes a member of a Recognized SRO and June 1, 2002.

November 23, 2001.

"Peggy Dowdall-Logie"

SCHEDULE "A"

TERM AND CONDITION ON REGISTRATION OF QUEENSBURY SECURITIES INC.

1. No later than January 31, 2002, Queensbury Securities Inc. shall have submitted an application for membership to the IDA that is complete in all material respects.
2. Queensbury Securities Inc. shall, immediately upon satisfying the term and condition set out in paragraph 1 above, provide written notice of such event to the Ontario Securities Commission, attention: Allison McBain, Senior Registration Officer, or such other person as the Manager, Registrant Regulation may advise from time to time.

**2.1.7 Select Capital Management Inc. -
Exemption from OSC Rule 31-507 SRO
Membership**

Headnote

Rule 31-507 - Section 4.1 extension of time frame in which to become a SRO member - registrant working diligently with IDA to complete application.

Rule Cited

OSC Rule 31-507 - SRO Membership - Securities Dealers and Brokers

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

AND

**IN THE MATTER OF
ONTARIO SECURITIES COMMISSION
RULE 31-507
SRO MEMBERSHIP -
SECURITIES DEALERS AND BROKERS**

AND

**IN THE MATTER OF
SELECT CAPITAL MANAGEMENT INC.**

**EXEMPTION
(Section 4.1 of OSC Rule 31-507)**

UPON the application of Select Capital Management Inc. ("Select") to the Director under the Act (the "Director") for a partial exemption pursuant to section 4.1 of Ontario Securities Commission Rule 31-507 - SRO Membership - Securities Dealers and Brokers - (the "Rule") granting Select an extension to the time period set forth in section 2.2 of the Rule requiring it to be a member of a recognized SRO on the renewal of its registration under the Act;

AND UPON considering the application and the recommendation of the staff of the Ontario Securities Commission (the "Commission");

AND UPON Select having represented to the Director as follows:

1. Select is a corporation incorporated under the *Business Corporations Act* (Ontario) and is not a reporting issuer in any of the provinces or territories of Canada or in any other jurisdiction.
2. Select is registered under the Act as a dealer in the category of "securities dealer".
3. Select's registration under the Act as a dealer in the category of securities dealer must be renewed by November 26, 2001.

4. In the absence of this Exemption, subsection 1.1(1) and section 2.2 of the Rule would have the effect of requiring that, on or before November 26, 2001, Select be a member of the Investment Dealers Association of Canada (the "IDA") or the Mutual Fund Dealers Association of Canada (the "MFDA"), in order to be registered under the Act.
5. Select is diligently preparing its application (the "IDA Application") for membership in the IDA and will submit the completed IDA Application to the IDA for review on or before January 31, 2002. After submitting the completed IDA Application to the IDA, Select will work diligently with the IDA to resolve any deficiencies raised by the IDA during its review of the IDA Application and will use its best efforts to become a member of the IDA by June 1, 2002.
6. Select has agreed to the imposition of the term and condition on Select's registration as a "securities dealer" set out in the attached Schedule "A" which term and condition will be effective as of the date of this Exemption.

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

THE DECISION of the Director under section 4.1 of the Rule is that Select shall be granted an extension to June 1, 2002 to the time period set forth in section 2.2 of the Rule requiring Select to be a member of a SRO recognized (a "Recognized SRO") by the Commission under section 21.1 of the Act, provided that this exemption will terminate on the earlier of the date that Select becomes a member of a Recognized SRO and June 1, 2002.

November 23, 2001.

"Peggy Dowdall-Logie"

SCHEDULE "A"

**TERMS AND CONDITIONS ON REGISTRATION OF
SELECT CAPITAL MANAGEMENT INC.**

1. No later than January 31, 2002, Select Capital Management Inc. shall have submitted an application for membership to the IDA that is complete in all material respects.
2. Select Capital Management Inc. shall, immediately upon satisfying the term and condition set out in paragraph 1 above, provide written notice of such event to the Ontario Securities Commission, attention: Allison McBain, Senior Registration Officer, or such other person as the Manager, Registrant Regulation may advise from time to time.

2.1.8 Anchor Securities Limited

Headnote

Rule 31-507 - Section 4.1 - extension of time in which to become a SRO member- registrant agrees to terms and conditions regarding time frame to become a member of the IDA and consequences of not obtaining such membership within the time frame.

Statute Cited

Securities Act, R.S.O. 1990, c. S.5., as am., s. 21.1.

Rule Cited

OSC Rule 31-507 "SRO Membership - Securities Dealers and Brokers" (2000) 23 O.S.C.B. 5657, ss. 1.1(1), 2.2 and 4.1.

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

AND

**IN THE MATTER OF
ONTARIO SECURITIES COMMISSION RULE 31-507
SRO MEMBERSHIP- SECURITIES DEALERS AND
BROKERS
(the "Rule")**

AND

**IN THE MATTER OF
ANCHOR SECURITIES LIMITED**

**DECISION
(Section 4.1 of the Rule)**

UPON the Director having received an application (the "Application") from Anchor Securities Limited ("Anchor") seeking a decision pursuant to section 4.1 of the Rule to exempt, until April 11, 2002, Anchor from the application of subsection 1.1(1) of the Rule, which would require that Anchor be a member of a self-regulatory organization ("SRO") recognized by the Ontario Securities Commission (the "Commission") under section 21.1 of the Act;

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

AND UPON Anchor having represented to the Director that:

1. Anchor is registered as a dealer in the category of "securities dealer" under the Act;
2. Anchor's registration as a dealer in the category of "securities dealer" is subject to renewal on November 11, 2001;
3. In the absence of this Decision, subsection 1.1(1) and section 2.2 of the Rule would have the effect of

requiring that, on or before November 11, 2001, Anchor be a member of the Investment Dealers Association of Canada (the "IDA") or the Mutual Fund Dealers Association of Canada;

4. Anchor has experienced delays in completing its preparation for the audit of its March 31, 2001 year-end financial statements arising from mis-settling of securities transactions between two Canadian financial institutions occurring during January 2000 through to November 2000, which has resulted in a delay in Anchor receiving membership in the IDA;
5. Anchor intends on obtaining membership in the IDA on or before April 11, 2002;
6. Anchor has agreed to the imposition of the terms and conditions on Anchor's registration as a "securities dealer" set out in the attached Schedule "A".

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

IT IS THE DECISION of the Director, pursuant to section 4.1 of the Rule, that Anchor, effective November 11, 2001, is hereby exempt from the requirement of subsection 1.1(1) of the Rule to be a member of a SRO recognized by the Commission under section 21.1 of the Act, provided that:

- A. upon the occurrence of an Event of Default, this exemption will terminate 90 days after the Default Date (as such terms are defined in Schedule "A"); and
- B. if no Event of Default occurs on or before April 11, 2002, this exemption will terminate on April 11, 2002.

November 26, 2001

"Peggy Dowdall-Logie"

Schedule "A"

Terms and Conditions of Renewal of Registration of Anchor Securities Limited as a "Securities Dealer"

Note: The following specific terms and conditions are being imposed on the registrant pursuant to subsection 26(2) of the Securities Act and supplement existing specific terms and conditions that are already applicable to the registrant pursuant to subsection 26(2) of the Act.

None of these specific terms and conditions applicable to the registrant replace any of the general terms, conditions or other requirements contained in the Act or regulations made thereunder, that are, according to their terms, also applicable to the registrant.

Definitions

1. For the purposes hereof, unless the context otherwise requires:
 - (a) "Act" means the Securities Act, R.S.O. 1990, c. S.5, as amended;
 - (b) "Anchor" means Anchor Securities Limited;
 - (c) "Commission" means the Ontario Securities Commission;
 - (d) "Default Date" means the date upon which notice is received by Anchor from the Senior Accountant pursuant to paragraph 8 regarding an Event of Default;
 - (e) "Default Month" means the calendar month in which notice is received by Anchor from the Senior Accountant pursuant to paragraph 8 regarding an Event of Default;
 - (f) "Event of Default" means the first notice received by Anchor from the Senior Accountant pursuant to paragraph 8 regarding failure by Anchor to comply with any requirement in paragraphs 4 through 7, unless such notice is waived or withdrawn in writing by the Senior Accountant;
 - (g) "IDA" means the Investment Dealers Association of Canada;
 - (h) "JRFQR" means the Joint Regulatory Financial Questionnaire and Report required by the IDA to be submitted with an application for registration by a corporation as a member of the IDA;
 - (i) "Regulation" means R.R.O 1990, Reg. 1015, as amended, made under the Act;
 - (j) "related party", "related party transactions" and "capital assets" shall have the meaning ascribed to those terms in the Handbook of the Canadian Institute of Chartered Accountants;
 - (k) "Senior Accountant" means Felicia Tedesco, Senior Accountant, Capital Markets Branch, or

such other designated employee of the Commission that the Senior Accountant notifies Anchor is to act as Senior Accountant for the purposes hereof;

- (l) "Terminating Period" means the period beginning on the Default Date and ending at the end of the day on the 90th day after the Default Date; and
- (m) other terms that are defined in the Act or the Regulation shall have the corresponding meaning.

Duration of Renewal of Registration

- 2. Anchor's registration shall be restricted in duration until April 11, 2002, at which time it will be subject to renewal.
- 3. Upon an Event of Default, notwithstanding paragraph 2 of this Schedule, Anchor's registration will, at the instance of the Director, and without the need for the Director to conduct a hearing, be suspended at the end of the Terminating Period.

Timetable

- 4. No later than December 11, 2001, Anchor shall have submitted a completed application (the "Membership Application") to the IDA for membership, and to the Senior Accountant, which contains all materials required to be submitted for membership (referred to in the application package provided by the IDA), other than audited financial statements more current than March 31, 2001 and a current audited JRFQR (as referred to in paragraph 5 hereof), both of which shall be submitted not later than January 11, 2002.
- 5. No later than January 11, 2002, Anchor shall have filed with the Commission, to the attention of the Senior Accountant, a copy of an audited JRFQR, prepared as at a date on or after November 30, 2001, which has been submitted by Anchor to the IDA and demonstrates that Anchor has satisfied the capital requirements for membership in the IDA.
- 6. No later than March 11, 2002, Anchor shall have responded to all deficiencies identified by staff of the IDA in the course of their review of the Membership Application. A copy of such response to the deficiencies listed by the IDA shall also be sent to the Commission to the attention of the Senior Accountant.
- 7. No later than April 11, 2002, Anchor shall have satisfied, to the satisfaction of staff of the IDA, all requirements for membership in the IDA and have been granted membership by the IDA. Satisfaction of these requirements shall be confirmed by Anchor by sending such confirmation to the Senior Accountant no later than April 11, 2002. In the event that staff of the IDA is unavailable to provide such confirmation, Anchor shall have filed with the Commission, to the attention of the Senior Accountant, no later than April 11, 2002, a certificate executed by a Senior Officer of Anchor,

which represents such satisfaction and explains why staff of the IDA is unavailable to give such confirmation.

Event of Default and Terminating Conditions

- 8. Upon written notice from the Senior Accountant to Anchor constituting an Event of Default, paragraphs 9 through 16 shall be triggered into operation.
- 9. Anchor shall not open any new client accounts after the Default Date.
- 10. On or before 15 days after the end of the Default Month, Anchor shall file with the Commission, to the attention of the Senior Accountant, the following information:
 - (a) the total number of client accounts of Anchor sorted according to the type of account (e.g. cash account, RRSP account, margin account), as at the end of the Default Month;
 - (b) details as to how securities held by Anchor for clients are registered (i.e. nominee name or client name), including the number of nominee and client name accounts, as at the end of the Default Month;
 - (c) identification of all securities (specifying name of issuer and type of security) in which Anchor purchased or sold securities on behalf of clients or for its own account, during the Default Month;
 - (d) in the case of each client of Anchor, a reconciliation of the securities held on behalf of the client as recorded on the books of Anchor to the records of the books of any other person or company holding the securities on behalf of Anchor, as at the end of the Default Month;
 - (e) for each account of Anchor at a financial institution, a reconciliation of the account balance recorded on the books of Anchor to that recorded by the financial institution, as at the end of the Default Month;
 - (f) interim financial statements of Anchor, including an income statement, a classified balance sheet and a statement of cash flows, for the period commencing with the beginning of Anchor's fiscal year and ending as at end of the Default Month, all prepared in accordance with generally accepted accounting principles; and
 - (g) identification and particulars of all related party transactions engaged in by Anchor in the Default Month, including the nature and dollar value of the transaction,

provided that, in the case of clause (d), if any affiliate of Anchor holds securities on behalf of Anchor, Anchor shall provide the same information required of Anchor by clause (d) for the affiliate.

11. Within 10 business days after the end of the calendar month following the Default Month, and each calendar month thereafter during the Terminating Period, Anchor shall file with the Commission, to the attention of the Senior Accountant, the following information in respect of the calendar month:
- (a) the total number of client accounts of Anchor sorted according to the type of account (e.g. cash account, RRSP account, margin account), as at the end of the calendar month;
 - (b) details as to how securities held by Anchor for clients are registered (i.e. nominee name or client name), including the number of nominee and client name accounts, as at the end of the calendar month;
 - (c) identification of all securities (specifying name of issuer and type of security) in which Anchor purchased or sold securities on behalf of clients or for its own account, during the calendar month;
 - (d) in the case of each client of Anchor, a reconciliation of the securities held on behalf of the client as recorded on the books of Anchor to the records of the books of any other person or company holding the securities on behalf of Anchor, as at the end of the calendar month;
 - (e) for each account of Anchor at a financial institution, a reconciliation of the account balance recorded on the books of Anchor to that recorded by the financial institution, as at the end of the calendar month;
 - (f) interim financial statements of Anchor, including an income statement, a classified balance sheet and a statement of cash flows, for the period commencing with the beginning of Anchor's fiscal year and ending on the last day of the calendar month, all prepared in accordance with generally accepted accounting principles; and
 - (g) identification and particulars of all related party transactions engaged in by Anchor in the calendar month, including the nature and dollar value of the transaction,
- provided that, in the case of clause (d), if any affiliate of Anchor holds securities on behalf of Anchor, Anchor shall provide the same information required of Anchor by clause (d) for the affiliate.
12. During the Terminating Period, Anchor shall not take any of the following actions, without first demonstrating to the satisfaction of the Senior Accountant that, after giving effect to the action, Anchor will maintain an amount of net free capital not less than the minimum amount required to be maintained in accordance with section 107 of the Regulation:
- (a) reduce the share capital of Anchor in any manner (including, but not limited to, any redemption, re-purchase or cancellation of any shares of Anchor);
 - (b) reduce or repay any indebtedness that was subordinated in accordance with a subordination agreement referred to in section 111 of the Regulation;
 - (c) make any advance or other payment, directly or indirectly (including, but not limited to, any payment for services or payment on account of securities of Anchor that are held by the payee, such as a payment upon redemption, a dividend, or other distribution) to any of the following:
 - (i) any person or company that is an associate of either Anchor or an affiliate of Anchor;
 - (ii) any director, officer or shareholder of Anchor or any of its affiliates; or
 - (iii) any person or company that is a related party of either Anchor or an affiliate of Anchor; or
 - (d) enter into any transaction that will result in an increase in capital assets, except pursuant to a commitment entered into before the Event of Default.
13. If at any time during the Terminating Period Anchor has an amount of net free capital that is less than the minimum amount required to be maintained in accordance with section 107 of the Regulation, Anchor shall immediately notify the Senior Accountant in writing, and provide particulars concerning the amount of the deficiency, including how Anchor proposes to correct the deficiency.
14. Upon the Event of Default, Anchor shall not enter into any agreement or arrangement to transfer to another person or company its client list, or any portion thereof, unless Anchor has first given the Senior Accountant 10 days prior written notice of the proposed agreement or arrangement, including particulars of the proposed agreement or arrangement.
15. Within 10 days of the Default Date, Anchor shall send written notice to each of its clients notifying the client of the restricted duration of Anchor's registration under the Act as a "securities dealer" and the consequences of such restriction to the client and the services that may be offered to the client by Anchor, in a form acceptable to the Senior Accountant, which shall include the following:
- (a) the registration of Anchor as a securities dealer under the Act will continue for the Terminating Period in order to permit Anchor to close-out its securities dealer activities;
 - (b) options available to clients in order to close-out any account of the client with Anchor holding

funds or securities on behalf of the client, including:

- (i) procedures for the withdrawal of the funds or securities or the transfer of the funds or securities to a registered dealer that is a member in good standing of the IDA;
 - (ii) timing limitations associated with each option;
 - (c) the name, telephone number and office hours of a contact person at Anchor's office who will be available to assist clients and customers during the Terminating Period.
16. Upon the Event of Default, Anchor shall not effect any transfer of its client accounts to another person or company, unless Anchor has first given the client 10 days prior written notice of the transfer (including particulars setting out any required client consent, and if client consents are not to be obtained, the basis upon which the transfer may be effected without consent and the reason no consent will be obtained).

Acknowledgement, Representation and Undertaking by Anchor:

Anchor acknowledges and agrees to be bound, as of the date hereof, by the foregoing, as specific terms and conditions applicable to its registration under the Act as a dealer in the category of "securities dealer".

Anchor also represents and undertakes that, no later than 45 days following the end of the Terminating Period, if any, it shall file the following documents with the Commission, to the attention of the Senior Accountant:

- (a) a balance sheet of Anchor as at the end of the Terminating Period, reported thereon, without qualification, by Anchor's independent auditor, which shows that the liquid assets of Anchor are sufficient to meet all its liabilities (other than loans that are subordinated in accordance with a subordination agreement referred to in section 111 of the Regulation); and
- (b) a comfort letter from the independent auditor, prepared in accordance with section 5815 of the Handbook of the Canadian Institute of Chartered Accountants, confirming that, as at the end of the Terminating Period, all financial obligations of Anchor to its clients have been discharged.

November 9, 2001

ANCHOR SECURITIES LIMITED
BY:

"Martin D. Heppner"
President

Personal Acknowledgment and Undertaking by the Director(s) and Officer(s) of Anchor:

The undersigned, being an officer and/or director of Anchor, acknowledges that he/she has the individual responsibility, as a director and/or officer of Anchor, to ensure that Anchor complies with the terms and conditions of its registration under the Act, including the above specific terms and conditions and the above undertaking. The undersigned also personally undertakes to the Commission that he/she will not take any action that may cause Anchor to be in violation of the above terms and conditions or its undertaking.

November 9, 2001

"Martin D. Heppner"
President

2.1.9 Merrill Lynch HSBC Canada Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications- Pursuant to section 144 of the Act, revocation of an order, as amended, providing, subject to terms and conditions, relief from the Suitability Requirements as reflected in OSC Rule 31-505, upon approval as an order execution only service and as an advisory and order execution service pursuant to IDA regulations.

Pursuant to section 144 of the Act, revocation of a decision, as amended, made pursuant to section 21.1(4) of the Act, that, subject to terms and conditions, the IDA Suitability Requirements do not apply, upon approval as an order execution only service and as an advisory and order execution service pursuant to IDA regulations.

Applicable Ontario Statute

Securities Act R.S.O. 1990, c. S. 5, as amended, s. 21.1(4), s. 144

Rules Cited

Ontario Securities Commission Rule 31-505 "Conditions of Registration" (1999) 22 O.S.C.B. 731

IDA Regulations Cited

IDA Regulation, 1300, 1800, 1900, IDA Policy No. 9

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
NOVA SCOTIA,
NEWFOUNDLAND AND ONTARIO**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
MERRILL LYNCH HSBC CANADA INC.**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Newfoundland, Nova Scotia and Ontario (collectively, the "Jurisdictions") has received an application from Merrill Lynch HSBC Canada Inc. (the "Filer"), formerly known as HSBC InvestDirect (Canada) Inc., to vary in Nova Scotia and Newfoundland and revoke in British Columbia, Alberta, Saskatchewan and Ontario the MRRS Decision Document dated November 10, 2000 IN THE MATTER OF HSBC INVESTDIRECT (CANADA) INC. (the

"Suitability Relief Order"), as amended by the MRRS Decision Document dated July 6, 2001 IN THE MATTER OF MERRILL LYNCH HSBC CANADA INC. (the "Variation Order"), which provided, subject to terms and conditions, relief from suitability obligations under the securities legislation of the Jurisdictions and decided, subject to terms and conditions and other than under the securities legislation of Newfoundland and Nova Scotia, that the suitability requirements of the Investment Dealers Association of Canada ("IDA") do not apply to the Filer;

AND WHEREAS the terms "Suitability Requirements", "IDA Suitability Requirements" and "Registered Representatives" shall each have the respective meaning ascribed thereto under the Suitability Relief Order;

AND WHEREAS the IDA enacted amendments to the IDA Suitability Requirements and enacted IDA Policy No. 9, allowing member firms approved under revised IDA Regulation 1300.1(e) and (f) to accept orders from customers without a suitability determination where no recommendation was provided by the member ("Amended IDA Suitability Requirements");

AND WHEREAS under the securities legislation of British Columbia, Alberta, Saskatchewan and Ontario, a member of the IDA may comply with its Suitability Requirements by complying with the Amended IDA Suitability Requirements;

AND WHEREAS the Filer wishes to vary in Nova Scotia and Newfoundland and revoke in British Columbia, Alberta, Saskatchewan and Ontario the Suitability Relief Order, upon approval of the Filer and its division, Investment Solutions Team/Investment Solutions (the "Division"), pursuant to revised IDA Regulation 1300.1(e) and (f) as an order-execution only service and advisory and order-execution service, respectively;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Filer has represented, on its behalf and on behalf of the Division, to the Decision Makers that:

1. the Filer changed its name from HSBC InvestDirect (Canada) Inc. to Merrill Lynch HSBC Canada Inc. on November 30, 2000 and is a corporation incorporated under the *Business Corporations Act* (Ontario) and is registered under the Legislation as an investment dealer or equivalent and is a member of the IDA;
2. the Filer recently established the Division, which will operate under the trade name "Investment Solutions Team" or "Investment Solutions", as applicable in each of the Jurisdictions;
3. the Filer is subject to the Amended IDA Suitability Requirements and, upon approval pursuant to revised IDA Regulation 1300.1(e) and (f), will not, other than through the Division, provide any recommendations to its clients and

will, therefore, be able to accept orders from customers without a suitability determination where no recommendation was provided;

4. the Division is subject to the Amended IDA Suitability Requirements and will, upon approval pursuant to revised IDA Regulation 1300.1(e) and (f), be able to accept orders from customers without a suitability determination where no recommendation was provided by the Division;
5. the Filer applied for approval pursuant to revised IDA Regulation 1300.1(e) and (f) as an order-execution only service;
6. the Division applied for approval pursuant to revised IDA Regulation 1300.1(e) and (f) as an advisory and order-execution service; and
7. except as noted above, the Filer confirms the representations to the Decision Makers in the Suitability Relief Order, as amended by the Variation Order.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers in British Columbia, Alberta, Saskatchewan and Ontario is that the Suitability Relief Order, as amended by the Variation Order, is revoked in respect of the Suitability Requirements upon approval of the Filer pursuant to revised IDA Regulation 1300.1(e) and (f) as an order-execution only service and approval of the Division pursuant to revised IDA Regulation 1300.1(e) and (f) as an advisory and order-execution service;

THE DECISION of the Decision Makers in Nova Scotia and Newfoundland is that the Suitability Relief Order, as amended by the Variation Order, is varied in respect of the operative paragraph for the exemption from the Suitability Requirements upon approval of the Filer pursuant to revised IDA Regulation 1300.1(e) and (f) as an order-execution only service and approval of the Division pursuant to revised IDA Regulation 1300.1(e) and (f) as an advisory and order-execution service by replacing term and conditions 1-11 with the following:

1. the Filer, including its division, Investment Solutions Team/Investment Solutions, and its Registered Representatives comply with the enacted amendments to the IDA Suitability Requirements and enacted IDA Policy No. 9, allowing member firms approved under revised IDA Regulation 1300.1(e) and (f) to accept orders from customers without a suitability determination where no recommendation was provided by the member.

November 22, 2001.

"Ranee B. Pavalow"

THE DECISION of the Decision Makers in British Columbia, Alberta, Saskatchewan and Ontario is that the Suitability Relief Order, as amended by the Variation Order, is revoked in respect of the IDA Suitability Requirements upon approval of the Filer pursuant to revised IDA Regulation 1300.1(e) and (f) as an order-execution only service and approval of the Division pursuant to revised IDA Regulation 1300.1(e) and (f) as an advisory and order-execution service.

November 22, 2001.

"Paul Moore"

"Robert W. Korthals"

2.1.10 Pembina Pipeline Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer is a connected issuer, but not a related issuer, in respect of registrants that are underwriters in proposed distribution of Debentures and Trust Units by the issuer - Underwriters exempt from the independent underwriter requirement in the legislation subject to certain conditions.

Applicable Ontario Regulations

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., ss. 219(1), 224(1)(b) and 233.

Applicable Ontario Rules

Proposed Multi-Jurisdictional Instrument 33-105 *Underwriting Conflicts* (published for comment February 6, 1998).

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, ALBERTA, QUEBEC, NEWFOUNDLAND**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
SCOTIA CAPITAL INC., BMO NESBITT BURNS INC.,
TD SECURITIES INC. AND NATIONAL BANK FINANCIAL
INC.**

AND

**PEMBINA PIPELINE INCOME FUND
MRRS DECISION DOCUMENT**

WHEREAS the securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, Alberta, Quebec and Newfoundland (the "Jurisdictions") has received an application from Scotia Capital Inc. ("Scotia Capital"), BMO Nesbitt Burns Inc., TD Securities Inc., and National Bank Financial Inc. (collectively, the "Filers") for a decision, pursuant to the securities legislation of each of the Jurisdictions (the "Legislation"), that the requirement (the "Independent Underwriter Requirement") contained in the Legislation which restricts a registrant from acting as an underwriter in connection with a distribution of securities of an issuer made by means of prospectus, where the issuer is a connected issuer of the registrant unless a portion of the distribution at least equal to that portion underwritten by non-independent underwriters is underwritten by an independent underwriter, shall not apply to the Filers in respect of a proposed distribution (the "Offering") of convertible unsecured subordinated debentures (the "Debentures") and trust units

(the "Trust Units") of Pembina Pipeline Income Fund (the "Issuer"), pursuant to a short form prospectus (the "Prospectus");

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Filers have represented to the Decision Makers that:

1. The principal office of Scotia Capital, the lead underwriter for the Offering, is in Ontario.
2. The Issuer is a reporting issuer in each province of Canada except for those provinces that do not recognize the concept of a reporting issuer and the Issuer is not in default of any requirements of the Legislation.
3. The business of the Issuer is restricted to investing in investments permitted solely under Section 132(6) of the *Income Tax Act* (Canada). At present the Issuer's investments consist solely of securities of Pembina Pipeline Corporation ("Pembina") and one voting, nonparticipating share in a subsidiary of Pembina. Pembina is an Alberta corporation which owns oil and natural gas liquids pipeline systems. The Issuer holds, directly or indirectly, all of the issued and outstanding common shares of Pembina and its unsecured subordinated promissory notes.
4. The trust units of the Issuer are listed on The Toronto Stock Exchange.
5. The Issuer filed a preliminary short form prospectus dated November 12, 2001 (the "Preliminary Prospectus") in the Jurisdictions.
6. The Filers along with others are proposing to act as underwriters in connection with the Offering. Each of the Filers is registered as a dealer in the categories of "broker" and "investment dealer" under the Legislation.
7. Pembina maintains a \$265 million extendible revolving credit facility and a \$30 million operating facility (collectively, the "Credit Facilities"). In addition, Pembina has secured committed facilities up to an aggregate of \$415 million comprised of up to a \$225 million 18 month bridge facility and a \$190 million three year revolving facility (collectively, the "Future Facilities"). The Future Facilities are with respect to the acquisition and future expansion of pipeline assets to be acquired by Pembina's acquisition of the shares of Alberta Oil Sands Pipeline Ltd., which acquisition is anticipated to close in December 2001. None of the proceeds of the current offering will be used to repay the Future Facilities. The Credit Facilities and the Future Facilities are maintained with a syndicate of Canadian banks, including, but not limited to, The Bank of Nova Scotia, Toronto-Dominion Bank, Bank of Montreal and National Bank of Canada (collectively, the "Lenders"). As at October 31, 2001, Pembina was

- indebted to the Lenders in the amount of approximately \$271 million. Pembina is in compliance with the terms of the Credit Facilities.
- 8. The net proceeds from the sale of the Debentures will be used by the Issuer to purchase securities of Pembina, which will in turn use the funds to repay a portion of the indebtedness incurred under the Credit Facilities.
- 9. The Filers are wholly-owned subsidiaries of the Lenders.
- 10. The nature of the relationship among the Issuer and the Filers has been described in the Preliminary Prospectus and will be described in the Prospectus.
- 11. The Lenders did not and will not participate in the decision to make the Offering or in the determination of its terms.
- 12. The Filers will not benefit in any manner from the Offering other than the payment of their underwriting fees in connection with the Offering.
- 13. By virtue of the Credit Facilities and the Future Facilities, the Issuer may, in connection with the Offering, be considered a connected issuer of each of the Filers.
- 14. The Issuer is not a related issuer of the Filers or of any of the other members of the underwriting syndicate.
- 15. The nature and details of the relationship between the Issuer and the Filers will be described in the Prospectus. The Prospectus will contain the information specified in Appendix "C" of proposed National Instrument 33-105 Underwriting Conflicts, as published in February 1998 (the "Proposed Instrument").
- 16. The Issuer is not a "Specified Party" as defined in the Proposed Instrument. The Issuer is in good financial condition, is not in financial difficulty, and is not under any immediate financial pressure to proceed with the Offering and has not been requested or required by the Lenders to repay the amounts owing under the Credit Facilities.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each Decision Maker (the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers, under the Legislation, is that the Independent Underwriter Requirement shall not apply to the Filers in connection with the Offering provided the Issuer is not a related issuer, as defined in the Proposed Instrument, to the Filers at the time of the Offering and is not a specified party, as defined in the Proposed Instrument, at the time of the Offering.

November 23, 2001.

"Howard I. Wetston"

"Theresa McLeod"

2.1.11 Toronto-Dominion Bank - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Trade in Interests of limited partnerships, formed by an investment bank and a Canadian chartered bank, to certain qualified employees and officers who meet certain suitability standards, not subject to registration and prospectus requirements of the Legislation - Relief subject to certain conditions including delivery of an offering memorandum - Decision granted prior to coming into force of OSC Rule 45-501 *Exempt Distribution* (2001) 24 OSCB 5549.

Applicable Statutory Provisions

Securities Act, R.S.O. 1990, c. 5, as am., ss. 25, 53, 74(1).

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

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR
EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
THE TORONTO-DOMINION BANK AND
TD SECURITIES FUNDS CO-
INVESTMENT (CANADA) L.P.
AND TD SECURITIES CO-INVESTMENT (CANADA) L.P.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Prince Edward Island, Québec and Saskatchewan (the "Jurisdictions") has received an application from The Toronto-Dominion Bank ("TD Bank") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirements contained in the Legislation to be registered to trade in a security (the "Registration Requirement") and to file a preliminary prospectus and a prospectus (the "Prospectus Requirement") shall not apply to the proposed offerings (the "Offerings") of limited partnership interests (the "Interests") by TD Securities Funds Co-Investment (Canada) L.P. ("Fund A") and TD Securities Co-Investment (Canada) L.P. ("Fund B"), and together with Fund A, the "Funds") to eligible employees of TD Bank and its affiliates;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS TD Bank has represented to the Decision Makers that:

1. TD Bank is a Canadian chartered bank under Schedule I of the *Bank Act* (Canada).
2. TD Securities Co-Investment Management (Canada) Ltd., the general partner of the Funds (the "**General Partner**"), is a wholly-owned subsidiary of TD Bank incorporated under the *Business Corporations Act* (Ontario).
3. Each Fund will be established as a limited partnership under the *Limited Partnerships Act* (Ontario) pursuant to its own limited partnership agreement (collectively, the "**Partnership Agreements**", and individually, a "**Partnership Agreement**"). Neither Fund will be nor currently intends to become a reporting issuer in any province under the Legislation. The principal place of business of the Funds and the registered office of the General Partner will be in Toronto, Ontario.
4. The Funds will be "in-house" investment vehicles for employees of TD Bank and its affiliates invited by management of TD Bank to participate in the Funds based on a combination of performance- and seniority-based criteria. The majority of the Eligible Employees (as defined below) reside in the Province of Ontario, with no more than approximately 10% resident in any other single province. Certain Eligible Employees may be invited to participate in both Funds.
5. Fund A will invest, directly or indirectly, in private equity funds in which TD Bank and its affiliates invest. It is anticipated that the principal or sole investment of Fund A (other than short-term investments) will be in the TD Capital Private Equity Investors Fund (the "**TD Capital Fund**"), a private investment fund established by TD Capital Group Limited, the private equity arm of TD Bank. Fund A may also invest directly in investments in which the TD Capital Fund invests. The TD Capital Fund will be a "fund of funds" investing in private equity funds. Fund B generally will invest, directly or indirectly, in certain types of merchant banking and venture capital investments made by TD Bank and its affiliates on a global basis.
6. Each Fund will be authorized to issue Interests, which will be non-redeemable and subject to restrictions on transfer contained in the respective Partnership Agreement. Interests will not be transferable except with the express consent of the General Partner and then only to or amongst permitted transferees (each, a "**Permitted Transferee**") who will be:
 - i Eligible Employees who (A) have invested in a Fund, (B) were not eligible to participate in either Fund at the time of the Offerings, (C) were eligible to participate at the time of the Offerings but chose not to do so at that time, or (D) were not employees of TD Bank or its affiliates at the time of the Offerings,
 - ii TD Bank or an affiliate of TD Bank,
 - iii the spouse, parent, sibling, child, child's spouse, niece, nephew or grandchild of an Eligible Employee (the "**Family Members**"); or
 - iv a trust, partnership, limited liability company or other entity formed for investment by or for the benefit of one or more Family Members and/or such Eligible Employee.
7. Participation in each Fund is entirely voluntary and a decision by an Eligible Employee whether or not to invest in a Fund will in no way affect the employment relationship between the Eligible Employee and TD Bank and its affiliates.
8. An Eligible Employee who is invited and agrees to participate in a Fund may be subject to certain maximum participation amounts, subject to the discretion of management of TD Bank. Maximum participation amounts may be set according to a particular Eligible Employee's seniority within TD Bank, determined in accordance with various tranches of maximum participation amounts that correspond to levels of seniority (each, a "**Participation Tranche**"). Amounts greater than the prescribed maximum amount would need to be approved by management of TD Bank and might be adjusted to appropriate levels. All Eligible Employees may be subject to the same minimum participation amount, subject to the discretion of management of TD Bank.
9. Each Fund may provide Eligible Employees with the option to finance a portion of their investment amount in such Fund by borrowing from TD Bank or its affiliates. Based upon an Eligible Employee's Participation Tranche, he or she may obtain a loan in an amount equal to a multiple of his or her equity commitment to the Fund. Participation Tranches with higher participation amounts may receive a higher leverage to equity ratio.
10. Participants in Fund A will be (i) employees and officers of TD Bank assigned to TD Securities (a division of TD Bank) who have attained the position of Vice-President or better; (ii) employees and officers of TD Bank who have attained the position of Vice-President or better; and (iii) select investment advisors, portfolio managers and discretionary money managers who are registered in the appropriate category of registration under the Legislation, each of whom is an employee of TD Bank or one of its affiliates (collectively, "**Fund A Eligible Employees**").
11. Participants in Fund B will be (i) employees and officers of TD Bank assigned to TD Securities (a division of TD Bank) who have attained the position of Vice-President or better; and (ii) employees and officers of TD Bank who have attained the position of Vice-President or better (collectively, "**Fund B Eligible Employees**", and the Fund A Eligible Employees and the Fund B Eligible Employees being the "**Eligible Employees**").
12. The Interests of each Fund will be offered under a confidential offering memorandum which will provide

Eligible Employees with statutory and/or contractual rights of rescission or rights to damages (or both).

13. A to-be-determined percentage of an Eligible Employee's equity commitment to a Fund will be drawn down at the closing date for such Fund. Substantially all of an Eligible Employee's equity commitment to a Fund will subsequently be drawn down over a period ranging from one to several years. Each Fund will be subject to a management fee and a carried interest.
14. In the event of an Eligible Employee's termination of employment with TD Bank, and as may be otherwise permitted by the General Partner, a Permitted Transferee may purchase or otherwise assume the Interests of the departing Eligible Employee in accordance with the applicable provisions of the particular Partnership Agreement (which will set out a mechanism for the purchase and sale of Interests).

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers pursuant to the Legislation is that the Registration and Prospectus Requirements shall not apply to trades in Interests by the Funds to Eligible Employees provided that:

- (i) Eligible Employees are not induced to purchase Interests by expectation of employment or continued employment and each Eligible Employee's participation in a Fund is voluntary;
- (ii) a copy of the offering memorandum for each Fund is provided to each Eligible Employee prior to making a decision to invest in a Fund, and is delivered to the Decision Makers in each of the Jurisdictions; and
- (iii) the first trade in Interests to a person or entity that is not a Permitted Transferee shall be deemed to be a distribution or a primary distribution to the public.

November 27, 2001.

"Robert W. Korthals"

"H. Lorne Morphy"

2.1.12 1491490 Ontario Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - issuer has only one security holder - issuer deemed to have ceased being a reporting issuer.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am. s. 83.

IN THE MATTER OF THE SECURITIES LEGISLATION OF ONTARIO AND ALBERTA

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF 1491490 ONTARIO LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta and Ontario (the "Jurisdictions") has received an application from 1491490 Ontario Limited ("1491490") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that 1491490 be deemed to have ceased to be a reporting issuer under the Legislation;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS 1491490 has represented to the Decision Makers that:

1. 1491490 was formed on September 6, 2001 by the amalgamation (and other related transactions) of 2002313 Ontario Inc. ("2002313") and Gemstar Communications Ltd. ("Gemstar"), a wholly owned subsidiary of SIRIT Technologies Inc. ("Sirit"), pursuant to an amalgamation agreement dated June 14, 2001 (the "Amalgamation").
2. The Amalgamation was approved by the holders of Gemstar common shares on May 16, 2001.
3. Gemstar became a reporting issuer in Ontario on April 11, 1945 and in Alberta on October 2, 2000.
4. Gemstar was a reporting issuer in each of the Jurisdictions and, as of the date of the Amalgamation, was not in default of any requirements under the

Legislation, other than its obligations as a reporting issuer to file its audited annual financial statements for its fiscal year ending March 31, 2001 and interim financial statements for its three month period ended June 30, 2001 (the "Financial Statement Defaults").

5. 1491490 is a reporting issuer in the Jurisdictions and became a reporting issuer in the Jurisdictions by virtue of the Amalgamation.
6. Other than the Financial Statement Defaults, 1491490 is not in default of any of its obligations as a reporting issuer under the Legislation.
7. The authorized capital of 1491490 consists of an unlimited number of common shares (the "Common Shares").
8. As of November 11, 2001, two hundred Common Shares were issued and outstanding.
9. As a result of the Amalgamation, Sirit owns all of the issued and outstanding Common Shares.
10. There are no other securities, including debt securities, of 1491490 currently issued and outstanding other than the Common Shares.
11. Gemstar's common shares were delisted from the Canadian Venture Exchange on September 6, 2001.
12. There are no securities of Gemstar, 2002313 or 1491490 listed on any stock exchange or traded over-the-counter in Canada or elsewhere.
13. 1491490 does not intend to seek public financing by way of an offering of its securities.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers under the Legislation is that 1491490 is deemed to have ceased to be a reporting issuer under the Legislation.

November, 27 2001.

"John Hughes"

2.1.13 Calian Technology Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Dutch auction issuer bid. - With respect to securities tendered at or below the clearing price, offer providing for full take-up of and payment for shares tendered by odd lot holders, as well as additional purchases from certain shareholders in order to prevent the creation of odd lots - Offeror exempt from the requirement in the legislation to take up and pay for securities proportionately according to the number of securities deposited by each securityholder and the associated disclosure requirement, the requirement to disclose the exact number of shares it intends to purchase, and from the valuation requirement on the basis that there is a liquid market for the securities.

Ontario Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am, ss. 95(7) and 104(2)(c)

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUEBEC, NOVA SCOTIA AND
NEWFOUNDLAND**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR
EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
CALIAN TECHNOLOGY LTD.**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Calian Technology Ltd. ("Calian" or the "Corporation") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that, in connection with the proposed purchase by Calian of a portion of its outstanding common shares (the "Shares") pursuant to an issuer bid (the "Bid"), Calian be exempt from the requirements in the Legislation to:

- (i) take-up and pay for securities proportionately according to the number of securities deposited by each security holder (the "Proportionate Take-up and Payment Requirement");
- (ii) provide disclosure in the issuer bid circular (the "Circular") of such proportionate take-up and payment (the "Associated Disclosure Requirement");

- (iii) state the number of Shares sought under the Bid in the Circular (the "Number of Securities Requirement"); and
- (iv) obtain a valuation of the Shares and provide disclosure in the circular of such valuation, or a summary thereof, (the "Valuation Requirement").

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the Principal Regulator for this application;

AND WHEREAS Calian has represented to the Decision Makers as follows:

1. Calian is a reporting issuer in each of the Jurisdictions with its head office located in Kanata, Ontario. Calian is not in default of any requirement of the Legislation and is not on the list of defaulting reporting issuers maintained pursuant to such Legislation, where applicable.
2. The authorized capital of Calian includes an unlimited number of Shares, of which approximately 9,774,701 Shares were issued and outstanding as of October 15, 2001. Calian is not aware of any person who owns, directly or indirectly, or exercises control or direction over more than 10% of the outstanding shares.
3. The Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE"). On October 15, 2001, the closing price of these Shares on the TSE was \$2.10 per Share. Based upon such closing price, the Shares had an aggregate market value of approximately \$20,526,872 as at that date.
4. The Bid is being made pursuant to the following "Dutch Auction" procedure:
 - (a) the maximum number of 2,040,816 Shares (the "Specified Number") that the Corporation intends to purchase under the Bid is specified in the Circular;
 - (b) the maximum amount of \$5,000,000 (the "Specified Amount") that the Corporation is prepared to spend under the Bid is specified in the Circular;
 - (c) the range of prices of \$2.85 to \$2.45 (the "Range") within which the Corporation is willing to repurchase its Shares under the Bid is specified in the Circular;
 - (d) any holder of Shares (each, a "Shareholder") wishing to tender to the Bid will have the right either to: (i) specify the lowest price within the Range that the Shareholder is willing to sell the tendered Shares (an "Auction Tender"); or (ii) elect to be deemed to have tendered at the Purchase Price (as determined in accordance with paragraph 4(e) below) (a "Purchase Price Tender");

- (e) the purchase price (the "Purchase Price") of the Shares tendered to the Bid will be the lowest price that will enable Calian to purchase the lesser of (i) the Specified Number of Shares and (ii) the maximum number of Shares that may be purchased with the Specified Amount, and will be determined based upon the number of Shares tendered pursuant to an Auction Tender at each price within the Range and the number of Shares tendered pursuant to a Purchase Price Tender, with each Purchase Price Tender being considered a tender at the lowest price in the Range for the purpose of calculating the Purchase Price;
- (f) all Shares tendered at or below the Purchase Price pursuant to either an Auction Tender or a Purchase Price Tender and not withdrawn will be taken up and paid for at the Purchase Price, subject to pro ration if the aggregate number of Shares tendered at or below the Purchase Price pursuant to Auction Tenders and the number of Shares tendered to Purchase Price Tenders exceeds the Specified Number or would require Calian to spend more than the Specified Amount (an "Over-Subscription");
- (g) in the event of an Over-Subscription, in order to avoid the creation of "odd lots" as a result of proration, the number of Shares to be purchased from each Shareholder who tenders at or below the Purchase Price will be increased as follows: in addition to the Specified Number, Calian will purchase an additional number of Shares at the Purchase Price from each tendering Shareholder equal to the minimum number of Shares necessary such that the number of Shares not purchased from and returned to such Shareholder as a result of proration (the "Return Number") will be a whole multiple of 100, except that, if the Return Number for any such Shareholder is less than 100, Calian will purchase from each such Shareholder that number of Shares equal to the Return Number. Multiple tenders by the same Shareholder will be aggregated for this purpose;
- (h) all Shares tendered at prices above the Purchase Price will be returned to the appropriate Shareholders;
- (i) all Shares tendered by Shareholders who specify a tender price for such tendered Shares that falls outside the Range and not withdrawn will be considered to have been improperly tendered, will be excluded from the determination of the Purchase Price, will not be purchased by Calian and will be returned to the tendering Shareholders; and
- (j) all Shares tendered and not withdrawn by Shareholders who fail to specify any tender price for such tendered Shares and fail to indicate that they have tendered their Shares pursuant to a Purchase Price Tender will be considered to

have tendered pursuant to a Purchase Price Tender.

5. Prior to the expiry of the Bid, all information regarding the number of Shares tendered and the prices at which such Shares are tendered will be kept confidential and the depository under the Bid will be directed by Calian to maintain such confidentiality until the Purchase Price is determined.
6. Since the Bid is for less than all the Shares, if the number of Shares tendered to the Bid at or below the Purchase Price exceeds the maximum number of Shares which Calian is prepared to purchase, the Legislation would require Calian to take-up and pay for deposited Shares proportionately, according to the number of Shares deposited by each Shareholder. In addition, the Legislation would require disclosure in the Circular that Calian would, if Shares tendered to the Bid exceeded the specified number of Shares which Calian is prepared to purchase, take-up Shares proportionately according to the number of Shares tendered by each Shareholder.
7. CIBC World Markets Inc., a qualified registered dealer independent of Calian, provided Calian with an opinion dated October 24, 2001 that there is a liquid market in the Shares and that following completion of the Bid, Shareholders will continue to have available a market which is not materially less liquid than the market which now exists prior to the Bid (the "Liquidity Opinion").
8. Prior to commencing the Bid, Calian received a statement from the TSE that it concurs with the Liquidity Opinion conclusion that there is a liquid market in the Shares and that following completion of the Bid, Shareholders will continue to have available a market which is not materially less liquid than the market which now exists prior to the Bid (the "TSE Letter").
9. No formal valuation has been prepared in connection with the Bid, or disclosed in the Circular, as Calian is able to rely upon the liquidity exemption available under Paragraph 3 of sub-section 3.4 of Ontario Securities Commission Rule 61-501, "Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions".
10. The Circular:
 - (a) discloses the mechanics for the take-up and payment for, or return of, Shares as described in Paragraph 4 above;
 - (b) explains that, by tendering Shares at the lowest price in the Range, a Shareholder can reasonably expect that Shares so tendered will be purchased at the Purchase Price, subject to pro ration as described in Paragraph 4 above;
 - (c) discloses the Liquidity Opinion; and
 - (d) states that the TSE Letter will be sent to the Ontario Securities Commission and the Quebec Securities Commission.

11. A copy of the TSE Letter was delivered to each of the Decision Makers.

AND WHEREAS pursuant to the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION, of the Decision Makers in the Jurisdictions pursuant to the Legislation is that, in connection with the Bid, Calian is exempt from each of the Proportionate Take-up and Payment Requirement, the Associated Disclosure Requirement, the Number of Securities Requirement, and the Valuation Requirement provided that Shares tendered to the Bid are taken up and paid for, or returned to the Shareholders, in the manner and circumstances described in Paragraph 4 above.

November 27, 2001

"Paul M. Moore"

"Robert W. Korthals"

-2.2 Orders

2.2.1 VTEC Capital Corp. - s. 83.1(1)

Headnote

Subsection 83.1(1) - order deeming CDNX listed issuer to be a reporting issuer under Ontario securities laws.

Statutes Cited:

Securities Act, R.S.O. 1990, c.S.5, as am., s.83.1(1).

Policies Cited

Ontario Securities Commission Policy 12-602 - Deeming an Issuer in Certain other Canadian Jurisdictions to be a Reporting Issuer in Ontario.

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

AND

**IN THE MATTER OF
VTEC CAPITAL CORP.**

**ORDER
(Subsection 83.1(1))**

UPON the application of VTEC Capital Corp. ("VTEC") for an order pursuant to subsection 83.1(1) of the Act deeming VTEC to be a reporting issuer for the purposes of Ontario securities law;

AND UPON considering the application and recommendation of the staff of the Ontario Securities Commission (the "Commission");

AND UPON VTEC representing to the Commission as follows:

1. VTEC was incorporated under the laws of British Columbia on July 8, 1999.
2. The authorized share capital of VTEC consists of 100,000,000 Common Shares and 10,000,000 Preferred Shares without par value of which 6,125,514 Common Shares are currently issued and outstanding.
3. VTEC has been a reporting issuer under the British Columbia *Securities Act* (the "B.C. Act") since December 15, 2000. VTEC is not in default of any requirements of the B.C. Act.
4. VTEC has been a reporting issuer under the Alberta *Securities Act* (the "Alberta Act") since January 11, 2001. VTEC is not in default of any requirements of the Alberta Act.
5. The continuous disclosure documents filed by VTEC under the B.C. Act and the Alberta Act are available on

the System for Electronic Document Analysis and Retrieval.

6. VTEC is not a reporting issuer under the securities legislation in any jurisdiction in Canada other than British Columbia and Alberta.
7. The continuous disclosure requirements of the B.C. Act and the Alberta Act are substantially the same as the requirements under the Act.
8. Neither VTEC nor any of its officers, directors, nor any of its shareholders holding sufficient securities of VTEC to affect materially the control of VTEC, is or has been subject to: (i) any known ongoing or concluded investigations by: (a) a Canadian securities regulatory authority, or (b) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee within the preceding 10 years.
9. None of the officers or directors of VTEC, nor any of its shareholders holding sufficient securities of VTEC to affect materially the control of VTEC, is or has been at the time of such event, an officer or director of any other issuer which is or has been subject to: (i) any cease trade or similar orders, or orders that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.
10. Neither VTEC nor any of its officers, directors, nor any of its shareholders holding sufficient securities of VTEC to affect materially the control of VTEC has: (i) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority; (ii) entered into a settlement agreement with a Canadian securities regulatory authority; or (iii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

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

IT IS HEREBY ORDERED pursuant to subsection 83.1(1) of the Act that VTEC be deemed a reporting issuer for the purposes of Ontario securities law.

November 20, 2001.

"Margo Paul"

2.2.2 Anitech Enterprises Inc. - ss 83.1(1)

Headnote

Subsection 83.1(1) - order deeming CDNX listed issuer to be a reporting issuer under Ontario securities laws.

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am., ss.83.1(1).

Policies Cited

Ontario Securities Commission Policy 12-602 - Deeming an Issuer in Certain other Canadian Jurisdictions to be a Reporting Issuer in Ontario.

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

AND

**IN THE MATTER OF
ANITECH ENTERPRISES INC.**

ORDER
(Subsection 83.1(1))

UPON the application of Anitech Enterprises Inc. ("Anitech") for an order pursuant to subsection 83.1(1) of the Act, deeming Anitech to be a reporting issuer for the purposes of Ontario securities law (as defined in the Act);

AND UPON considering the application and the recommendation of the staff of the Ontario Securities Commission (the "Commission");

AND UPON Anitech representing to the Commission as follows:

1. Anitech is a corporation governed by the Business Corporations Act (Ontario).
2. The registered and principal executive office of Anitech is located in Markham, Ontario.
3. The authorized capital of Anitech consists of an unlimited number of Preferred Shares issuable in series and an unlimited number of Common Shares, of which 19,622,500 Common Shares are issued and outstanding.
4. The Common Shares of Anitech are listed on the Canadian Venture Exchange.
5. Anitech has been a reporting issuer under the Securities Act (British Columbia) (the "British Columbia Act") for longer than 10 years and under the Securities Act (Alberta) (the "Alberta Act") since the establishment of the Canadian Venture Exchange in November 1999.
6. The continuous disclosure requirements of the Alberta Act and the British Columbia Act are substantially the same as the requirements of the Act.

7. Neither Anitech nor any of its officers, directors or, to the knowledge of Anitech or its officers and directors, any controlling shareholder, has (i) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, (ii) entered into a settlement agreement with a Canadian securities regulatory authority, or (iii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

8. The continuous disclosure material filed by Anitech under the British Columbia Act since February 1, 1997 and under the British Columbia Act and the Alberta Act since November 1999 are available on the System for Electronic Document Analysis and Retrieval (SEDAR).

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

IT IS HEREBY ORDERED pursuant to subsection 83.1(1) of the Act that Anitech is deemed to be a reporting issuer for the purposes of Ontario securities law.

November 20, 2001.

"Margo Paul"

2.2.3 Municipal Bankers Corporation (1931) Limited - s. 83 of the Act and ss. 1(6) of the OBCA

Headnote

Section 83 of the Securities Act - issuer has 26 security holders of which 24 hold a *de minimis* number of securities - issuer has been unable to contact the majority of these 24 security holders despite repeated efforts over an extended period of time - issuer deemed to have ceased to be reporting issuer under the Act.

Subsection 1(6) of the OBCA - issuer deemed to have ceased to be offering its securities to the public under the Business Corporations Act (Ontario).

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 1(1), 6(3) and 83.

Business Corporations Act, R.S.O. 1990, c.B.16, as am., s. 1(6).

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

AND

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

AND

**IN THE MATTER OF
MUNICIPAL BANKERS CORPORATION (1931) LIMITED**

ORDER

(Section 83 of the Act)
(Subsection 1(6) of the OBCA)

UPON the application of Municipal Bankers Corporation (1931) Limited (the "Filer") to the Ontario Securities Commission (the "Commission") for: (i) an order, pursuant to section 83 of the Act, that the Filer be deemed to have ceased to be a reporting issuer under the Act, and (ii) an order, pursuant to subsection 1(6) of the OBCA, that the Filer be deemed to have ceased to be offering its securities to the public;

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

AND UPON the Filer having represented to the Commission that:

1. The Filer was incorporated as an Ontario Corporation by Letters Patent dated February 4, 1931.

2. As a result of having filed a prospectus in 1931 pursuant to the *Companies Information Act 1928* (Ontario), the Filer became a reporting issuer under the Act and a corporation offering its securities to the public under the OBCA.
3. The Filer is not in default of any of the requirements of the Act or the rules or regulations made thereunder.
4. The Filer's authorized capital consists of 100,000 common shares and 3,000,000 preference shares issuable in a series, of which 9,323 common shares (the "Common Shares") and 600,000 preference shares (the "Preferred Shares") are issued and outstanding.
5. All of the Common Shares were issued in the 1930s as part of a corporate reorganization.
6. The Filer has 26 beneficial shareholders, including Munoro Family Holdings Limited which is the beneficial holder of approximately 93.18% of the Common Shares and an associate of Munoro Family Holdings Limited which is the sole beneficial holder of the Preferred Shares.
7. The remaining 24 beneficial shareholders own a *de minimis* number of Common Shares (approximately 6.82% of the outstanding Common Shares).
8. After making all reasonable efforts to contact the remaining 24 beneficial shareholders, including placing advertisements in national newspapers between 1968 and 1980, the Filer has only been able to locate nine such shareholders. Mailings to the remaining 15 shareholders are often returned unopened and such shareholders have not had any contact with the Filer in the past 20 years.
9. Other than the Common Shares and the Preferred Shares, the Filer has no securities, including debt securities, outstanding.
10. The Filer's securities are not listed on any stock exchange and are not available for trading on any stock exchange or market.
11. The Filer does not intend to seek public financing by way of an offering of its securities.

AND UPON the Commission being satisfied that to do so would be in the public interest;

IT IS ORDERED, pursuant to section 83 of the Act, that the Filer is deemed to have ceased to be a reporting issuer under Act.

AND IT IS FURTHER ORDERED, pursuant to subsection 1(6) of the OBCA, that the Filer is deemed to have ceased to be offering its securities to the public for the purposes of the OBCA.

November 23, 2001.

"Howard I. Wetston, Q. C."

"K. D. Adams FCA"

2.2.4 Michael Omer Bourgon - s. 127

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

AND

IN THE MATTER OF
MICHAEL OMER BOURGON

ORDER
(Section 127)

WHEREAS on January 15, 2001, the Ontario Securities Commission (the "Commission") issued a notice of hearing pursuant to subsection 127(1) of the Securities Act, R.S.O. 1990, Chap. S.5, as amended (the "Act"), in respect of Michael Omer Bourgon ("Bourgon");

AND WHEREAS Bourgon entered into a settlement agreement, dated November 23, 2001 (the "Settlement Agreement") in which he agreed to a proposed settlement of the proceeding, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement and the Statement of Allegations of Staff of the Commission, and upon hearing the submissions of Bourgon and of counsel for Staff of the Commission;

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 Settlement Agreement, dated November 23, 2001, a copy of which is attached to this Order, is approved;
- (2) pursuant to clause 1 of subsection 127(1) of the Act, Bourgon's registration is terminated permanently;
- (3) pursuant to clause 2 of subsection 127(1) of the Act, Bourgon shall permanently cease trading in all securities for his own account or for the account of, or on behalf of, any other person or party, effective as of the date of this Order;
- (4) pursuant to clause 7 of subsection 127(1) of the Act, Bourgon is ordered to resign any positions which he holds as a director or officer of any issuer, effective as of the date of this Order;
- (5) pursuant to clause 8 of subsection 127(1) of the Act, Bourgon is permanently prohibited from becoming or acting as a director or officer of any issuer, effective as of the date of this Order.
- (6) pursuant to subsection 127.1(1) and (2) of the Act, Bourgon shall pay \$5,000 in satisfaction of the Commission's costs of its investigation and this proceeding.

November 26, 2001.

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

AND

IN THE MATTER
OF MICHAEL OMER BOURGON

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. By Notice of Hearing dated January 15, 2001 (the "Notice of Hearing"), the Ontario Securities Commission (the "Commission") announced that it proposed to hold a hearing to consider whether, pursuant to sections 127 and 127.1 of the Securities Act, R.S.O. 1990, Chap. S.5, as amended (the "Act"), it is in the public interest for the Commission to make an order that:

- (a) the registration of the Respondent, Michael Omer Bourgon ("Bourgon") be suspended or restricted permanently or for such time as the Commission may direct or be terminated, or that terms and conditions be imposed on Bourgon's registration;
- (b) Bourgon cease trading in securities permanently or for such period as the Commission may direct;
- (c) Bourgon be prohibited from becoming or acting as a director or officer of any issuer;
- (d) Bourgon be reprimanded;
- (e) Bourgon pay the costs of the Commission's investigation;
- (f) Bourgon pay the Commission's costs of this hearing; and
- (g) contains such other terms and conditions as the Commission deems appropriate.

II. JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") agree to recommend settlement of the proceeding initiated in respect of Bourgon by the Notice of Hearing in accordance with the terms and conditions set out below. Bourgon consents to the making of an order against him in the form attached as Schedule "A" on the basis of the facts set out below.

III. STATEMENT OF FACTS

Acknowledgement

3. For the purposes of this proceeding, and any other proceeding commenced by a securities regulatory agency in Canada, Bourgon agrees with the facts set out in Part III of this Settlement Agreement.

Facts

4. Between August 1987 and February 4, 1999 (the "material time"), Bourgon was registered with the Commission to sell mutual funds and limited market products, which he did from his offices located in Milton, Ontario under a sponsorship and agency agreement with The Investment Centre Financial Corporation ("ICFC"). ICFC is based in London, Ontario and is registered with the Commission as a mutual fund and limited market dealer.
 5. During the material time, Bourgon carried on business through two successive companies. Between August 1987 and September 1998, Bourgon and another registrant, Helena Donaldson, operated Donaldson Bourgon Financial Services ("DBFS"). Effective October 1998, Bourgon and Donaldson parted ways. They agreed to a corporate reorganization of DBFS which effectively split the business into two parts so that each of Bourgon and Donaldson could continue separately under different business names. Bourgon's new company was named Bourgon Financial Services ("BFS").
 6. Bourgon was the designated branch manager of both DBFS and BFS and in that capacity reported directly to the President and the Executive Vice President of ICFC. Bourgon was also licensed by other regulators to sell other types of financial products, such as life and disability insurance. Bourgon provided all of these services through first, DBFS, and then later, BFS.
 7. In January 1999, as a result of numerous complaints received from clients of Bourgon, ICFC retained a forensic accounting firm to investigate Bourgon's business activities.
 8. The ICFC investigation revealed numerous serious improprieties relating to Bourgon's dealings with his clients during the material time, including misappropriation of client funds. Effective February 4, 1999, ICFC terminated Bourgon as a sales agent and withdrew its sponsorship of his registration.
 9. The ICFC investigation revealed that Bourgon:
 - (a) caused redemptions to occur in client accounts without the knowledge or consent of such clients. In some cases, these unauthorized redemptions created unanticipated tax liabilities for clients;
 - (b) carried out unauthorized transactions in client accounts, on occasion using blank Authorization Forms signed by his clients ostensibly for "emergency purposes" to do so;
 - (c) concealed or misrepresented the purposes for which he had clients provide him with funds from time to time;
 - (d) concealed or misrepresented the status of his clients' accounts;
 - (e) concealed or withheld cheques and/or funds payable to his clients' accounts; and
 - (f) caused funds from his clients' accounts to be transferred to accounts controlled by him or by non-arm's length third parties, including a numbered company controlled by him, for his use.
 10. The Halton Regional Police conducted its own investigation of Bourgon. On February 28, 2000, Bourgon was charged with twenty-five counts under the Criminal Code relating to his dealings with his clients as described above. The twenty-five counts consisted of twelve counts of theft over \$5,000.00, twelve counts of fraud over \$5,000.00, and one count of uttering a forged document.
 11. On September 18, 2000, Bourgon appeared in Ontario Superior Court (Criminal Division) in Milton and pleaded guilty to the twelve counts of fraud over \$5,000.00. The twelve counts of theft over \$5000 were withdrawn by the Crown on the basis that those charges arose out of the same facts giving rise to the fraud convictions. Bourgon advises that he later pleaded guilty to the single count of uttering a forged document (a client's tax return) as part of his overall conviction and sentence.
 12. The facts on which Bourgon's plea of guilty to the twelve charges of fraud over \$5000 was accepted included that eleven different clients of Bourgon were defrauded of losses which totalled in excess of \$750,000 and that, in numerous instances, Bourgon diverted client funds to a private company owned by him.
 13. On March 27, 2001, Bourgon appeared in Ontario Superior Court (Criminal Division) in Milton and was sentenced to a custodial term of two years less a day, placed on two years probation and was made the subject of a restitution order in the amount of \$488,000. Bourgon started serving his custodial sentence immediately and was released six months later on September 28, 2001 under a supervised release program.
 14. Based on their respective investigations into of this matter, neither the police nor Staff felt that proceedings against Donaldson were warranted and none have been commenced.
- IV. REPRESENTATIONS OF THE RESPONDENT**
15. Bourgon hereby acknowledges that he has reviewed the terms of this proposed Settlement Agreement with his counsel.
 16. Bourgon states that he is no longer in business as a salesman of mutual funds or limited market products or as financial adviser or planner and that he does not intend to be engaged in any way in the trading of securities in Ontario.

17. Bourgon advises Staff that he is attempting to satisfy the restitution order made against him but confirms that no payments have been made by him to date. Bourgon advises Staff that partial restitution has been made to some of his clients through policies of insurance applicable to their losses.

V. CONDUCT CONTRARY TO THE PUBLIC INTEREST

18. Bourgon agrees that his conduct as described above in Part III contravened Ontario securities law and was contrary to the public interest.

VI. TERMS OF SETTLEMENT

19. Bourgon agrees to the following terms of settlement:
- (a) pursuant to clause 1 of subsection 127(1) of the Act, Bourgon's registration will be terminated permanently;
 - (b) pursuant to clause 2 of subsection 127(1) of the Act, Bourgon shall permanently cease trading in all securities, whether for his account or for the account of, or on behalf of, any other person or party, effective from the date that this Settlement Agreement is approved by the Commission;
 - (c) pursuant to clause 7 of subsection 127(1) of the Act, Bourgon shall resign any positions that he holds as a director or officer of an issuer, effective from the date that this Settlement Agreement is approved by the Commission;
 - (d) pursuant to clause 8 of subsection 127(1) of the Act, Bourgon is permanently prohibited from becoming or acting as a director or officer of any issuer, effective from the date that this Settlement Agreement is approved by the Commission; and
 - (e) pursuant to section 127.1 of the Act, Bourgon shall be subject to an order to pay \$5,000 to the Commission in satisfaction of the Commission's costs of its investigation and these proceedings;

VII. STAFF COMMITMENT

20. If this settlement is approved by the Commission, Staff will not initiate any complaint to the Commission or request the Commission to hold a hearing or issue any other order in respect of any conduct or alleged conduct of Bourgon in relation to the facts set out in Part III of this agreement.
21. If this settlement is approved by the Commission, Staff will not initiate any other proceeding against Bourgon in relation to the facts set out in Part III of this agreement.

VIII. PROCEDURE FOR APPROVAL OF SETTLEMENT

22. Approval of the settlement set out in this agreement shall be sought at the public hearing of the Commission scheduled to commence at 10 am on Monday,

November 26, 2001 at the offices of the Commission, in accordance with the procedures described in this agreement.

23. Staff and Bourgon agree that this agreement will constitute the entirety of the evidence to be referred to at the hearing to consider this settlement, subject to any further evidence which the parties may, on consent, agree to adduce, whether in the course of responding to questions from the tribunal or for any other purpose. If this settlement is approved, Staff and Bourgon agree that this settlement agreement will constitute the entirety of the evidence against Bourgon in this proceeding. Bourgon agrees to waive his rights under the Act to a full hearing and appeal of this matter.

24. Staff and Bourgon agree that if this settlement is approved by the Commission, neither Staff nor Bourgon will make any public statement inconsistent with this agreement.

25. If, at the conclusion of the settlement hearing, and for any reason whatsoever, this settlement is not approved by the Commission, or an order in the form attached as Schedule "A" is not made by the Commission:

- (a) each of Staff and Bourgon will be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Notice of Hearing and Statement of Allegations, unaffected by this agreement or the settlement negotiations;
- (b) the terms of this agreement will not be referred to in any subsequent proceeding, or disclosed to any person, except with the written consent of Staff and Bourgon or as may be required by law; and
- (c) Bourgon agrees that he will not, in any proceeding, refer to or rely upon this agreement or the negotiation of this agreement or the process of approval of this agreement as the basis for any attack on the Commission's jurisdiction, alleged bias, appearance of bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

IX. DISCLOSURE OF AGREEMENT

26. Counsel for Staff or for Bourgon may refer to any part or all of this settlement agreement in the course of the hearing convened to consider this settlement. Otherwise, this settlement agreement and its terms will be treated as confidential by all parties to the agreement until approved by the Commission, and forever if, for any reason whatsoever, this settlement is not approved by the Commission, except with the written consent of Staff and Bourgon or as may be required by law.

27. Any obligations of confidentiality concerning the terms of this settlement shall terminate upon approval of this settlement by the Commission.

×. EXECUTION OF AGREEMENT

28. This agreement may be signed in one or more counterparts which together shall constitute a binding agreement.

DATED this 23rd day of November, 2001.

MICHAEL OMER BOURGON

ONTARIO SECURITIES COMMISSION
per

Michael Watson, Director of Enforcement

SCHEDULE "A"

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

AND

IN THE MATTER OF
MICHAEL OMER BOURGON

ORDER
(Section 127)

WHEREAS on January 15, 2001, the Ontario Securities Commission (the "Commission") issued a notice of hearing pursuant to subsection 127(1) of the *Securities Act*, R.S.O. 1990, Chap. S.5, as amended (the "Act"), in respect of Michael Omer Bourgon ("Bourgon");

AND WHEREAS Bourgon entered into a settlement agreement, dated November 23, 2001 (the "Settlement Agreement") in which he agreed to a proposed settlement of the proceeding, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement and the Statement of Allegations of Staff of the Commission, and upon hearing submissions by counsel for Bourgon and for Staff of the Commission;

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 Settlement Agreement, dated November 23, 2001, a copy of which is attached to this Order, is approved;
- (2) pursuant to clause 1 of subsection 127(1) of the Act, Bourgon's registration is terminated permanently;
- (3) pursuant to clause 2 of subsection 127(1) of the Act, Bourgon shall permanently cease trading in all securities for his own account or for the account of, or on behalf of, any other person or party, effective as of the date of this Order;
- (4) pursuant to clause 7 of subsection 127(1) of the Act, Bourgon is ordered to resign any positions which he holds as a director or officer of any issuer, effective as of the date of this Order;
- (5) pursuant to clause 8 of subsection 127(1) of the Act, Bourgon is permanently prohibited from becoming or acting as a director or officer of any issuer, effective as of the date of this Order.
- (6) pursuant to subsection 127.1(1) and (2) of the Act, Bourgon shall pay \$5,000 in satisfaction of the Commission's costs of its investigation and this proceeding.

DATED at Toronto this 26th day of November, 2001.

**2.2.5 Research Capital Corporation and IDS
Intelligent Detection Systems Inc. - s.144**

Headnote

Section 144 - partial revocation of cease trade order granted to permit trades solely for the purpose of establishing a tax loss for income tax purposes in accordance with OSC Policy 57-602.

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am. ss. 6(3) 127 and 144.

Policies Cited

OSC Policy 57-602.

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

AND

**IN THE MATTER OF
RESEARCH CAPITAL CORPORATION**

AND

IDS INTELLIGENT DETECTION SYSTEMS INC.

**ORDER
(Section 144)**

WHEREAS the securities of IDS Intelligent Detection Systems Inc. are subject to an order of the Ontario Securities Commission (the "Commission") dated June 13, 2001 (the "Cease Trade Order") pursuant to section 127 of the Act, extending a temporary order of the Commission dated May 30, 2001 made under section 127 of the Act, ordering that trading in securities of IDS Intelligent Detection Systems Inc. cease;

AND WHEREAS Research Capital Corporation ("RCC") has made an application to the Commission pursuant to section 144 of the Act (the "Application") for an order varying the Cease Trade Order in order to allow for the disposition by RCC on behalf of 223 accounts managed by RCC of 808,536 common shares, and on behalf of 52 client accounts not managed by RCC, of 583,111 common shares of IDS Intelligent Detection Systems Inc. (the "Securities") solely for the purpose of establishing a tax loss;

AND WHEREAS Ontario Securities Commission Policy 57-602 provides that the Commission is prepared to vary an outstanding cease trade order to permit the disposition of securities subject to the cease trade order for the purpose of establishing a tax loss where the Commission is satisfied that the disposition is being made, so far as the securityholder is concerned, solely for the purpose of that securityholder establishing a tax loss and provided that the securityholder provides the purchaser with a copy of the cease trade order and the variation order;

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

AND UPON RCC having represented to the Commission that:

- (i) each of the accounts managed by RCC acquired the Securities prior to the issuance of the Cease Trade Order;
- (ii) each of the accounts of clients of RCC which are not managed by RCC acquired the Securities prior to the issuance of the Cease Trade Order;
- (iii) RCC will effect the proposed disposition of the Securities (the "Disposition") solely for the purpose of enabling the beneficial owners of the Securities to establish a tax loss in respect of such Disposition;
- (iv) prior to any Disposition on behalf of a client account not managed by RCC, RCC will obtain from the beneficial owner of the client account not managed by RCC confirmation in writing of the client's instructions to RCC to purchase his/her IDS Intelligent Detection Systems Inc. shares solely for the purpose of enabling the beneficial owner to establish a tax loss; and
- (v) RCC has agreed to purchase as principal the Securities of each client account for the sum of \$1.00 per account;

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

IT IS ORDERED pursuant to section 144 of the Act that the Cease Trade Order be and is hereby varied in order to permit the Disposition.

November 27, 2001.

"John Hughes"

2.2.6 Direct IT Canada Inc. - s. 83.1(1)

Headnote

Subsection 83.1(1) - Issuer deemed to be a reporting issuer in Ontario - Issuer has been a reporting issuer in Alberta since July 20, 2000 and in British Columbia since September 1, 2000 - Issuer listed and posted for trading on the Canadian Venture Exchange - Continuous disclosure requirements of Alberta and British Columbia substantially the same as those of Ontario.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 83.1(1).

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

AND

**IN THE MATTER OF DIRECT IT CANADA INC.
(FORMERLY CSW VENTURES CORP.)**

**ORDER
(Subsection 83.1(1))**

UPON the application of Direct IT Canada Inc. (the "Company") for an order pursuant to subsection 83.1(1) of the Act deeming the Company to be a reporting issuer for the purposes of Ontario securities law;

AND UPON considering the application and the recommendation of the staff of the Commission (the "Commission");

AND UPON the Company representing to the Commission as follows:

1. The Company was incorporated on March 16, 2000 pursuant to the *Business Corporations Act* (Alberta).
2. The Company's head office is located in Oakville, Ontario.
3. The Company has been a reporting issuer in the Province of Alberta pursuant to the *Securities Act* (Alberta) (the "Alberta Act") since July 20, 2000, and a reporting issuer in the Province of British Columbia pursuant to the *Securities Act* (British Columbia) (the "B.C. Act") since September 1, 2000 by virtue of its listing on the Canadian Venture Exchange ("CDNX").
4. The Company is not a reporting issuer or the equivalent under the securities legislation of any other jurisdiction in Canada.
5. The common shares of the Company were listed on the CDNX on September 1, 2000, traded thereon under the trading symbol "CSV" until November 12, 2001, and have since traded on the CDNX under the trading symbol "DCT".
6. The Company was formerly a Capital Pool Company as defined in the policies of the CDNX. On August 28, 2001, the Company completed the acquisition of all of the shares of Applied Planning Systems Inc. and Direct IT Inc., both of which are corporations incorporated under the laws of the Province of Ontario and which are wholly-owned by Ontario residents, as its Qualifying Transaction as defined in the policies of the CDNX.
7. The Company obtained final approval for its Qualifying Transaction from the CDNX on November 8, 2001 and is no longer designated as a Capital Pool Company.
8. The Company has a significant connection to Ontario in that: (i) five (5) out of the seven (7) directors of the Company are resident in Ontario; and (ii) such directors hold no less than 49.6% of the Company's issued and outstanding common shares.
9. The Company's authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series, without nominal or par value. As at November 13, 2001 there were 6,008,000 common shares and no preferred shares issued and outstanding in the capital of the Company.
10. The Company is not in default of any of the requirements of the Alberta Act or the BC Act.
11. The continuous disclosure materials filed by the Company under the Alberta Act since July 20, 2000 and under the BC Act since September 1, 2000 are available on the System for Electronic Document Analysis and Retrieval.
12. The continuous disclosure requirements of the Alberta Act and the BC Act are substantially the same as the requirements under the Act.
13. The Company has not been subject to any penalties or sanctions imposed against the Company by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, and has not entered into any settlement agreements with any Canadian securities regulatory authority.
14. Neither the Company nor any of its officers, directors, nor any of its shareholders holding sufficient securities of the Company to affect materially the control of the Company has: (i) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, (ii) entered into a settlement agreement with a Canadian securities regulatory authority, or (iii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
15. Neither the Company nor any of its officers, directors, nor any of its shareholders holding sufficient securities of the Company to affect materially the control of the Company, is or has been subject to: (i) any known ongoing or concluded investigations by: (a) a Canadian

securities regulatory authority, or (b) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee within the preceding 10 years.

16. None of the officers or directors of the Company, nor any of its shareholders holding sufficient securities of the Company to affect materially the control of the Company, is or has been at the time of such event, an officer or director of any other issuer which is or has been subject to: (i) any cease trade or similar orders, or orders that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

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

IT IS HEREBY ORDERED pursuant to subsection 83.1(1) of the Act that the Company be deemed a reporting issuer for purposes of the Act.

November 28, 2001.

"Margo Paul"

2.3 Rulings

2.3.1 Paradigm Capital Inc. and Paradigm Capital U.S. Inc. - s. 74(1)

Headnote

Trades by U.S. licensed broker dealer, which is an affiliate of Ontario registered investment dealer, exempted from requirements of clause 25(1)(a) of the Act, for trades made to persons or companies that are resident in the U.S.A., where the trade is made by the U.S. dealer (in its own right, or on behalf of another person or company resident in the U.S.) through individuals that are officers or salespersons of both the U.S. licensed dealer and Ontario registrant -- Individuals must be appropriately registered to make the trade on behalf of the Ontario registrant if the Ontario registrant were making the trade to an Ontario resident.

Statutes Cited

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

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

AND

**IN THE MATTER OF
PARADIGM CAPITAL INC.**

AND

PARADIGM CAPITAL U.S. INC.

**RULING
(Subsection 74(1))**

UPON the application (the "Application") of Paradigm Capital Inc. ("Paradigm") and Paradigm Capital U.S. Inc. ("Paradigm U.S.") to the Ontario Securities Commission (the "Commission") for a ruling, pursuant to subsection 74(1) of the Act, that, where persons ("dual representatives") who are salespersons or officers of Paradigm U.S., who are also registered under the Act to trade on behalf of Paradigm as salespersons or officers of Paradigm, act on behalf of Paradigm U.S. in respect of trades in securities to persons or companies ("U.S. Clients") that are resident in the United States of America (the "U.S.A."), and the trade is made by Paradigm U.S., in its own right or on behalf of other U.S. Clients, the dual representative and Paradigm U.S. shall not be subject to clause 25(1) (a) of the Act;

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

AND UPON Paradigm having represented to the Commission that:

1. Paradigm is registered under the Act as a dealer in the categories of "broker" and "investment dealer";

2. the head office of Paradigm is in Toronto, Ontario;
3. Paradigm U.S. is a corporation incorporated under the laws of Ontario, is a wholly-owned subsidiary of the Paradigm and is not registered under the Act;
4. the head office of Paradigm U.S. is in Toronto, Ontario;
5. Paradigm U.S. is in the process of being registered as a broker-dealer by the Securities and Exchange Commission of the U.S.A. pursuant to section 15(b) of the Securities Exchange Act of 1934 of the U.S.A. to carry on the business of a broker-dealer in the U.S.A.;
6. Paradigm U.S. was established as a vehicle for trading in Canadian securities with U.S. Clients, the majority of whom are institutional investors;
7. Paradigm U.S. will not trade in securities with or on behalf of persons or companies who are resident in Canada;
8. although dual representatives will primarily act on behalf of Paradigm, they may also act in Ontario on behalf of Paradigm U.S. in respect of trades with or on behalf of U.S. Clients;
9. where Paradigm U.S. trades with or on behalf of U.S. Clients, Paradigm U.S. and any dual representatives who acts on behalf of Paradigm U.S. in respect of such trade, will comply with all registration and other requirements of applicable securities legislation in the U.S.A.; and
10. Paradigm U.S. will file with the Commission such reports as to its trading activities as the Commission may from time to time require;

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

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

IT IS RULED, pursuant to subsection 74(1) of the Act, that trades in securities to U.S. Clients, that are made by Paradigm U.S., for itself or on behalf of other U.S. Clients, and on behalf of Paradigm U.S. by dual representatives, shall not be subject to clause 25(1)(a) of the Act, provided that, at the time of the trade, Paradigm is registered under the Act as a dealer in a category that would permit Paradigm to act as a dealer for the trade, in compliance with clause 25(1)(a) of the Act, if the trade were made by Paradigm to a person or company resident in Ontario, and the registration of the relevant dual representative(s) would permit the dual representative to act on behalf of Paradigm in respect of such trade, in compliance with clause 25(1)(a) of the Act, if the trade were made by the dual representative on behalf of Paradigm to a person or company resident in Ontario.

November 6, 2001

"Paul M. Moore"

"Robert W. Korthals"

2.3.2 Connor Clark & Lunn Prints Trust - ss. 74(1), 59(1)

Headnote

Subsection 74(l) - Exemption from sections 25 and 53 of the Act in connection with the writing of over-the-counter covered call options and cash covered put options by the issuer, subject to certain conditions.

Section 59, Schedule I - Issuer exempt from section 28 of Schedule I to the Regulation in connection with the writing of over-the-counter covered call options and cash covered put options.

Statutes Cited

Securities Act, R. S. O. 1990, c. S.5, as am. 25, 53 and 74(l).

Regulations Cited

Regulation made under the Securities Act, R. R. O. 1990, Reg. 1015, as am., ss. 28 and 59 of Schedule I.

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

AND

**IN THE MATTER OF
R.R.O. 1990, REGULATION 1015, AS AMENDED
(the "Regulation")**

AND

**IN THE MATTER OF
CONNOR, CLARK & LUNN PRINTS TRUST**

RULING AND EXEMPTION

(Subsection 74(1) of the Act and Subsection 59(1) of Schedule 1 of the Regulation)

UPON the application of Connor, Clark & Lunn Capital Markets Inc. (the "Manager"), in its capacity as manager of Connor, Clark & Lunn PRINTS Trust (the "Trust"), to the Ontario Securities Commission (the "Commission") for:

- (i) a ruling, pursuant to subsection 74(1) of the Act, that the writing of certain over-the-counter covered call options and cash covered put options (collectively, the "OTC Options") by the Trust is not subject to sections 25 and 53 of the Act; and
- (ii) an exemption, pursuant to subsection 59(1) of Schedule 1 of the Regulation, from the fees required to be paid under section 28 of Schedule 1 of the Regulation in connection with the writing of certain OTC Options by the Trust;

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

AND UPON the Manager having represented to the Commission as follows:

1. The Trust is an investment trust that will be established under the laws of the Province of Ontario pursuant to a trust agreement (the "Trust Agreement") to be entered into between the Manager, in its capacity as manager, and The Royal Trust Company in its capacity as trustee of the Trust.
2. The Trust will be authorized to issue an unlimited number of transferable, redeemable units (the "Units") of the Trust (the "Offering").
3. The Trust is not a reporting issuer under the Act but has filed a preliminary prospectus (the "Preliminary Prospectus") dated October 22, 2001 with the Commission and with the securities regulatory authority in each of the other provinces of Canada with respect to a proposed offering of Units.
4. It is expected that the Units will be listed on The Toronto Stock Exchange.
5. By virtue of the redemption features attaching to the Units, the Trust is considered a "mutual fund" within the meaning of the Act and other applicable legislation.
6. The Manager is a corporation incorporated under the laws of the Province of Ontario on January 15, 2001 and will act as manager of the Trust pursuant to the Trust Agreement.
7. The Manager has taken the initiative in organizing the Trust and accordingly may be considered a "promoter" thereof.
8. Connor, Clark & Lunn Investment Management Ltd. (the "Investment Manager") will provide investment advisory and portfolio management advice to the Trust pursuant to an investment agreement to be entered into by the Manager, on behalf of the Trust and the Investment Manager.
9. The Investment Manager is registered under the Act as an adviser in the categories of investment counsel and portfolio manager.
10. The Trust's investment objectives are: (i) to return at least the original issue price of \$25.00 per Unit (the "Original Investment Amount") to holders of Units upon termination of the Trust on December 2, 2013 (the "Termination Date"); (ii) to provide holders of Units with a stable stream of quarterly distributions targeted to be at least \$0.50 per Unit (\$2.00 per annum or 8.00% on the Original Investment Amount); and (iii) to pay to holders on the Termination Date, in addition to the Original Investment Amount, the value per Unit, if any, in excess of the Original Investment Amount.
11. In order to achieve the Trust's distribution and capital appreciation objectives, the Trust will initially invest the

net proceeds of the Offering in a diversified portfolio (the "Managed Portfolio") consisting principally of equity securities issued primarily by mid- and large-capitalization companies which will be selected primarily from the S&P 500 Index .

12. In order to meet the Trust's capital repayment objective, on the date of closing of the Offering the Trust will enter into a forward purchase and sale agreement (the "Forward Agreement") with a counterparty (the "Counterparty") pursuant to which the Counterparty will pay to the Trust the Original Investment Amount on the Termination Date in exchange for the Trust delivering to the Counterparty certain securities owned by the Trust (the "Capital Portfolio"). The Capital Portfolio will be acquired by the Trust on a future date (the "Determination Date") to be determined in accordance with the terms of the Forward Agreement, and will be purchased by the Trust out of its then existing assets, including proceeds from the sale of Managed Portfolio securities. Until the Determination Date, a portion of the Managed Portfolio securities (the "Initial Securities") will be pledged to the Counterparty as security for the obligations of the Trust under the Forward Agreement.
13. The Trust, will, from time to time, write covered call options in respect of all or part of the securities in its Managed Portfolio, excluding the Initial Securities. The investment criteria of the Trust prohibits the sale of equity securities subject to an outstanding call option, and therefore the call options will be covered at all times.
14. The Trust may, from time to time, hold a portion of its assets in "cash equivalents" (as that term is defined in the Preliminary Prospectus). The Trust may utilize such cash equivalents to provide cover in respect of the writing of cash covered put options. Such cash covered put options will only be written in respect of securities in which the Trust is permitted to invest.
15. The purchasers of OTC Options written by the Trust will generally be major Canadian financial institutions and all purchasers of OTC Options will be persons or entities described in Schedule I to this ruling.
16. The writing of OTC Options by the Trust will not be used as a means for the Trust to raise new capital.

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

IT IS RULED, pursuant to subsection 74(1) of the Act, that the writing of OTC Options by the Trust, as contemplated by paragraphs 12 and 13 of this ruling, shall not be subject to sections 25 and 53 of the Act provided that:

- (a) the portfolio adviser advising the Trust with respect to such activities is registered as an adviser under the Act and meets the proficiency requirements in Ontario for advising with respect to options;
- (b) each purchaser of an OTC Option written by the Trust is a person or entity described in Schedule 1 to this ruling; and

- (c) a receipt for the (final) prospectus has been issued by the Director under the Act;

AND PURSUANT to section 59 of Schedule 1 to the Regulation the Trust is hereby exempted from the fees which would otherwise be payable pursuant to Section 28 of Schedule 1 to the Regulation in connection with any OTC Options written by the Trust in reliance on the above ruling.

November 23, 2001.

"Howard I Wetston"

"K. D. Adams"

SCHEDULE 1

QUALIFIED PARTIES

Interpretation

1. The terms "subsidiary" and "holding body corporate" used in paragraphs (w), (x) and (y) of paragraph 3 of this Schedule have the same meaning as they have in the *Business Corporations Act* (Ontario).
2. All requirements contained in this Schedule that are based on the amounts shown on the balance sheet of an entity apply to the consolidated balance sheet of the entity.

Qualified Parties Acting as Principal

3. The following are qualified parties for all OTC derivatives transactions, if acting as principal:

Banks

- (a) A bank listed in Schedule I, II or III to the *Bank Act* (Canada).
- (b) The Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada).
- (c) A bank subject to the regulatory regime of a country that is a member of the Basel Accord, or that has adopted the banking and supervisory rules set out under the Basel Accord, if the bank has a minimum paid up capital and surplus, as shown on its last audited balance sheet, in excess of \$25 million or its equivalent in another currency.

Credit Unions and Caisses Populaires

- (d) A credit union central, federation of caisses populaires, credit union or regional caisse populaire, located, in each case, in Canada.

Loan and Trust Companies

- (e) A loan corporation or trust corporation registered under the *Loan and Trust Corporations Act* (Ontario) or under the *Trust and Loan Companies Act* (Canada), or under comparable legislation in any other province or territory of Canada.
- (f) A loan company or trust company subject to the regulatory regime of a country that is a member of the Basel Accord, or that has adopted the banking and supervisory rules set out under the Basel Accord, if the loan company or trust company has a minimum paid up capital and surplus, as shown on its last audited balance sheet, in excess of \$25 million or its equivalent in another currency.

Insurance Companies

- (g) An insurance company licensed to do business in Canada or a province or territory of Canada.
- (h) An insurance company subject to the regulatory regime of a country that is a member of the Basel Accord, or that has adopted the banking and supervisory rules set out under the Basel Accord, if the insurance company has a minimum paid up capital and surplus, as shown on its last audited balance sheet, in excess of \$25 million or its equivalent in another currency.

Sophisticated Entities

- (i) A person or company that, together with its affiliates,
 - (i) has entered into one or more transactions involving OTC derivatives with counterparties that are not its affiliates, if
 - (A) the transactions had a total gross dollar value of or equivalent to at least \$1 billion in notional principal amount; and
 - (B) any of the contracts relating to one of these transactions was outstanding on any day during the previous 15-month period, or
 - (ii) had total gross marked-to-market positions of or equivalent to at least \$100 million aggregated across counterparties, with counterparties that are not its affiliates in one or more transactions involving OTC derivatives on any day during the previous 15-month period.

Individuals

- (j) An individual who, either alone or jointly with the individual's spouse, has a net worth of at least \$5 million, or its equivalent in another currency, excluding the value of his or her principal residence.

Governments/Agencies

- (k) Her Majesty in right of Canada or any province or territory of Canada and each crown corporation, instrumentality and agency of a Canadian federal, provincial or territorial government.
- (l) A national government of a country that is a member of the Basel Accord, or that has adopted the banking and supervisory rules set out under the Basel Accord, and each instrumentality and agency of that government or corporation wholly-owned by that government.

Municipalities

- (m) Any Canadian municipality with a population in excess of 50,000 and any Canadian provincial or territorial capital city.

Corporations and other Entities

- (n) A company, partnership, unincorporated association or organization or trust, other than an entity referred to in paragraph (a), (b), (c), (d), (e), (f), (g) or (h), with total revenue or assets, as shown on its last audited balance sheet, in excess of \$25 million or its equivalent in another currency.

Pension Plan or Fund

- (o) A pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a provincial pension commission, if the pension fund has total net assets, as shown on its last audited balance sheet, in excess of \$25 million, provided that, in determining net assets, the liability of a fund for future pension payments shall not be included.

Mutual Funds and Investment Funds

- (p) A mutual fund or non-redeemable investment fund if each investor in the fund is a qualified party.
- (q) A mutual fund that distributes its securities in Ontario, if the portfolio manager of the fund is registered under the Act or securities legislation elsewhere in Canada as an adviser, other than a securities adviser.
- (r) A non-redeemable investment fund that distributes its securities in Ontario, if the portfolio manager of the fund is registered under the Act or securities legislation elsewhere in Canada as an adviser, other than a securities adviser.

Brokers/Investment Dealers

- (s) A person or company registered under the Act or securities legislation elsewhere in Canada as a broker or an investment dealer or both.
- (t) A person or company registered under the Act as an international dealer if the person or company has total assets, as shown on its last audited balance sheet, in excess of \$25 million or its equivalent in another currency.

Futures Commission Merchants

- (u) A person or company registered under the CFA as a dealer in the category of futures commission merchant, or in an equivalent capacity elsewhere in Canada.

Charities

- (v) A registered charity under the *Income Tax Act* (Canada) with assets not used directly in charitable activities or administration, as shown on its last audited balance sheet, of at least \$5 million or its equivalent in another currency.

Affiliates

- (w) A wholly-owned subsidiary of any of the organizations described in paragraph (a), (b), (c), (d), (e), (f), (g), (h), (j), (n), (o), (s), (t) or (u).
- (x) A holding body corporate of which any of the organizations described in paragraph (w) is a wholly-owned subsidiary.
- (y) A wholly-owned subsidiary of a holding body corporate described in paragraph (x).
- (z) A firm, partnership, joint venture or other form of unincorporated association in which one or more of the organizations described in paragraph (w), (x) or (y) have a direct or indirect controlling interest.

Guaranteed Party

- (aa) A party whose obligations in respect of the OTC derivatives transaction for which the determination is made is fully guaranteed by another qualified party.

Qualified Party Not Acting as Principal

- 4. The following are qualified parties, in respect of all OTC derivative transactions:

Managed Accounts

- (a) Accounts of a person, company, pension fund or pooled fund trust that are fully managed by a portfolio manager or financial intermediary referred to in paragraph (a), (d), (e), (g), (s), (t), (u) or (w) of paragraph 3 or a broker or investment dealer acting as a trustee or agent for the person, company, pension fund or pooled fund trust under section 148 of the Regulation.

Subsequent Failure to Qualify

- 5. A party is a qualified party for the purpose of any OTC derivatives transaction if it, he or she is a qualified party at the time it, he or she enters into the transaction.

2.3.3 Lionhart (Canada) Limited - s. 74(1)

Headnote

Ontario resident adviser exempted from the requirements of clause 25(1)(c) of the Act with respect to advice as to the investing in or the buying and selling of securities given to an adviser registered in the United Kingdom provided that the Ontario resident adviser undertakes not to advise individuals or companies resident in Canada and to comply with all securities laws of the United Kingdom.

Statutes Cited

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

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

AND

**IN THE MATTER OF
LIONHART (CANADA) LIMITED**

**RULING
(subsection 74(1))**

UPON the application of Lionhart (Canada) Limited ("Lionhart Canada") to the Ontario Securities Commission (the "Commission") pursuant to subsection 74(1) of the Act for a ruling that Lionhart Canada, any of its current affiliates, and persons who are officers thereof (the "Lionhart Advisers") shall not be subject to the requirements of clause 25(1)(c) of the Act to register as advisers;

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

AND UPON Lionhart Canada having represented to the Commission that:

1. Lionhart Canada was formed under the laws of Ontario on July 26, 2001. Lionhart Canada is wholly-owned by Terrence and Kim Duffy. The issued and outstanding capital of Lionhart Canada is comprised of 100 Class A common shares and 100 Class B common shares;
2. Lionhart Canada's sole activity is that of a sub-adviser to Lionhart Investments Limited, ("Lionhart U.K."), a corporation incorporated under the laws of England and Wales on April 2, 1993. Lionhart Canada and Terrence and Kim Duffy will carry on their activities in Ontario;
3. Lionhart U.K. acts as an adviser in respect of the investing in, or buying or selling of, securities on behalf of Lionhart Global Appreciation Fund Ltd. ("Lionhart Global"); Lionhart Aurora Fund Ltd. ("Lionhart Aurora"); and Lionhart Titan Fund Ltd. ("Lionhart Titan"), (collectively the "Lionhart Hedge Funds");

4. Lionhart Global is an open-ended offshore hedge fund incorporated as a limited liability company under the *International Business Companies Act* of the British Virgin Islands on January 15, 1996 and was granted recognition as a Professional Fund in the British Virgin Islands under the *Mutual Funds Act 1996* on May 3, 2000;
5. Lionhart Aurora is an open-ended offshore hedge fund incorporated as a limited liability company under the *International Business Companies Act* of the British Virgin Islands on January 16, 1998. Lionhart Aurora was granted recognition as a Professional Fund in the British Virgin Islands under the *Mutual Funds Act 1996* on January 4, 2000;
6. Lionhart Titan is an open-ended offshore hedge fund incorporated as a limited liability company under the *International Business Companies Act* of the British Virgin Islands on June 1, 2000. Lionhart Titan was granted recognition as a Professional Fund in the British Virgin Islands under the *Mutual Funds Act 1996* on August 11, 2000;
7. Neither Lionhart Canada nor Terrence nor Kim Duffy exercise control over Lionhart U.K. or the Lionhart Hedge Funds;
8. Lionhart Canada was established as a vehicle to provide sub-advisory services to Lionhart U.K. pursuant to a services agreement (the "Services Agreement") to be entered into by both parties. The Lionhart Advisers will act on behalf of Lionhart Canada in providing these sub-advisory services to Lionhart U.K. in respect of the Lionhart Hedge Funds;
9. The Lionhart Advisers will comply with all applicable registration and other requirements of the United Kingdom and British Virgin Islands securities laws in respect of the sub-advisory services. Lionhart U.K. is registered as an Arranger with the Securities and Futures Authority Limited (the "SFA") in the United Kingdom. Terrence Duffy is registered as a Registered Representative under the SFA;
10. Investors in the Lionhart Hedge Funds are institutional investors or high net worth individuals. No investor is a resident of Canada. Additionally, none of the services or products of Lionhart Canada, Lionhart U.K. or the Lionhart Hedge Funds will be marketed or sold to persons resident in Canada. This restriction on Lionhart Canada is set out in the Services Agreement;
11. The Lionhart Hedge Funds have no current intention of issuing securities to persons resident in Canada;
12. Neither Lionhart Canada nor any individual acting on its behalf, will at any time advise persons resident in Canada. If any persons who are currently investors in the Lionhart Hedge Funds become residents of Ontario, they will be advised that they must redeem their interests in the Lionhart Hedge Funds;

13. If at any time Lionhart Canada or any individual acting on its behalf advises persons resident in Ontario, Lionhart Canada must become registered in Ontario;

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

IT IS RULED pursuant to subsection 74(1) of the Act that the Lionhart Advisers are exempted from the requirement to register as advisers with the Commission pursuant to clause 25(1)(c) of the Act, provided that:

- (a) the Lionhart Advisers comply with all applicable registration and other requirements of the securities legislation of the United Kingdom;
- (b) the Lionhart Advisers will not advise persons resident in Canada as to the buying or selling of securities.

November 27, 2001

"Paul M. Moore"

"Robert W. Korthals"

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Chapter 3

Reasons: Decisions, Orders and Rulings

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Extending & Rescinding Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Rescinding Order
TDZ Holdings Inc.	25 May 01	06 Jun 01	08 Jun 01	26 Nov 01
Peak Brewing Group Inc.	12 Oct 01	24 Oct 01	26 Oct 01	22 Nov 01
Pacific Consolidated Resources Corp.	18 Oct 01	10 Dec 01	-	-
Saco Smartvision Inc.	6 Nov 01	16 Nov 01	16 Nov 01	-
Itemus Inc.	15 Nov 01	27 Nov 01	27 Nov 01	-
Beamscope Canada Inc.	15 Nov 01	27 Nov 01	27 Nov 01	-
Consolidated Grandview Inc.	15 Nov 01	27 Nov 01	-	-
CD Plus.com Ltd.	16 Nov 01	28 Nov 01	28 Nov 01	-
Axxent Inc.	16 Nov 01	28 Nov 01	28 Nov 01	-
Netactive Inc.	21 Nov 01	03 Dec 01	-	-
Atapa Minerals Limited	22 Nov 01	04 Dec 01	-	-
Advantexcel.com Communications Corp.	23 Nov 01	05 Dec 01	-	-
Gram Minerals Corp.	26 Nov 01	10 Dec 01	-	-

4.2.1 Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Dotcom 2000 Inc.	29 May 01	11 Jun 01	11 Jun 01	-	23 Jul 01
St. Anthony Resources Inc.	29 May 01	11 Jun 01	11 Jun 01	23 Jun 01	-
Galaxy OnLine Inc. Melanesian Minerals Corporation	29 May 01	11 Jun 01	11 Jun 01	24 Jul 01	-
Brazilian Resources, Inc. Link Mineral Ventures Ltd. Nord Pacific Limited	30 May 01	12 Jun 01	12 Jun 01	-	23 Jul 01

Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Landmark Global Financial Corp.	30 May 01	12 Jun 01	12 Jun 01	28 Jun 01	-
Dominion International Investments Inc.	12 Jun 01	25 Jun 01	25 Jun 01	-	23 Jul 01
Zamora Gold Corp.	13 Jun 01	26 Jun 01	26 Jun 01	18 Jul 01	-
Consumers Packaging Inc.	20 Jun 01	03 Jul 01	-	05 Jul 01	-
Systech Retail Systems Inc.	27 Jun 01	10 Jul 01	10 Jul 01	23 Aug 01	-
United Trans-Western, Inc.	05 Jul 01	18 Jul 01	19 Jul 01	-	23 Jun 01
Digital Duplication Inc.	10 Jul 01	23 Jul 01	23 Jul 01	23 Aug 01	-
Online Direct Inc.	22 Aug 01	04 Sep 01	04 Sep 01	-	18 Oct 01
Aquarius Coatings Inc.	23 Aug 01	05 Sep 01	06 Sep 01	9 Oct 01	-
Primenet Communications Inc.	29 Aug 01	11 Sep 01	11 Sep 01	-	26 Oct 01
Unirom Technologies Inc.	30 Aug 01	12 Sep 01	12 Sep 01	-	19 Oct 01
Zaurak Capital Corporation	30 Aug 01	12 Sep 01	12 Sep 01	28 Sep 01	-
Galaxy Online Inc.	14 Sep 01	27 Sep 01	-	27 Sep 01	27 Sep 01
Consumers Packaging Inc.	19 Sep 01	25 Sep 01	25 Sep 01	31 Oct 01	-
Diadem Resources Ltd.	23 Oct 01	5 Nov 01	5 Nov 01	-	-
Armistice Resources Limited	21 Nov 01	04 Dec 01	-	-	-
CTM Cafes Inc.	23 Nov 01	06 Dec 01	-	-	-
Titan Employment Services Ltd.	27 Nov 01	10 Dec 01	-	-	-

Chapter 5
Rules and Policies

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IN THIS ISSUE

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Chapter 6

Request for Comments

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IN THIS ISSUE

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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

Exempt Financings

The Ontario Securities Commission reminds issuers and other parties relying on exemptions that they are responsible for the completeness, accuracy, and timely filing of Forms 45-501F1 and 45-501F2, and any other relevant form, pursuant to section 72 of the *Securities Act* and OSC Rule 45-501 ("Exempt Distributions").

Reports of Trades Submitted on Form 45-501f1

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
13Nov01	681348 Alberta Ltd. - Bond	14,437,500	14,437,500
13Nov01	724 Solutions Inc. - Common Shares	251,038	125,000
18Jul01	Accenture Ltd. - Class A Common Shares	14,584,245	14,584,245
05Nov01	Acuity Pooled Global Equity Fund - Trust Units	292,476	20,999
06Nov01	AHL Alpha plc - Participating Shares	US\$2,000,000	2,000,000
18May01	American Airlines, Inc. - Class B Pass Through Certificates, Series 2001-1	3,099,800	3,099,800
02nov01	Apiva.com Web Corporation - Common Shares	200,000	200,000
29Jun01	Arab Republic of Egypt, The - 7% Notes due 2006 and 8% Notes due 2011	\$1,528,738, \$1,915,717	\$1,528,738, \$1,915,717 Resp.
09Nov01	Arrow Global MultiManager Fund - Class A Trust Units	150,000	15,030
15Nov01	AT&T Corp. - Senior Notes	\$3,173,323	\$3,173,323
14Nov01	BioScript Inc. - Special Warrants	11,091,998	6,882,212
30Sep01	Borealis Private Equity Limited Partnership - Limited Partnership Units	438,188	2,550
26Oct01	BPI American Opportunities Fund - Units	150,000	1,238
24Aug01	Capital International Emerging Markets Fund - Class C1 (USD) Shares - Amended	10,787,000	281,576
08Nov01	CC&L American Equity Fund -	24,400	2,835
13Nov01	CC&L Canadian Equity Fund -	2,672,456	216,431
14Nov01	CC&L Canadian Equity Fund -	29,018	2,352
08Nov01	CC&L Global Growth Fund -	65,600	8,209
09Nov01	CC&L Money Market Fund -	557,064	55,706
07Nov01	CC&L Money Market Fund -	10,000	1,081
14Nov01	CC&L Private Client Diversified Fund -	91,284	9,795
13Nov01	CC&L Private Client PCJ Canadian Small Capitalization Fund -	336,396	38,391
01Oct01 to 31Oct01	CGO&V Balanced Fund - Units of Trust	789,259	68,297
01Oct01 to 31Oct01	CGO&V Cumberland Fund - Units of Trust	222,372	17,703
01Oct01 to 31Oct01	CGO&V Enhanced Yield Fund - Units of Trust	1,265,160	123,369
01Oct01 to 31Oct01	CGO&V Hazelton Fund - Units of Trust	1,762,422	144,288
01Oct01 to 31Oct01	CGO&V International Fund - Units of Trust	17,442,963	1,551,647

Notice of Exempt Financings

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
23May01	Chater Communications, Inc. - Shares of Class A Common Stock and 4.75% Convertible Senior Notes due 2006	\$816,322, \$1,554,9000	\$816,332, \$1,554,900 Resp.
13Jun01	Citizens Communications Company - 6¼% Equity Units	1,918,000	1,918,000
01Oct01	CP Ships Limited - Common Shares	8,241,867	638,335
12Jun01	Embraer-Empresa Brasileira de Aeronautica S.A. - American Depository Shares	776,704	13,000
01Nov01	Fallingbrook Growth Fund, The - Class B Units	177,000	13,556
08Nov01	Freewest Resources Canada Inc. - Common Shares	300,000	300,000
19Nov01	Gloucester Credit Card Trust - Series 2001-2 Class A Note and Series 2001-2 Collateral Note	\$295,750,000, \$54,250,000	\$295,750,000, \$54,250,000 Resp.
29Oct01	Grande Communications Holdings, Inc. - Series C Preferred Stock	US\$739,788	616,490
07Nov01	Hydrogenics Corporation - Common Shares	US\$1,410,000	300,000
08Nov01	IFPT Management Inc. - Common Shares and Class B Common Shares	3,405,500	3,730, 6,000 Resp.
09Nov01	Imagis Technologies Inc. - Special Warrants	1,650,002	760,370
06Nov01	IS2 Research Inc. - Class A Shares	1,181,125	787,417
06Nov01	IS2 Research Inc. - Class A Shares	1,100,000	733,333
09Nov01	KBSH Private - Money Market Fund - Units	500,000	50,000
13Nov01	KBSH Private - International Fund - Units	150,000	14,284
13Nov01	KBSH Private - Canadian Equity Fund - Units	50,000	3,452
02Nov01	KBSH Private - Money Market Fund - Units	500,000	50,000
13Nov01	Ketch Energy Ltd. - Common Shares	1,000,000	200,000
21Jun01	Key3Media Group, Inc. - 11.25% Senior Subordinated Notes due 2011	2,770,020	2,770,202
30Sep01	Kilmer Capital Fund L.P. - Limited Partnership Units	30,195	1,650
07Feb01	KPMG Consulting, Inc. - Common Stock	14,017,717	14,017,717
28Jun01	Launchworks Inc. - Class B Special Shares, Series 1	1,268,375	666,667
07Nov01	Minacs Worldwide Inc. - Notes Evidencing Debt	\$35,000,000	35,000,000
23May01	Nextel Communications, Inc. - 6% Convertible Senior Notes due 2011	\$7,774,500	\$7,774,500
30Sep01	ONCAP L.P. - Limited Partnership Units	968,076	2,550
31Jul01	ONCAP L.P. - Limited Partnership Units	4,352,064	15,000
09Nov01	Optenia, Inc. - Convertible Debenture	15,000,000	15,000,000
13Nov01	Optovation (Canada) Corp. - Special Exchangeable Shares	3,188,600	3,174,603
13Nov01	Optovation Corp. - Series B Preferred Stock	7,971,500	7,936,508
13Nov01	Optovation Corp. - Special Voting Stock	15	1
12Nov01	Outlook Resources Inc. - Convertible Debentures	16,000	16,000
19Jun01	Phoenix Companies, Inc. The - Common Stock	26,782,717	26,782,717
15Nov01	# Plum Creek Timber Company, Inc. - Common Shares	US\$280,000	10,000
04Jun01	Premium Standard Farms, Inc. - 9¼% Senior Notes due 2011	\$6,113,921	\$6,113,921
01Feb01	Republic of Panama - 9.625% Global Bonds due 2011	2,993,036	2,993,036
07Nov01	Roseland Resources Ltd. - Common Shares	500,000	2,000,000
29Oct01	Royal Laser Tech Corporation - Common Shares	495,495	90,909
16Oct01 & 29Oct01	Silicon Optix Inc. - Secured Convertible Promissory Notes and Warrants	US\$1,832,450	\$3,664,900
18Jun01	Statoil ASA - American Depository Shares	1,149,558	100,000
12Nov01	Stealth Minerals Limited - Common Shares	200,000	2,000,000
26Oct01	Trident Global Opportunities Fund - Units	300,000	2,802
13Nov01	True Energy Inc. - Flow-Through Shares	1,501,190	1,580,200
31Oct01	Twenty-First Century American Equity Fund - Units	3,000,000	578,714
31Oct01	Twenty-First Century Canadian Equity Fund - Units	7,660	1,302
31Oct01	Twenty-First Century Canadian Bond Fund - Units	3,500	659
20Jul01	Vanguard Health Systems, Inc. - 9¼% Senior Subordinated Notes due 2011	\$4,082,812	\$4,082,812
15Nov01	Vasogen Inc. - Common Shares and Warrants to purchase Common Shares	US\$7,500,000	1,406,783, 625,237 Resp.
14Nov01	Weight Watchers - Common Stock	584,655	15,300

Notice of Exempt Financings

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
31Oct01	YMG Institutional Fixed Income Fund -	701,867	65,316

Reports Made under Subsection 5 of Subsection 72 of the Act with Respect to Outstanding Securities of a Private Company That Has Ceased to Be a Private Company -- (Form 22)

<u>Name of Company</u>	<u>Date the Company Ceased to be a Private Company</u>
Zucotto Wireless Inc.	20Dec00

Notice of Intention to Distribute Securities Pursuant to Subsection 7 of Section 72 - (Form 23)

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
The Catherine and Maxwell Meighen Foundation	Canadian General Investments, Limited - Common Shares	1,080,600
Melnick, Larry	Champion Natural Health.com Inc. - Subordinate Voting Shares and Multiple Voting Shares	19,765, 100,000 Resp.
Les investissements Maba Inc.	Cossette Communication Group Inc. - Subordinate Voting Shares	13,123
Comunication Mens Sana Incorporée	Cossette Communication Group Inc. - Subordinate Voting Shares	5,177
Scitex Corporation Ltd.	Creo Products Inc. - Common Shares	7,000,000
Estill, Glen R.	EMJ Data Systems Ltd. - Common Shares	39,000
Estill Holdings Limited	EMJ Data Systems Ltd. - Common Shares	1,244,500
Estill, James A.	EMJ Data Systems Ltd. - Common Shares	21,800
832528 Ontario Inc.	Guyana Goldfields Inc. - Common Shares	400,000
Xenolith Gold Limited	Kookaburra Resources Ltd. - Common Shares	1,999,893
Martin, Rich	Liberty Oil & Gas Ltd. - Common Shares	67,234
Oncan Canadian Holdings Ltd.	Onex Corporation - Subordinate Voting Shares	1,000,000
Faye, Michael R.	Spectra Inc. - Common Shares	600,000
Thomson Works of Art Limited	The Thomson Corporation - Common Shares	100,000
The Catherine and Maxwell Meighen Foundation	Third Canadian General Investment Trust Limited - Common Shares	201,400

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Chapter 9
Legislation

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IN THIS ISSUE

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

ACCUMULUS NORTH AMERICAN INDEX MOMENTUM RSP FUND

Type and Date:

Preliminary Simplified Prospectus dated November 23rd, 2001
Receipt dated November 26th, 2001

Offering Price and Description:

Mutual Fund Securities Net Asset Value

Underwriter(s) or Distributor(s):

Accumulus Investment Management Ltd.

Promoter(s):

Accumulus Investment Management Ltd.

Project #403950

Issuer Name:

Acrex Ventures Ltd.

Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated November 20th, 2001
Mutual Reliance Review System Receipt dated November 22nd, 2001

Offering Price and Description:

Flow-through and Non-flow-through Units, each Consisting of 1 Common Share of the Company and a Warrant entitling the purchase of an additional share of the Company for a period of one year, to raise gross proceeds of \$1,000,000.00

Underwriter(s) or Distributor(s):

Pacific International Securities Inc.

Promoter(s):

-
Project #403386

Issuer Name:

Bakbone Software Incorporated

Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated November 23rd, 2001

Mutual Reliance Review System Receipt dated November 23rd, 2001

Offering Price and Description:

\$15,000,000 to \$7,500,000 to 6,000,000 to 12,000,000 Units @ \$1.25 per Unit

Underwriter(s) or Distributor(s):

Golden Capital Securities Ltd.

Promoter(s):

Archie J. Nesbitt

Keith Richard

Project #403953

Issuer Name:

Canadian Imperial Bank of Commerce

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Shelf Prospectus dated November 23rd, 2001

Mutual Reliance Review System Receipt dated November 26th, 2001

Offering Price and Description:

\$4,000,000,000 - Debt Securities (Subordinated Indebtedness) Common Shares, Class A Preferred Shares and Class B Preferred Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #403987

Issuer Name:

Canadian Real Estate Investment Trust

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated November 28th, 2001

Mutual Reliance Review System Receipt dated November 28th, 2001

Offering Price and Description:

\$51,045,000 - 4,150,000 Units @ \$12.30 per Unit

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

Scotia Capital Inc.

CIBC World Markets Inc.

TD Securities Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Raymond James Ltd.

Promoter(s):

-

Project #404985

Issuer Name:

Cardiome Pharma Corp

Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated November 23rd, 2001

Mutual Reliance Review System Receipt dated November 26th, 2001

Offering Price and Description:

\$1,100,600 - 1,834,333 - Common Shares and 917,166 Warrants issuable upon the exercise of Special Warrants @ \$0.60 per Special Warrant

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #404114

Issuer Name:

CI Strategic Global Sector Fund
(Global Sector A, F, and I Shares)
CI Global Balanced Sector Fund
(Balanced Sector A, F, and I Shares)
CI Strategic Global RSP Fund
CI Global Balanced RSP Fund
(Class A, F, and I Units)
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated November 28th, 2001
Mutual Reliance Review System Receipt dated November 29th, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Promoter(s):

CI Mutual Funds Inc.
Project #405314

Issuer Name:

CIBC Income Portfolio
CIBC Income Plus Portfolio
CIBC Balanced Portfolio
CIBC Balanced Growth Portfolio
CIBC Balanced Growth RSP Portfolio
CIBC Growth Portfolio
CIBC Growth RSP Portfolio
CIBC Aggressive Growth Portfolio
CIBC Aggressive Growth RSP Portfolio
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated November 27th, 2001
Mutual Reliance Review System Receipt dated November 28th, 2001

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s) or Distributor(s):

CIBC Securities Inc.

Promoter(s):

Canadian Imperial Bank of Commerce
Project #404708

Issuer Name:

COM DEV International Ltd.
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Short Form Prospectus dated November 27th, 2001
Mutual Reliance Review System Receipt dated November 28th, 2001

Offering Price and Description:

\$15,653,000 - 6.75% Convertible Unsecured Debentures due December 31, 2006

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
TD Securities Inc.

Promoter(s):

-

Project #399956

Issuer Name:

Croft Enhanced Income Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated November 23rd, 2001

Mutual Reliance Review System Receipt dated November 26th, 2001

Offering Price and Description:

F Class Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

R.N. Croft Financial Group Inc.
Project #404083

Issuer Name:

Croft Enhanced Income Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated November 23rd, 2001
Mutual Reliance Review System Receipt dated November 26th, 2001

Offering Price and Description:

Retail Class Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

R. N. Croft Financial Group Inc.
Project #404093

Issuer Name:

Dynamic Americas Fund
Dynamic Europe Fund
Dynamic Far East Fund
Dynamic International Fund
Dynamic Power American Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated November 23rd, 2001
Mutual Reliance Review System Receipt dated November 27th, 2001

Offering Price and Description:

Underwriter(s) or Distributor(s):

Dynamic Mutual Funds Ltd.

Promoter(s):

Dynamic Mutual Funds Ltd.

Project #399710

Issuer Name:

Dynamic Global Small Cap Class
(Mutual Fund Securities and Series F Shares)
Dynamic Fund of Canada
Dynamic Dividend Growth Fund
Dynamic RSP Americas Fund
Dynamic RSP Europe Fund
Dynamic RSP Far East Fund
Dynamic RSP International Fund
Dynamic Power Canadian Growth Fund
Dynamic Power Balanced Fund
Dynamic RSP Power American Fund
Dynamic Focus + Canadian Fund
Dynamic Diversified Income Trust Fund
Dynamic Focus + Wealth Management Fund
Dynamic Dividend Fund
Dynamic Canadian Value Class
Dynamic U.S. Value Class
Dynamic European Value Class
Dynamic Far East Value Class
Dynamic International Value Class
Dynamic Power Canadian Growth Class
Dynamic Power U.S. Growth Class
Dynamic Power European Growth Class
Dynamic Power International Growth Class
Dynamic Focus Plus Canadian Class
Dynamic Focus Plus U.S. Class
Dynamic Global Financial Services Class
Dynamic Global Health Sciences Class
Dynamic Global Real Estate Class
Dynamic Global Technology Class
Dynamic Money Market Class
(Series F Securities)
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Simplified Prospectus
dated November 23rd, 2001
Mutual Reliance Review System Receipt dated November
27th, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Dynamic Mutual Funds Ltd.

Promoter(s):

Dynamic Mutual Funds Ltd.

Project #399710

Issuer Name:

Inex Pharmaceuticals Corporation
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated November 26th,
2001

Mutual Reliance Review System Receipt dated November
26th, 2001

Offering Price and Description:

\$43,015,000 - 6,145,000 Common Shares - Price: \$7.00 per
Common Share

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
Raymond James Ltd.
RBC Dominion Securities Inc.
Yorkton Securities Inc.
Dlouhy Merchant Group Inc.

Promoter(s):

-

Project #404386

Issuer Name:

Manhattan Minerals Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated November 21st, 2001
Mutual Reliance Review System Receipt dated November
22nd, 2001

Offering Price and Description:

\$5,260,500 - 5,845,000 Common Shares and 2,922,500
Common Shares Purchase Warrants to be issued upon the
exercise of 5,845,000 Special Warrants previously issued at
a price of \$0.90 per Special Warrant

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
Dundee Securities Corporation

Promoter(s):

-

Project #403738

Issuer Name:

Manulife Financial Capital Trust
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Prospectus dated
November 21st, 2001

Mutual Reliance Review System Receipt dated November
22nd, 2001

Offering Price and Description:

\$ * - being the aggregate of

* Manulife Financial Capital Securities - Series A (MaCS -
Series A)

* Manulife Financial Capital Securities - Series B (MaCS -
Series B) @ \$1,000.00 per MaCS

Underwriter(s) or Distributor(s):

Scotia Capital Inc.

Merrill Lynch Canada Inc.

RBC Dominion Securities Inc.

BMO Nesbitt Burns Inc.

CIBC World Markets Inc.

TD Securities Inc.

HSBC Securities (Canada) Inc.

Laurentian Bank Securities Inc.

National Bank Financial Inc.

Promoter(s):

-

Project #398566

Issuer Name:

Norrep II Fund Inc.

Principal Regulator - Alberta

Type and Date:

Preliminary Simplified Prospectus dated November 26th, 2001

Mutual Reliance Review System Receipt dated November 28th,
2001

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Norrep Inc.

Project #404812

Issuer Name:

Pacific Ranger Petroleum Inc.

Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated November 26th, 2001

Mutual Reliance Review System Receipt dated November
27th, 2001

Offering Price and Description:

\$500,000 to \$1,001,000 - 1,923,077 to 3,850,000 Common
Shares @ \$.026 per Common Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #404402

Issuer Name:

Provident Energy Trust

Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated November 28th,
2001

Mutual Reliance Review System Receipt dated November 28th,
2001

Offering Price and Description:

\$35,000,000 - 4,000,000 Trust Units @ \$8.75 per Trust Unit

Underwriter(s) or Distributor(s):

Scotia Capital Inc.

National Bank Financial Inc.

CIBC World Markets Inc.

Canaccord Capital Corporation

Promoter(s):

-

Project #405406

Issuer Name:

Theratechnologies Inc.

Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated November 28th,
2001

Mutual Reliance Review System Receipt dated November
28th, 2001

Offering Price and Description:

\$26,096,500 - 2,546,000 Common Shares @ \$10.25 per
Common Share

Underwriter(s) or Distributor(s):

Yorkton Securities Inc.

National Bank Financial Inc.

Research Capital Corporation

Canaccord Capital Corporation

Desjardins Securities Inc.

Dundee Securities Corporation

Promoter(s):

-

Project #405061

Issuer Name:

Tuscarora Energy Growth Fund Inc.

Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Prospectus dated
November 21st, 2001

Mutual Reliance Review System Receipt dated November 22nd
, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

TNG Canada/CWA Sponsor Inc.

Front Street Capital Inc.

Project #399189

Issuer Name:

Altamira Canadian Value Fund
Principal Regulator - Ontario

Type and Date:

Amendment #2 dated November 15, 2001 to the Amended and Restated Simplified Prospectus and Annual Information Form dated September 13th, 2001, amending and restating the Simplified Prospectus and Annual Information Form dated August 28th, 2001
Mutual Reliance Review System Receipt dated 23rd day of November, 2001

Offering Price and Description:

Mutual Fund Securities Net Asset Value

Underwriter(s) or Distributor(s):

Altamira Financial Services Ltd.

Promoter(s):

-

Project #376588

Issuer Name:

Merrill Lynch Triple A 50 RSP Fund
Merrill Lynch Triple A 50 Fund
Merrill Lynch Global Growth RSP Fund
Merrill Lynch Global Technology RSP Fund
Merrill Lynch Global Technology Fund
Merrill Lynch Select International Growth RSP Fund
Merrill Lynch Select Global Value RSP Fund
Merrill Lynch Global Sectors RSP Fund
Merrill Lynch Global Sectors Fund
Merrill Lynch Canadian Balanced Value Fund
Merrill Lynch U.S. Basic Value Fund
Merrill Lynch Global Growth Fund
Merrill Lynch Canadian Income Trust Fund
Merrill Lynch Canadian Bond Fund
Merrill Lynch Canadian Core Value Fund
Merrill Lynch U.S. Money Market Fund
Merrill Lynch Canadian High Yield Bond Fund
Merrill Lynch Canadian Growth Fund
Merrill Lynch Select Canadian Balanced Fund
Merrill Lynch Canadian T-Bill Fund
Merrill Lynch Canadian Money Market Fund
Merrill Lynch Developing Capital Markets Fund
Merrill Lynch Euro Fund
Merrill Lynch Select International Growth Fund
Merrill Lynch Select Global Value Fund
Merrill Lynch International RSP Index Fund
Merrill Lynch U.S. Fundamental Growth Fund
Merrill Lynch U.S. RSP Index Fund
Merrill Lynch Canadian Small Cap Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated November 23rd, 2001 to Simplified Prospectus and Annual Information Form dated 1st November, 2001
Mutual Reliance Review System Receipt dated 27th day of November, 2001

Offering Price and Description:

Class A and F Units

Underwriter(s) or Distributor(s):

Merrill Lynch Canada Inc.
Merrill Lynch Canada Inc.

Promoter(s):

Merrill Lynch Investment Managers Canada Inc.
Project #390176

Issuer Name:

AltaRex Corp.
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated November 21st, 2001
Mutual Reliance Review System Receipt dated 23rd day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Yorkton Securities Inc.

Promoter(s):

-

Project #398925

Issuer Name:

BIOTEQ ENVIRONMENTAL TECHNOLOGIES INC.
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated November 20th, 2001
Mutual Reliance Review System Receipt dated 22nd day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Raymond James Ltd.

Promoter(s):

P. Bradley Marchant
Clement Pelletier
George Poling
John C. York
Richard Lawrence
Project #372944

Issuer Name:

Canada Dominion Resources Limited Partnership VIII
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 27th, 2001
Mutual Reliance Review System Receipt dated 28th day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Merrill Lynch Canada Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
HSBC Securities Inc.
Raymond James Ltd.
Trilon Securities Corporation
Promoter(s):

-

Project #396188

Issuer Name:

CMP 2001 II Resource Limited Partnership
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 21st, 2001
Mutual Reliance Review System Receipt dated 23rd day of
November, 2001

Offering Price and Description:

Underwriter(s) or Distributor(s):

Dundee Securities Corporation
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
TD Securities Inc.

Raymond James Ltd.
Wellington West Capital Inc.

Promoter(s):

Dynamic CMP Funds IV Inc.
Project #395678

Issuer Name:

Global Educational Trust Plan
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 20th, 2001
Mutual Reliance Review System Receipt dated 26th day of
November, 2001

Offering Price and Description:

Underwriter(s) or Distributor(s):

Promoter(s):

Project #393356

Issuer Name:

Hi Alta Capital Inc.
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated November 22nd, 2001
Mutual Reliance Review System Receipt dated 22nd day of
November, 2001

Offering Price and Description:

3040475 common shares issuable on conversion of Special
Warrants

Underwriter(s) or Distributor(s):

Raymond James Ltd.
Jennings Capital Inc.

Promoter(s):

Project #396004

Issuer Name:

Impact Energy Inc.
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated November 21st, 2001
Mutual Reliance Review System Receipt dated 22nd day
November, 2001

Offering Price and Description:

Underwriter(s) or Distributor(s):

Griffiths McBurney & Partners
FirstEnergy Capital Corp.
Yorkton Securities Inc.
National Bank Financial Inc.

Promoter(s):

Peter N. Bannister
Paul Colborne
Project #397025

Issuer Name:

Killam Properties Inc.
Principal Regulator - Nova Scotia

Type and Date:

Final Prospectus dated November 26th, 2001
Mutual Reliance Review System Receipt dated 28th day of
November, 2001

Offering Price and Description:

Underwriter(s) or Distributor(s):

Yorkton Securities Inc.

Promoter(s):

Philip D. Fraser
James C. Lawley
Robert G. Richardson
Arthur G. Lloyd
Timothy R. Banks
G. Wayne Watson
Project #395510

Issuer Name:

NU-SKY ENERGY INC.
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated November 23rd, 2001
Mutual Reliance Review System Receipt dated 27th day of
November, 2001

Offering Price and Description:

Underwriter(s) or Distributor(s):

Yorkton Securities Inc.

Promoter(s):

Project #393057

Issuer Name:

Shore Gold Inc.

Principal Regulator - Saskatchewan

Type and Date:

Final Prospectus dated November 27th, 2001

Mutual Reliance Review System Receipt dated 28th day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Wellington West Capital Inc.

Promoter(s):

Kenneth E. MacNeill

Project #391184

Issuer Name:

407 International Inc.

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated November 27th, 2001

Mutual Reliance Review System Receipt dated 27th day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

RBC Dominion Securities Inc.

Merrill Lynch Canada Inc.

Scotia Capital Inc.

National Bank Financial Inc.

Promoter(s):

-

Project #402133

Issuer Name:

BC GAS INC.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Shelf Prospectus dated November 21st, 2001

Mutual Reliance Review System Receipt dated 21st day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #400432

Issuer Name:

BC GAS UTILITY LTD.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Shelf Prospectus dated November 21st, 2001

Mutual Reliance Review System Receipt dated 22nd day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

CIBC World Markets Inc.

National Bank Financial Inc.

RBC Dominion Securities Inc.

Scotia Capital Inc.

TD Securities Inc.

Promoter(s):

-

Project #400448

Issuer Name:

Ivanhoe Energy Inc.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated November 22nd, 2001

Mutual Reliance Review System Receipt dated 23rd day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #397524

Issuer Name:

Ivanhoe Mines Ltd.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated November 22nd, 2001

Mutual Reliance Review System Receipt dated 22nd day of November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #398318

Issuer Name:

Kinross Gold Corporation
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated November 27th, 2001
Mutual Reliance Review System Receipt dated 27th day of
November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #400718

Issuer Name:

Merrill Lynch Financial Assets Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated November 22nd, 2001
Mutual Reliance Review System Receipt dated 23rd day of
November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Merrill Lynch Canada Inc.

Promoter(s):

-

Project #401900

Issuer Name:

North West Company Fund
Principal Regulator - Manitoba

Type and Date:

Final Short Form Prospectus dated November 21st, 2001
Mutual Reliance Review System Receipt dated 22nd day of
November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Merrill Lynch Canada Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Dundee Securities Corporation
Wellington West Capital Inc.
Bieber Securities Inc.

Promoter(s):

-

Project #398584

Issuer Name:

Pembina Pipeline Income Fund
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated November 26th, 2001
Mutual Reliance Review System Receipt dated 26th day
November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
FirstEnergy Capital Corp.

Promoter(s):

-

Project #400633

Issuer Name:

SHAW COMMUNICATIONS INC.
Principal Regulator - Alberta

Type and Date:

Final Short Form Shelf Prospectus dated November 23rd,
2001
Mutual Reliance Review System Receipt dated 26th day of
November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #402713

Issuer Name:

TransAlta Corporation
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated November 22nd, 2001
Mutual Reliance Review System Receipt dated 22nd day of
November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Scotia Capital Inc.
CIBC World Markets Inc.
Merrill Lynch Canada Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
Raymond James Ltd.

Promoter(s):

-

Project #401700

Issuer Name:

Wireless Matrix Corporation
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated November 26th, 2001
Mutual Reliance Review System Receipt dated 27th day of
November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Loewen, Ondaatje, McCutcheon Limited
Griffiths McBurney & Partners

Promoter(s):

James T. Knight
Chris Schnarr

Project #400726

Issuer Name:

Talvest Cdn. Resource Fund
Principal Regulator - Quebec

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated November 22nd, 2001
Mutual Reliance Review System Receipt dated 22nd day of
November, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Talvest Fund Management Inc.

Promoter(s):

-

Project #393019

Issuer Name:

Merrill Lynch Frontiers Canadian Equity Pool
Merrill Lynch Frontiers U.S. Equity Pool
Merrill Lynch Frontiers U.S. Equity RSP Pool
Merrill Lynch Frontiers International Equity Pool
Merrill Lynch Frontiers International Equity RSP Pool
Merrill Lynch Frontiers Emerging Markets Equity Pool
Merrill Lynch Frontiers Canadian Fixed Income Pool
Merrill Lynch Frontiers Global Bond Pool
Merrill Lynch Frontiers Canadian Short Term Income Pool
(Class A and F Units)

Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated November 26, 2001
Mutual Reliance Review System Receipt dated 27th day of
November, 2001

Offering Price and Description:

Class A and F Units)

Underwriter(s) or Distributor(s):

Merrill Lynch Canada Inc.

Promoter(s):

-

Project #394370

Issuer Name:

Saxon High Income Fund
Saxon Balanced Fund
Saxon Stock Fund
Saxon Small Cap
Saxon World Growth
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated November 21st, 2001
Mutual Reliance Review System Receipt dated 23rd day of
November, 2001

Offering Price and Description:

(Class A Units and Class B Units)

Underwriter(s) or Distributor(s):

Howson Tattersall Investment Counsel Limited

Promoter(s):

-

Project #395405

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Chapter 12

Registrations

12.1.1 Securities

Type	Company	Category of Registration	Effective Date
New Registration	Island Execution Services, LLC Attention: John B. Morgan 50 Broad Street New York NY 10004 USA	International Dealer	Nov 20/01
New Registration	Lancet Asset Management Inc. Attention: Gordon Robert Higgins 1867 Alta Vista Drive Ottawa ON K1G 5W8	Investment Counsel & Portfolio Manager	Nov 21/01
New Registration	Northern Rivers Capital Management Inc. Attention: Hugh Charles Cleland Royal Bank Plaza, South Tower 200 Bay Street, Suite 2305 PO Box 66 Toronto ON M5J 2J2	Investment Counsel & Portfolio Manager	Nov 21, 01
New Registration	IC Capital Corp. Attention: Anton Gregory Plut 1 Dundas Street Suite 2500 Toronto ON M5S 3K5	Limited Market Dealer (Conditional)	Nov 21/01
New Registration	Barclays Global Investors Services Canada Limited Attention: Cary James Blake BCE Place 161 Bay St. Suite 2500 PO Box 614 Toronto ON M5J 2S1	Investment Dealer Equities	Nov 22/01
New Registration	Fountainhead Management Limited Attention: John Low Stevens 70 York St., Suite 1220 Toronto ON M5J 1S9	Investment Dealer & Portfolio Manager	Nov 27/01
New Registration	Hesperian Capital Management Ltd. Attention: Kathleen Ward c/o 152928 Canada Inc. 5300 Commerce Court West 199 Bay Street Toronto ON M5L 1B9	Extra Provincial Adviser Investment Counsel & Portfolio Manager	Nov 27/01
Change of Name	Pantelecom Investments Inc. Attention: Thomas F. Byrne 8 King Street East Suite 1600 Toronto ON M5C 1B5	From: 1446553 Ontario Inc. To: Pantelecom Investments Inc.	Sep 18/01

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Chapter 13

SRO Notices and Disciplinary Proceedings

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