

The Ontario Securities Commission

# OSC Bulletin

April 12, 2002

Volume 25, Issue 15

(2002), 25 OSCB

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

**The Ontario Securities Commission**

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# Chapter 1

## Notices / News Releases

### 1.1 Notices

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

APRIL 12, 2002

#### CURRENT PROCEEDINGS

BEFORE

#### ONTARIO SECURITIES COMMISSION

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

The Harry S. Bray Hearing Room  
Ontario Securities Commission  
Cadillac Fairview Tower  
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20 Queen Street West  
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Mary Theresa McLeod	—	MTM
H. Lorne Morphy, Q. C.	—	HLM
R. Stephen Paddon, Q.C.	—	RSP

#### SCHEDULED OSC HEARINGS

April 1, 2, 4, 5, 11, 12, 16, 18, 22, 24, 25, 26, 30, 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)

April 9 & 17/02  
2:00 p.m.

April 8, 22 & 29/02  
9:30 a.m. - 1:00 p.m.

s.127

May 1, 2, 3, 30 & 31/02  
9:30 a.m.

K. Daniels/M. Code/J. Naster/I. Smith in attendance for staff.

May 28/02  
2:00 p.m.

Panel: HIW / DB / RWD

May 29/02  
9 a.m. - 12:00 p.m.

June 3, 24, 26 & 27/02  
9:30 a.m.

June 10/02  
1 p.m. - 4 p.m.

June 11 & 25/02  
2:00 - 4:30 p.m.

June 17/02  
10:30 a.m. - 4:30 p.m.

June 18/02  
9:00 - 3:00 p.m.

June 19/02  
9:30 - 4:30 p.m.

August 6 & 20/02  
2:00 - 4:30 p.m.

August 7, 8, 12 - 15, 19, 21, 22, 26-29/02  
9:30 a.m. - 4:30 p.m.

September 3 & 17/02  
2:00 -4:30 p.m.

September 6, 10, 12, 13, 24, 26 & 27/02 9:30 a.m. - 4:30 p.m.		June 12/02 9:30 a.m.	<b>Livent Inc., Garth H. Drabinsky, Myron I. Gottlieb, Gordon Eckstein and Robert Topol</b>
April 15 - 19/02	<b>Sohan Singh Koonar</b>		s. 127 J. Superina in attendance for Staff
9:30 a.m.	s. 127 J. Superina in attendance for Staff Panel: PMM / KDA / RSP	June 17, 18, 19, 20, 21, 24 & 26/02 10:00 a.m.	<b>Brian K. Costello</b> s. 127
April 23 & 26, April 29, 30, May 1/02 10:00 a.m.	<b>Mark Bonham and Bonham &amp; Co. Inc.</b> s. 127 M. Kennedy in attendance for staff Panel: PMM / KDA / MTM	June 25 2:00 - 4:00 p.m.	H. Corbett in attendance for Staff Panel: PMM
May 1 - 3/02 10:00 a.m.	<b>James Frederick Pincock</b> s. 127 J. Superina in attendance for staff Panel: PMM / HLM	July 8 - 12/02 July 15 - 19/02 10:00 a.m. -	<b><u>ADJOURNED SINE DIE</u></b>  <b>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 &amp; Co. Inc., Dundee Securities Corporation, Caldwell Securities Limited and B2B Trust</b>
May 6/02 10:00 a.m.	<b>Teodosio Vincent Pangia, Agostino Capista and Dallas/North Group Inc.</b> S. 127 Y. Chisholm in attendance for Staff Panel: PMM	DJI Capital Corp. and Dennis John Little	<b>Dual Capital Management Limited, Warren Lawrence Wall, Shirley Joan Wall, DJL Capital Corp., Dennis John Little and Benjamin Emile Poirier</b>
May 13 - 17/02 10:00 a.m.	Yorkton Securities Inc., Gordon Scott Paterson, Piergiorgio Donnini, Roger Arnold Dent, Nelson Charles Smith and Alkarim Jivraj ( <b>Piergiorgio Donnini</b> ) s. 127(1) and s. 127.1 J. Superina in attendance for Staff Panel: PMM / KDA / MTM	<b>First Federal Capital (Canada) Corporation and Monter Morris Friesner</b>	<b>Global Privacy Management Trust and Robert Cranston</b>
May 21/02 10:00 a.m.	<b>Lydia Diamond Explorations of Canada Ltd., Jurgen von Anhalt, Emilia von Anhalt and Fran Harvie</b> s. 127 and 127.1 M. Britton in attendance for Staff Panel: TBA	<b>Ricardo Molinari, Ashley Cooper, Thomas Stevenson, Marshall Sone, Fred Elliott, Elliott Management Inc. and Amber Coast Resort Corporation</b>	<b>Irvine James Dyck</b>
			<b>M.C.J.C. Holdings Inc. and Michael Cowpland</b>

**Offshore Marketing Alliance and Warren  
English**

**Philip Services Corporation**

**Rampart Securities Inc.**

**Robert Thomislav Adzija, Larry Allen  
Ayres, 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**

1.1.2 Quarterly Summary of OSC Bulletin Publications

SUMMARY OF PUBLICATIONS

PUBLICATION BY DATE PUBLISHED

January 11, 2002

(2002) 25 OSCB 112 CSA Staff Notice **52-303** Non-GAAP Earnings Measures  
(2002) 25 OSCB 112 Notice of Proposed Rule **62-501** Under the Securities Act and Amendment to Ontario Securities Policy **62-601** Prohibited Stock Market Purchases of the Offeree's Securities by the Offeror During a Take-Over Bid/**Correction**  
(2002) 25 OSCB 169 OSC Staff Notice Regarding Appendix A to the Notice of Proposed Multilateral Instrument **33-109** Comment Table

January 18, 2002

(2002) 25 OSCB 267 OSC Staff Notice **11-715** Policy Reformulation Project - Table of Concordance

January 25, 2002

(2002) 25 OSCB 432 Notice of Commission Approval - Amendment to IDA **By-law No. 3** Entrance, Annual and Other Fees  
(2002) 25 OSCB 432 Notice of Commission Approval - Amendment to IDA **Policy No. 2** Minimum Standards for Retail Account Supervision  
(2002) 25 OSCB 433 Short Notice - Amendment to National Policy **43-201** Mutual Reliance Review System for Prospectuses and Annual Information Forms  
(2002) 25 OSCB 485 Notice of Amendments to National Policy **43-201** Mutual Reliance Review System for Prospectuses and Annual Information Forms  
(2002) 25 OSCB 505 Proposed National Instrument **51-101** Standards of Disclosure for Oil and Gas Activities and Proposed Repeal of National Policy Statement No. **2-B** and Proposed Consequential Amendments/**Request for Comments**

February 1, 2002

(2002) 25 OSCB 630 Short Notice - Notice of Commission Adoption of Amendments to **OSC Policy 1.7** The Securities Advisory Committee to the OSC (OSC Policy **11-601**)  
(2002) 25 OSC 683 Notice of Amendments to Ontario Securities Commission Policy under the Securities Act - **OSC Policy 1.7** The Securities Advisory Committee to the OSC (OSC Policy **11-601**)

February 8, 2002

(2002) 25 OSCB 811 CSA Staff Notice **43-303** Frequently Asked Questions (Revised February 8, 2002) re National Instrument 43-101 Standards of Disclosure for Mineral Projects

February 15, 2002

(2002) 25 OSCB 890 CSA Staff Notice **55-305** System for Electronic Disclosure by Insiders (SEDI) National Instrument 55-102 - Interim Requirements for Insiders and Issuers Affected by Suspension of SEDI Operation  
(2002) 25 OSCB 891 Notice of Approval - Recognition of Market Regulation Services Inc.  
(2002) 25 OSCB 892 Application for Recognition of RS Inc. - Summary of Comments Received  
(2002) 25 OSCB 896 Memorandum of Understanding Regarding Oversight of Market Regulation Services Inc.  
(2002) 25 OSCB 905 Short Notice - Notice of Minister of Finance Approval of an Amendment to OSC Rule **61-501** Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions  
(2002) 25 OSCB 943 Amendment to Ontario Securities Commission Rule **61-501** Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions

February 22, 2002

(2002) 25 OSCB 1060 Notice of Commission Approval - Amendment to IDA Regulation 100.2(f)(i) Relating to Margin Requirements for Listed Securities

March 1, 2002

(2002) 25 OSCB 1201 OSC Staff Notice **52-713** Report on Staff's Review of Interim Financial Statements and Interim MD&A



(2002) 25 OSCB 1227 Request for Comments - **81-402** Concept Proposal - Striking a New Balance: A Framework for Regulating Mutual Funds and Their Managers and Background to **81-402** Concept Proposal - The Canadian Mutual Fund Industry: Its Experience With and Attitudes Toward Mutual Fund Reorganization/**Request for Comments**

March 15, 2002

(2002) 25 OSCB 1465 CSA Staff Notice **44-301** - Frequently Asked Questions Regarding the New Prospectus Rules

March 22, 2002

(2002) 25 OSCB 1577 CSA Staff Notice **55-306** Applications for Relief from Insider Reporting Requirements by Certain Vice-Presidents

(2002) 25 OSCB 1579 CSA Staff Notice **55-307** Reminder to File Paper Insider Reports Using the Correct Codes

(2002) 25 OSCB 1580 CSA Staff Notice **72-301** Distributions Outside the Local Jurisdiction - Proposed Multilateral Instrument **72-101**

March 29, 2002

(2002) 25 OSCB 1716 OSC Staff Notice **45-702** Frequently Asked Questions Concerning OSC Rule **45-501** Exempt Distributions

(2002) 25 OSCB 1719 CSA Staff Notice **57-301** Failing to File Management Statements on Time - Management Cease Trade Orders

**A.**

**NOTICES**

**Local Notices**

January 18, 2002

(2002) 25 OSCB 267 OSC Staff Notice **11-715** Policy Reformulation Project - Table of Concordance

March 1, 2002

(2002) 25 OSCB 1201 OSC Staff Notice **52-713** Report on Staff's Review of Interim Financial Statements and Interim MD&A

March 29, 2002

(2002) 25 OSCB 1716 OSC Staff Notice **45-702** Frequently Asked Questions Concerning OSC Rule **45-501** Exempt Distributions

**Canadian Securities Administrators' Notices**

January 11, 2002

(2002) 25 OSCB 112 CSA Staff Notice **52-303** Non-GAAP Earnings Measures

February 8, 2002

(2002) 25 OSCB 811 CSA Staff Notice **43-303** Frequently Asked Questions (Revised February 8, 2002) re National Instrument **43-101** Standards of Disclosure for Mineral Projects

February 15, 2002

(2002) 25 OSCB 890 CSA Staff Notice **55-305** System for Electronic Disclosure by Insiders (SEDI) National Instrument 55-102 - Interim Requirements for Insiders and Issuers Affected by Suspension of SEDI Operation

March 1, 2002

(2002) 25 OSCB 1227

CSA Concept Proposal **81-402** - Striking a New Balance: A Framework for Regulating Mutual Funds and Their Managers, and **81-402** Concept Proposal Background - The Canadian Mutual Fund Industry: Its Experience With and Attitudes Toward Mutual Fund Reorganization/**Request for Comments**

March 15, 2002

(2000) 25 OSCB 1465

CSA Staff Notice **44-301** - Frequently Asked Questions Regarding the New Prospectus Rules

March 22, 2002

(2000) 25 OSCB 1577

CSA Staff Notice **55-306** Applications for Relief from Insider Reporting Requirements by Certain Vice-Presidents

(2000) 25 OSCB 1579

CSA Staff Notice **55-307** Reminder to File Paper Insider Reports Using the Correct Codes

(2000) 25 OSCB 1580

CSA Staff Notice **72-301** Distributions Outside the Local Jurisdiction - Proposed Multilateral Instrument **72-101**

March 29, 2002

(2002) 25 OSCB 1719

CSA Staff Notice **57-301** Failing to File Management Statements on Time - Management Cease Trade Orders

**B.**

**MEMORANDA OF UNDERSTANDING**

February 15, 2002

(2002) 25 OSCB 891

Notice of Approval - Recognition fo Market Regulation Services Inc.

(2002) 25 OSCB 892

Application for Recognition of RS Inc. - Summary of Comments Received

(2002) 25 OSCB 896

Memorandum of Understanding Regarding Oversight of Market Regulation Services Inc.

**C.**

**RESCISSION OF POLICY STATEMENTS**

**National Policy Statement No. 2-B Guide for Engineers and Geologists Submitting Oil and Gas Reports to Canadian Provincial Securities Administrators**

January 25, 2002

(2002) 25 OSCB 505

Proposed National Instrument **51-101** Standards of Disclosure for Oil and Gas Activities and Proposed Repeal of National Policy Statement No. **2-B** and Proposed Consequential Amendments/**Request for Comments**

**D.**

**PROCEDURE AND RELATED MATTERS**

**11-601 The Securities Advisory Committee to the OSC**

February 1, 2002

(2002) 25 OSCB 630

Short Notice - Notice of Commission Adoption of Amendments to **OSC Policy 1.7** The Securities Advisory Committee to the OSC (OSC Policy **11-601**)

(2002) 25 OSC 683

Notice of Amendments to Ontario Securities Commission Policy under the Securities Act - **OSC Policy 1.7** The Securities Advisory Committee to the OSC (OSC Policy **11-601**)

**E. CERTAIN CAPITAL MARKET PARTICIPANTS**

**F. REGISTRATION REQUIREMENTS AND RELATED MATTERS**

**33-109 33-109F1 33-109F2 33-109F3 33-109F4 33-109F5 33-109CP** Registration Information Requirements (under the Securities Act)

January 11, 2002

(2002) 25 OSCB 169

OSC Staff Notice Regarding Appendix A to the Notice of Proposed Multilateral Instrument **33-109** Comment Table

**G. DISTRIBUTION REQUIREMENTS**

**43-201** Mutual Reliance Review System for Prospectuses and Annual Information Forms

January 25, 2002

(2002) 25 OSCB 433

Short Notice - Amendment to National Policy **43-201** Mutual Reliance Review System for Prospectuses and Annual Information Forms

(2002) 25 OSCB 485

Notice of Amendments to National Policy **43-201** Mutual Reliance Review System for Prospectuses and Annual Information Forms

**H. ONGOING REQUIREMENTS FOR ISSUERS AND INSIDERS**

**51-101 51-101F1 51-101F2 51-101F3 51-101CP** Standards of Disclosure for Oil and Gas Activities

January 25, 2002

(2002) 25 OSCB 505

Proposed National Instrument **51-101** Standards of Disclosure for Oil and Gas Activities and Proposed Repeal of National Policy Statement No. **2-B** and Proposed Consequential Amendments/**Request for Comments**

**I. TAKE-OVER BIDS AND SPECIAL TRANSACTIONS**

**61-501** Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions

February 15, 2002

(2002) 25 OSCB 891

Notice of Approval - Recognition fo Market Regulation Services Inc.

(2002) 25 OSCB 892

Application for Recognition of RS Inc. - Summary of Comments Received

(2002) 25 OSCB 896

Memorandum of Understanding Regarding Oversight of Market Regulation Services Inc.

**62-501** Prohibited Stock Market Purchases of the Offeree's Securities by the Offeror During a Take-Over Bid

January 11, 2002

(2002) 25 OSCB 112

Notice of Proposed Rule **62-501** Under the Securities Act and Amendment to Ontario Securities Policy **62-601** Prohibited Stock Market Purchases of the Offeree's Securities by the Offeror During a Take-Over Bid/**Correction**

**62-601 Securities Exchange Take-Over Bids - Trades in the Offeror's Securities**

January 11, 2002

(2002) 25 OSCB 112

Notice of Proposed Rule **62-501** Under the Securities Act and Amendment to Ontario Securities Policy **62-601** Prohibited Stock Market Purchases of the Offeree's Securities by the Offeror During a Take-Over Bid/**Correction**

**J. SECURITY TRANSACTIONS OUTSIDE THE JURISDICTION**

**K. MUTUAL FUNDS**

**L. DERIVATIVES**

**M. MISCELLANEOUS**

**N. RULES AND POLICIES OF SROs AND RECOGNIZED EXCHANGES**

January 25, 2002

(2002) 25 OSCB 432

Notice of Commission Approval - Amendment to IDA **By-law No. 3** Entrance, Annual and Other Fees

(2002) 25 OSCB 432

Notice of Commission Approval - Amendment to IDA **Policy No. 2** Minimum Standards for Retail Account Supervision

February 22, 2002

(2002) 25 OSCB 1060

Notice of Commission Approval - Amendment to IDA Regulation 100.2(f)(i) Relating to Margin Requirements for Listed Securities

1.1.3 OSC Staff Notice re Policy Reformulation Project - Table of Concordance

OSC STAFF NOTICE 11-716

POLICY REFORMULATION PROJECT - TABLE OF CONCORDANCE

To assist market participants in identifying the current status of instruments that existed before the Reformulation Project, Staff has prepared a table of concordance. The table shows the treatment of each National Policy, Uniform Act Policy, OSC Policy, Blanket Ruling, CSA Notice, OSC Notice, Principles of Regulation, Staff Accounting Registration Section Clarification Note and Interpretation Note. The table indicates whether it has been published for comment as a new instrument under the Policy Reformulation Project, finalized as a new instrument or whether it has been or is proposed to be repealed or is under consideration. In addition, the table only indicates the primary instrument and does not indicate the corresponding companion policy or forms where applicable. The final pages of the chart show new instruments that are new initiatives that were developed separately from the Reformulation Project.

Within the table, a reference to the instrument being "Under Consideration", "In the process of being reformulated as", "To Be Retained" or "To Be Repealed" indicates that the determination as to the appropriate treatment of the instrument has not been finalized and represents Staff's views at this time so that it is subject to the Commission's approval and otherwise to change.

Item Key			
BR - Blanket Ruling	OSCN - Notice of OSC or OSC Staff	SAC - Staff Accounting Communiqué	
CSAN - Notice of CSA	OSC - OSC Policy	UAP - Uniform Act Policy	
IN - Interpretation Note	PR - Principles of Regulation		
NP - National Policy	REG - Registration Section Clarification Note		
NOTE: The third digit of each instrument represents the following: 1-National/Multilateral Instrument; 2-National/Multilateral Policy; 3-CSA Notice; 4-Concept Release; 5-Local Rule; 6-Local Policy; 7-Local Notice; 8-Implementing Instrument; 9-Miscellaneous			
CSAN - Notice of CSA	OSC - OSC Policy	UAP - Uniform Act Policy	
IN - Interpretation Note	PR - Principles of Regulation		
NP - National Policy	REG - Registration Section Clarification Note		

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
<b>National Policy</b>				
NP 1	Clearance of National Issues RESCINDED JANUARY 1, 2000	43-201	Mutual Reliance Review System for Prospectus and Initial AIFs	<b><i>Came into Force Jan 1/00</i></b>  <b><i>Amendments came into force Jan 25/02</i></b>
NP 2-A	Guide for Engineers, Geologists and Prospectors Submitting Reports on Mining Properties to Canadian Provincial Securities Administrators RESCINDED FEBRUARY 1, 2001	43-101	Standards of Disclosure for Mineral Exploration and Development and Mining Properties	<b><i>Came into Force Feb 1/01</i></b>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
NP 2-B	Guide for Engineers and Geologists Submitting Oil and Gas Reports to Canadian Provincial Securities Administrators	51-101	Oil and Gas Disclosure Standards	<i>Published for comment Jan 25/02 (previously noted as being reformulated as 43-102)</i>
NP 3	Unacceptable Auditors			<i>Under Consideration</i>
NP 4	Conditions for Dealer Sub-Underwriting			<i>Repealed Apr 1/99</i>
NP 12	Disclosure of "Market Out" Clauses in Underwriting Agreements in Prospectuses RESCINDED DECEMBER 31, 2000	41-101	Prospectus Disclosure Requirements	<i>Came into Force Dec 31/00</i>
NP 13	Disclaimer Clause on Prospectus RESCINDED DECEMBER 31, 2000	41-101	Prospectus Disclosure Requirements	<i>Came into Force Dec 31/00</i>
NP 14	Acceptability of Currencies in Material Filed with Securities Regulatory Authority	52-102	Use of Currencies	<i>Published for comment May 29/98</i>
NP 15	Conditions Precedent to Acceptance of Scholarship or Educational Plan Prospectuses	46-102	Scholarship Plans	<i>In the process of being reformulated</i>
NP 16	Maintenance of Provincial Trading Records			<i>Repealed Apr 1/99</i>
NP 17	Violations of Securities Laws of Other Jurisdictions - Conduct Affecting Fitness for Continued Registration RESCINDED OCTOBER 16, 1998	34-201	Breach of Requirements of Other Jurisdictions	<i>Came into Force Oct 16/98</i>
NP 18	Conflict of Interest - Registrants Acting as Corporate Directors RESCINDED SEPTEMBER 25, 1998	34-202	Registrants Acting as Corporate Directors	<i>Came into Force Oct 16/98</i>
NP 20	Trading in Unqualified Securities - Securities in Primary Distribution in Other Jurisdictions			<i>Repealed Apr 1/99</i>
NP 21	National Advertising - Warnings			<i>Under Consideration</i>
NP 22	Use of Information and Opinion Re Mining and Oil Properties by Registrants and Others	43-101	Standards of Disclosure for Mineral Exploration and Development and Mining Properties	<i>Came into Force Feb 1/01</i>
NP 25	Registrants: Advertising: Disclosure of Interest			<i>Under Consideration</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
NP 27	Canadian Generally Accepted Accounting Principles	52-104	Auditor's Report	<i>In the process of being reformulated</i>
NP 29	Mutual Funds Investing in Mortgages	81-103	Mutual Funds Investing in Mortgages	<i>In the process of being reformulated</i>
NP 30	Processing of "Seasoned Prospectuses" RESCINDED APRIL 30, 2001	43-201	Mutual Reliance Review System for Prospectus and Initial AIFs	<i>Came into Force Jan 1/00</i>  <i>Amendments came into force Jan 25/02</i>
NP 31	Change of Auditor of a Reporting Issuer	51-102	Continuous Disclosure Obligations	<i>In the process of being reformulated (previously noted as published for comment as 52-103 - Change of Auditor on May 29/98)</i>
NP 32	Prospectus Warning Re: Scope of Distribution RESCINDED DECEMBER 31, 2000	41-101	Prospectus Disclosure Requirements	<i>Came into Force Dec 31/00</i>
NP 33	Financing of Film Productions			<i>Repealed Apr 11/97</i>
NP 34	Unincorporated Issuers: Requirement to Maintain a Register of Security Holders RESCINDED FEBRUARY 1, 2000	81-102	Mutual Funds	<i>Came into Force Feb 1/00</i>  <i>Amendments came into force May 2/01</i>
NP 35	Purchaser's Statutory Rights RESCINDED DECEMBER 31, 2000	41-101	Prospectus Disclosure Requirements	<i>Came into Force Dec 31/00</i>
NP 36	Mutual Funds - Simplified Prospectus Qualification System  REPEALED FEBRUARY 1, 2000	81-101	Mutual Fund Prospectus Disclosure	<i>Came into Force Feb 1/00</i>  <i>Amendments came into force May 2/01</i>
NP 37	Take-Over Bids: Reciprocal Cease Trading Orders RESCINDED AUGUST 4, 1997	62-201	Bids Made Only in Certain Jurisdictions	<i>Came into Force Aug 4/97</i>
NP 38	Take-Over Bids - Defensive Tactics RESCINDED AUGUST 4, 1997	62-202	Take-Over Bids - Defensive Tactics	<i>Came into Force Aug 4/97</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
NP 39	Mutual Funds RESCINDED FEBRUARY 1, 2000	81-102	Mutual Funds	<i>Came into Force Feb 1/00</i>  <i>Amendments came into force May 2/01</i>
NP 40	Timely Disclosure			<i>To be rescinded pending adoption of proposed National Policy 51-201</i>
NP 41	Shareholder Communication FORMER DEEMED RULE EXTENDED UNTIL JUNE 30, 2002	54-101	Communication with Beneficial Owners of Securities of a Reporting Issuer	<i>Republished for comment Sep 1/00</i>
		54-102	Interim Financial Statement and Report Exemption	<i>Published for comment Feb 27/98</i>
NP 42	Advertising of Securities on Radio or Television (Interim)			<i>Under Consideration</i>
NP 43	(DRAFT) Advertisements of Securities and Related Sales Practices			<i>Under Consideration</i>
NP 44	Rules for Shelf Prospectus Offerings and Pricing Offerings After the Final Prospectus is Received EXPIRED DECEMBER 31, 2000	44-102	Shelf Distributions	<i>Came into Force Dec 31/00</i>
		44-103	Post-Receipt Pricing	<i>Came into Force Dec 31/00</i>
NP 45	Multijurisdictional Disclosure System EXPIRED NOVEMBER 1, 1998	71-101	The Multijurisdictional Disclosure System	<i>Came into Force Nov 1/98</i>
NP 47	Prompt Offering Qualification System EXPIRED DECEMBER 31, 2000	44-101	Short Form Prospectus Distributions	<i>Came into Force Dec 31/00</i>
		44-801	Implementing National Instrument 44-101 Short Form Prospectus Distributions	<i>Came into Force Apr 21/01</i>
NP 48	Future-Oriented Financial Information	52-101	Future-Oriented Financial Information	<i>Published for comment Jul 18/97</i>
NP 49	Self-Regulatory Organization Membership			<i>To be revoked</i>
NP 50	Reservations in an Auditor's Report	52-104	Auditor's Report	<i>In the process of being reformulated</i>
NP 51	Changes in the Ending Date of a Financial Year and in Reporting Status	52-105	Change in the Ending Date of a Financial Year	<i>In the process of being reformulated</i>
NP 53	(DRAFT) - Foreign Issuers			<i>To be retained</i>



Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
NP 54	(DRAFT) - Expedited Registration System for Advisers	31-101	Mutual Reliance Review System for Registration	<i>Published for comment Jun 19/98</i>
<b>Uniform Act Policy</b>				
UAP 2-01	"Undertakings" - Extra-provincial Companies			<i>Repealed Jan 1/99</i>
UAP 2-02	Prospectuses - Annual Re-Filings			<i>Repealed Jan 1/99</i>
UAP 2-03	Prospectuses and Amendments - Certification (section 52[53]) Supporting Documentation REPEALED JANUARY 1/99	41-501	General Prospectus Requirements	<i>Came into Force Dec 31/00</i>
UAP 2-04	Consent of Solicitors - Disclosure of Interest REPEALED JANUARY 1/99	41-501	General Prospectus Requirements	<i>Came into Force Dec 31/00</i>
UAP 2-05	Applications under s. 34(1)14 [35(1)14] and 71(1)(h)[72(1)(h)] of the Securities Act by a Company Wishing to Sell Additional Securities to its Security Holders	45-101	Rights Offerings	<i>Came into force Jul 25/01</i>
UAP 2-06	Use of Shareholders' Lists by Registrants			<i>Repealed Jan 1/99</i>
UAP 2-07	Surrender of Registration - Other than Salesman RESCINDED APRIL 7, 1998	33-501	Surrender of Registration	<i>Came into Force Apr 7/98</i>
UAP 2-08	Declaration as to Short Position - Listed and Unlisted Securities			<i>Repealed Jan 1/99</i>
UAP 2-09	Insider Trading Reports - Loan and Trust Companies			<i>Repealed Jan 1/99</i>
UAP 2-10	Insider Trading Reports - Persons Required to Report in More Than One Capacity			<i>Repealed May 1/98</i>
UAP 2-11	Policy Statement in Connection with Applications to the Commission for an Order Under Section 79(a)[80(a)] of the Securities Act (Ontario)			<i>Repealed Apr 3/98</i>
UAP 2-13	Advertising During Waiting Period Between Preliminary and Final Prospectuses			<i>To be retained</i>
<b>OSC Policy</b>				
OSC 1.1	O.S.C. Policy Statements --- General			<i>Repealed Mar 1/99</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSC 1.3	Restricted Shares RESCINDED OCTOBER 27, 1999	56-501	Restricted Shares	<i>Came into Force Oct 25/99</i>
OSC 1.4	Reciprocal Enforcement of Cease Trading Orders			<i>Under Consideration</i>
OSC 1.6	Strip Bonds RESCINDED MAY 1, 1998	91-501	Strip Bonds	<i>Came into Force May 1/98</i>
OSC 1.7	The Securities Advisory Committee to the OSC	11-601	The Securities Advisory Committee to the OSC	<i>Came into force Jan 28/02</i>
OSC 1.9	Use By Dealers of Brokerage Commissions as Payment for Goods or Services Other than Order Execution Services ("Soft Dollar" Deals)			<i>Under Consideration</i>
OSC 2.1	Applications to the Ontario Securities Commission	12-601	Applications to the OSC	<i>In the process of being reformulated</i>
OSC 2.2	Public Availability of Material Filed under the Securities Act	13-601	Public Availability of Material Filed under the Securities Act	<i>Retained and renumbered on Apr 20/01</i>
OSC 2.3	Joint Hearings with Other Provincial Administrators - Conditions Precedent and Costs REPEALED JULY 1/97		Rules of Practice	<i>Came into Force Jul 1/97</i>
OSC 2.4	Conflict of Interest Guidelines for Members of the Ontario Securities Commission and Staff REPEALED APRIL 16/98	By-law No. 2	A By-law relating to conflicts of interest in connection with the conduct of the affairs of the Securities Commission	<i>Came into Force Jan 18/98</i>
OSC 2.5	Certificates of No Default under Section 72(8) and List of Defaulting Issuers under Section 72(9) of the Securities Act	51-601	Reporting Issuer Defaults	<i>Came into Force Oct 30/01</i>
OSC 2.6	Applications for Exemption from Preparation and Mailing of Interim Financial Statements, Annual Financial Statements and Proxy Solicitation Material	52-601	Exemption re: Mailing of Financial Statements and Proxy Solicitation Material	<i>Retained and renumbered on Apr 20/01</i>
OSC 2.7	Appeals to the Ontario Securities Commission By Way of Hearing and Review REPEALED JULY 1/97		Rules of Practice	<i>Came into Force Jul 1/97</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSC 2.8	Applications for Ontario Securities Commission Consent to Obtain Transcripts of Evidence Taken During Investigations or Hearings REPEALED JULY 1/97		Rules of Practice	<i>Came into Force Jul 1/97</i>
OSC 2.9	Cease Trading Orders - Applications for Partial Revocation to Permit a Securityholder to Establish a Tax Loss for Income Tax Purposes RESCINDED FEBRUARY 24, 1998	57-602	Cease Trading Orders - Application for Partial Revocation to Permit a Securityholder to Establish a Tax Loss	<i>Came into Force Feb 24/98</i>
OSC 2.10	Restrictions on Practice Before the Commission and its Staff Upon Termination of the Appointments of Members of the Commission and its Staff REPEALED APR 16/98	By-law No. 2	A By-law relating to conflicts of interest in connection with the conduct of the affairs of the Ontario Securities Commission	<i>Came into Force Jan 18/98</i>
OSC 2.11	Conflicts of Interest of Members of the Ontario Securities Commission REPEALED APR 16/98	By-law No. 2	A By-law relating to conflicts of interest in connection with the conduct of the affairs of the Ontario Securities Commission	<i>Came into Force Jan 18/98</i>
OSC 2.12	Televising of Ontario Securities Commission Hearings REPEALED JUL 1/97		Rules of Practice	<i>Came into Force Jul 1/97</i>
OSC 3.1	Recognition by the Commission of Stock Exchanges, etc. PORTIONS REPLACED	21-901	Recognition Order - In the Matter of the Recognition of Certain Stock Exchanges (1997), 20 O.S.C.B. 1034	<i>Came into Force Mar 1/97</i>  <i>Amendment came into force Aug 29/00</i>
		62-904	Recognition Order - In the Matter of the Recognition of Certain Jurisdictions [ss. 93(1)(e) and ss. 93(3)(h) of the Act] (1997), 20 O.S.C.B. 1035	<i>Came into Force Mar 1/97</i>
		45-501	Exempt Distributions [replaces subsection 25(2) of Regulation 1015]	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
		45-502	Dividend or Interest Reinvestment and Stock Dividend Plans	<i>Came into Force Jun 10/98</i>  <i>Amendments published for comment Sep 14/01</i>
OSC 4.1	Public Ownership of Dealers, Conditions of Registration and Institutional Ownership			<i>Repealed Mar 1/99</i>
OSC 4.2	Suspension of Registration - Criminal Charges Pending	34-602	Suspension of Registration - Criminal Charges Pending	<i>Retained and renumbered as 34-602 on Apr 20/01</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSC 4.3	Self-Directed RRSPs and Other Plans Recognized by the Commission for Purposes of this Policy Statement and Administered by Brokers or Investment Dealers on Behalf of Authorized Trustees	33-101	Administration of Self-Directed RRSPs, RESPs and RRIIFs by Dealers	<i>Published for comment Feb 13/98</i>
OSC 4.4	Dual Registration Under the <i>Securities Act</i>	31-501	Registrant Relationships	<i>Came into Force Sep 4/97</i>  <i>Amendments published for comment Jun 19/98</i>
OSC 4.5	Dual Licensing of Life Insurance Agents			<i>Repealed (1994), 17 O.S.C.B. 6073</i>
OSC 4.6	Registration - Declaration of Personal Bankruptcy	34-601	Registration - Declaration of Personal Bankruptcy	<i>Retained and renumbered as 34-601 on Apr 20/01</i>
OSC 4.7	Registration of Non-Resident Salesmen, Partners or Officers of Registered Dealers			<i>Under Consideration. NOTE: Previously published for comment as 35-501; Commission staff will not be proceeding with OSC Rule 35-501</i>
OSC 4.8	Non-Resident Advisers EXPIRED NOVEMBER 18, 2000	35-502	Non-Resident Advisers	<i>Came into Force Nov 18/00</i>
OSC 5.1	Prospectuses - General Guidelines PORTIONS RESCINDED DECEMBER 31, 2000	41-501	General Prospectus Requirements	<i>Came into Force Dec 31/00</i>
OSC 5.1 (24)	Prospectus Disclosure in Information Circulars: Amalgamation, Arrangements, Mergers and Reorganizations RESCINDED DECEMBER 31, 2000	54-501	Prospectus Disclosure in Certain Information Circulars	<i>Came into Force Dec 31/00</i>
OSC 5.1 (26)	Trading by Issuers, Selling Security Holders, Underwriters, Dealers and Their Affiliates and Joint Actors During a Distribution by Prospectus of TSE - listed Securities	48-501	Market Stabilization During Distributions	<i>In the process of being reformulated</i>
OSC 5.2	Junior Natural Resource Issuers			<i>Lapsed Jul 1/01</i>
OSC 5.3	Mortgage and Real Estate Investment Trusts and Partnerships			<i>Under Consideration</i>
OSC 5.4	"Closed-End" Income Investment Trusts and Partnerships			<i>Under Consideration</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSC 5.7	Preliminary Prospectuses - Preparation, Filing and Frequently Occurring Deficiencies PORTIONS RESCINDED DECEMBER 31, 2000	41-501	General Prospectus Requirements	<i>Came into Force Dec 31/00</i>
OSC 5.9	Escrow Guidelines - Industrial Issuers			<i>To be rescinded pending adoption of proposed National Policy 46-201</i>
OSC 5.10	Annual Information Form and Management's Discussion and Analysis of Financial Condition and Results of Operations RESCINDED MAY 31, 2001	51-501	Annual Information Form and Management's Discussion and Analysis of Financial Condition and Results of Operation	<i>Came into Force Jan 1/01  Amendments came into force Dec 31/01</i>
OSC 6.1	Private Placements RESCINDED DECEMBER 22, 1998	45-501	Exempt Distributions	<i>Came into Force Dec 22/98  Amendments came into force Nov 30/01</i>
OSC 6.2	Rights Offerings	45-101	Rights Offerings	<i>Came into force Jul 25/01</i>
		45-502	Dividend or Interest Reinvestment and Stock Dividend Plans	<i>Came into Force Jun 10/98  Amendments published for comment Sep 14/01</i>
OSC 7.1	Application of Requirements of the Securities Act to Certain Reporting Issuers	51-103	Continuous Disclosure and Other Exemptions Relating to Foreign Issuers	<i>In the process of being reformulated (Note: previously noted as published for comment as 72- 502 on Oct 12/01)</i>
OSC 7.2	Timely Disclosure --- Early Warning			<i>Repealed Mar 1/99</i>
OSC 7.3	Management's Report Disclosing Contingencies and Going Concern Considerations in Financial Statements			<i>Repealed Mar 1/99</i>
OSC 7.4	Business and Asset Combinations	62-602	Business and Asset Combinations	<i>Retained and renumbered on Apr 20/01</i>
OSC 7.5	Reciprocal Filings	51-603	Reciprocal Filings	<i>Retained and renumbered on Apr 20/01  Proposed rescission published for comment Oct 12/01</i>
OSC 7.6	Enforcement of Timely Filings of Financial Statements			<i>Repealed Mar 1/99</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSC 7.7	The Oil and Gas Industry - Application of the Ceiling Test When the Full Cost Method is Used			<i>Repealed Mar 1/99</i>
OSC 7.8	(DRAFT) Reverse Take-overs - Timely Disclosure	46-502	Reverse Take-overs	<i>Under Consideration</i>
OSC 9.1	Disclosure, Valuation, Review and Approval Requirements and Recommendations for Insider Bids, Issuer Bids, Going Private Transactions, and Related Party Transactions	61-501	Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions	<i>Came into Force May 1/00</i>  <i>Amendments Came into Force Mar 1/02</i>
OSC 9.3	Take-Over Bids - Miscellaneous Guidelines	48-501	Market Stabilization During Distributions	<i>In the process of being reformulated</i>
		62-501	Prohibited Stock Market Purchases of the Offeree's Securities by the Offeror During a Take-Over Bid	<i>Republished for comment Dec 14/01</i>
		62-601	Securities Exchange Take-Over Bids - Trades in the Offeror's Securities	<i>Amendments published for comment Dec 14/01</i>
OSC 10.1	Applications for Exemption from Insider Reporting Obligations for Insiders of Subsidiaries and Affiliated Issuers RESCINDED MAY 15, 2001	55-101	Exemptions from Certain Insider Reporting Requirements	<i>Came into Force May 15/01</i>
OSC 10.2	Guidelines for Establishment of Procedures in Relation to Confidential Information RESCINDED JANUARY 27, 1998	33-601	Guidelines for Policies and Procedures Concerning Inside Information	<i>Came into Force Jan 27/98</i>
OSC 11.1	Mutual Fund Trusts: Interim OSC Approval of Mutual Fund Trustees Pursuant to Clause 213(3)(b) of the <i>Loan and Trust Corporations Act, 1987</i> RESCINDED JANUARY 14, 1997	81-901	Approval of Mutual Fund Trustees Under Clause 213(3)(b) of the <i>Loan and Trust Corporations Act</i>	<i>Came into Force Jan 14/97</i>
OSC 11.2	Bond Ratings Services - Statements of Investment Portfolio and Statements of Portfolio Transactions of Mutual Funds	81-902	Recognition Order - In the Matter of the Recognition of Certain Rating Agencies (1997), 20 O.S.C.B. 1034	<i>Came into Force Mar 1/97</i>
OSC 11.4	Commodity Pool Programs	81-104	Commodity Pools	<i>Republished for comment Dec 14/01</i>
OSC 11.5	Real Estate Mutual Funds - General Prospectus Guidelines			<i>Repealed Dec 20/96</i>
<b>Blanket Ruling</b>				
BR	Certain Reporting Issuers (1980), 3 O.S.C.B. 54	51-103	Continuous Disclosure and Other Exemptions Relating to Foreign Issuers	<i>In the process of being reformulated (Note: previously noted as published for comment as 72-502 on Oct 12/01)</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
BR	Certain Reporting Issuers (1980), 3 O.S.C.B. 166 FORMER DEEMED RULE EXTENDED UNTIL JULY 1, 2002	51-103	Continuous Disclosure and Other Exemptions Relating to Foreign Issuers	<i>In the process of being reformulated (Note: previously noted as published for comment as 72-502 on Oct 12/01)</i>
BR	The Automatic Investment of Dividends or Distributions in Shares or Units of Mutual Funds (1983), 6 O.S.C.B. 1078 RESCINDED OCTOBER 10, 1997	81-501	Mutual Fund Reinvestment Plans	<i>Came into Force Oct 10/97</i>
BR	Certain Proposed Amendments (1983), 6 O.S.C.B. 3508 EXPIRED DECEMBER 22, 1998	45-501	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
BR	Discount Brokerage and The Role of Financial Institutions (1984), 7 O.S.C.B. 458			<i>Expired Mar 1/97</i>
BR	Trading in Commodity Futures Contracts and Commodity Futures Options Entered Into On Commodity Futures Exchanges Situate Outside Canada Other than Commodity Futures Exchanges in the United States of America (1980), 15 O.S.C.B. 7, as varied by (1984), 7 O.S.C.B. 995*	91-503	Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchange Situate Outside of Ontario	<i>Came into Force Mar 28/97</i>
BR	Order Execution Access Dealers (1984), 7 O.S.C.B. 1520			<i>Expired Mar 1/97</i>
BR	Certain Reporting Issuers (1984), 7 O.S.C.B. 1913 FORMER DEEMED RULE EXTENDED UNTIL JULY 1, 2002	51-103	Continuous Disclosure and Other Exemptions Relating to Foreign Issuers	<i>In the process of being reformulated (Note: previously noted as published for comment as 72-502 on Oct 12/01)</i>
BR	Certain Reporting Issuers (1984), 7 O.S.C.B. 3247 FORMER DEEMED RULE EXTENDED UNTIL JULY 1, 2002	51-103	Continuous Disclosure and Other Exemptions Relating to Foreign Issuers	<i>In the process of being reformulated (Note: previously noted as published for comment as 72-502 on Oct 12/01)</i>
BR	Zero Coupon Strip Bonds (1984), 7 O.S.C.B. 4085 RESCINDED MAY 1, 1998	91-501	Strip Bonds	<i>Came into Force May 1/98</i>
BR	Trading in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges in the United States of America (1984), 7 O.S.C.B. 4578 <sup>1</sup>	91-503	Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situate Outside of Ontario	<i>Came into Force Mar 28/97</i>

<sup>1</sup> This ruling remains in force for purposes of the *Commodity Futures Act*

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
BR	Eurosecurity Financing (1984), 7 O.S.C.B. 4897			<i>Expired Mar 1/97</i>
BR	Simplified Prospectus Qualification System for Mutual Funds (1984), 7 O.S.C.B. 5333 EXPIRED FEBRUARY 1, 2000	81-101	Mutual Fund Prospectus Disclosure	<i>Came into Force Feb 1/00</i>  <i>Amendments came into force May 2/01</i>
BR	Trades In Securities of a Private Company Under The Execution Act (1985), 8 O.S.C.B. 127 EXPIRED DECEMBER 22, 1998	45-501	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
BR	Certain Reporting Issuers (1985), 8 O.S.C.B. 2915 EXPIRED DECEMBER 31, 2000	44-101	Short Form Prospectus Distributions	<i>Came into Force Dec 31/00</i>
		44-801	Implementing National Instrument 44-101 Short Form Prospectus Distributions	<i>Came into Force Apr 21/01</i>
BR	The Mandatory Investment of Dividends or Distributions In Shares or Units of Mutual Funds (1985), 8 O.S.C.B. 4308 EXPIRED OCTOBER 10, 1997	81-501	Mutual Fund Reinvestment Plans	<i>Came into Force Oct 10/97</i>
BR	TSE Policy on Small Shareholder Selling/Purchase Arrangements (1987), 10 O.S.C.B. 1455 EXPIRED OCTOBER 22, 1997	32-101	Small Securityholder Selling and Purchase Arrangements	<i>Came into Force Oct 22/97</i>
BR	A Policy of the Montreal Exchange on Small Shareholder Selling and Purchase Arrangements (1987), 10 O.S.C.B. 4938 EXPIRED OCTOBER 22, 1997	32-101	Small Securityholder Selling and Purchase Arrangements	<i>Came into Force Oct 22/97</i>
BR	Certain Proposed Amendments (1987), 10 O.S.C.B. 5936 EXPIRED DECEMBER 22, 1998	45-501	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
BR	The Business Corporations Act and In the Matter of CDS (1988), 11 O.S.C.B. 542	22-901	Recognition Order - In the Matter of the Recognition of the Canadian Depository for Securities Limited (1997), 20 O.S.C.B. 1033	<i>Came into Force Mar 1/97</i>
BR	Certain Reporting Issuers (1987) 10 O.S.C.B. 6306, amended by (1988), 11 O.S.C.B. 1029 RULE EXTENDED UNTIL JUNE 30, 2002	54-101	Communication with Beneficial Owners of Securities of a Reporting Issuer	<i>Republished for comment Sep 1/00</i>
		54-102	Interim Financial Statement and Report Exemption	<i>Published for comment Feb 27/98</i>
BR	Certain Trades in Securities of Junior Resource Issuers (1988), 11 O.S.C.B. 1522			<i>Lapsed Jul 1/01</i>



Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
BR	Trading in Recognized Options Cleared Through Recognized Clearing Organizations (1988), 11 O.S.C.B. 4895 EXPIRED MARCH 28, 1997	91-502	Trades in Recognized Options	<i>Came into Force Mar 28/97</i>
BR	The Securities Act (1989), 12 O.S.C.B. 2735			<i>Expired Mar 1/97</i>
BR	Trading in Commodity Futures Contracts Entered into on the Montreal Stock Exchange (August 25, 1980) OSCWS 15A, as varied by In the Matter of Trading in Commodity Futures Contracts and Commodity Futures Options Entered into on The Montreal Stock Exchange (1989), 12 O.S.C.B. 3392*	91-503	Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situate Outside of Ontario	<i>Came into Force Mar 28/97</i>
BR	The TSE (1990), 13 O.S.C.B. 3007			<i>Expired Mar 1/97</i>
BR	Self-Directed RESPs (1990), 13 O.S.C.B. 4793			<i>Expired Mar 1/97</i>
BR	The TSE (1991), 14 O.S.C.B. 881	21-901	Recognition Order - In the Matter of the Recognition of Certain Stock Exchanges (1997), 20 O.S.C.B. 1034	<i>Came into Force Mar 1/97</i>  <i>Amendment came into force Aug 29/00</i>
BR	Rules of Shelf Prospectus Offerings and for Pricing Offerings after the Prospectus Is Received (1991), 14 O.S.C.B. 1824 EXPIRED DECEMBER 31, 2000	44-102	Shelf Distributions	<i>Came into Force Dec 31/00</i>
		44-103	Post-Receipt Pricing	<i>Came into Force Dec 31/00</i>
BR	The Recognized Options Rationalization Order (1991), 14 O.S.C.B. 2157 EXPIRED MARCH 28, 1997	91-502	Trades in Recognized Options	<i>Came into Force Mar 28/97</i>
BR	Multijurisdictional Disclosure System (1991), 14 O.S.C.B. 2863 EXPIRED NOVEMBER 1, 1998	71-101	The Multijurisdictional Disclosure System	<i>Came into Force Nov 1/98</i>
		71-801	Implementing The Multijurisdictional Disclosure System	<i>Came into Force Nov 1/98</i>
BR	An Assignment to the Director Pursuant to Section 6 of The Securities Act (1991), 14 O.S.C.B. 3439			<i>Expired Mar 1/97</i>
BR	Mutual Fund Securities (1991), 14 O.S.C.B. 3763 EXPIRED SEPTEMBER 30, 1998	33-502	Exceptions to Conflict Rules in the Sale of Mutual Fund Securities	<i>Came into Force Sep 30/98</i>
		33-105	Underwriting Conflicts	<i>Came into force Jan 3/02</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
BR	First Prospectuses Filed by NP 36 Mutual Funds and Universal Money Market Fund (1991), 14 O.S.C.B. 3475		Now covered by subsection 23(10) of the <i>Red Tape Reduction Act</i>	<i>Expired Jul 1/99</i>
BR	The Recognized Options Rationalization Order (1991), 14 O.S.C.B. 4234 EXPIRED MARCH 28, 1997	91-502	Trades in Recognized Options	<i>Came into Force Mar 28/97</i>
BR	Self-Directed Registered Education Plans (1992), 15 O.S.C.B. 613 EXPIRED JUNE 17, 1997	46-501	Self-Directed Registered Education Savings Plans	<i>Came into Force Jun 17/97</i>
BR	Certain Advisers (1992), 15 O.S.C.B. 1955 EXPIRED NOVEMBER 18, 2000	35-502	Non-Resident Advisers	<i>Came into Force Nov 17/00</i>
BR	Certain Members of the TSE (1992), 15 O.S.C.B. 3354 EXPIRED SEPTEMBER 4, 1997	35-503	Trades By Certain Members of the TSE	<i>Came into Force Sep 4/97</i>
BR	Limitations on a Registrant Underwriting Securities of a Related or Connected Issuer (1992), 15 O.S.C.B. 3645 LAPSED DECEMBER 31, 2000	33-105	Underwriting Conflicts	<i>Came into force Jan 3/02</i>
BR	The Prompt Offering Qualification System (1993), 16 O.S.C.B. 731, 732, 949 EXPIRED DECEMBER 31, 2000	44-101	Short Form Prospectus Distributions	<i>Came into Force Dec 31/00</i>
		44-801	Implementing National Instrument 44-101 Short Form Prospectus Distributions	<i>Came into Force Apr 21/01</i>
BR	NP 47 and The Solicitation of Expressions of Interests (1993), 16 O.S.C.B. 2832 EXPIRED DECEMBER 31, 2000	44-101	Short Form Prospectus Distributions	<i>Came into Force Dec 31/00</i>
		44-801	Implementing National Instrument 44-101 Short Form Prospectus Distributions	<i>Came into Force Apr 21/01</i>
BR	Going Private Transactions (1993), 16 O.S.C.B. 3428 EXPIRED MAY 1, 2000	61-501	Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions	<i>Came into Force May 1/00</i>  <i>Amendments Came into Force Mar 1/02</i>
BR	Insider, Issuer and Take-Over Bids in Anticipation of Going Private Transactions (1993), 16 O.S.C.B. 3429 EXPIRED MAY 1, 2000	61-501	Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions	<i>Came into Force May 1/00</i>  <i>Amendments Came into Force Mar 1/02</i>
BR	Ontario Regulation 638/93 and The Disclosure of Executive Compensation and of Indebtedness of Directors, Executive Officers and Senior Officers (1993), 16 O.S.C.B. 5913			<i>Expired Mar 1/97</i>
BR	Blanket Permission Under S.81 of the Regulation Under The Securities Act (Ontario) (1993), 16 O.S.C.B. 5914			<i>Expired Mar 1/97</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
BR	Dividend Reinvestment and Stock Dividend Plans (1993), 16 O.S.C.B. 5928 EXPIRED JUNE 10, 1998	45-502	Dividend or Interest Reinvestment and Stock Dividend Plans	<i>Came into Force Jun 10/98</i>  <i>Amendments published for comment Sep 14/01</i>
BR	Certain International Offerings by Private Placement in Ontario (1993), 16 O.S.C.B. 5931 RULE EXTENDED UNTIL JULY 1, 2002	45-501	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
		52-101	Future-Oriented Financial Information	<i>Published for comment Jul 18/97</i>
		52-102	Use of Currencies	<i>Published for comment May 29/98</i>
BR	Blanket Permission - International Offerings made by way of Private Placement (1993), 16 O.S.C.B. 5938			<i>Lapsed Jul 1/01</i>
BR	Networking Arrangements Governed by the Principles of Regulation (1993), 16 O.S.C.B. 6168 LAPSED DECEMBER 31, 1998	33-102	Regulation of Certain Registrant Activities	<i>Came into force Aug 1/01</i>
BR	Networking Arrangements Governed by the Principles of Regulation (1993), 16 O.S.C.B. 6168 LAPSED DECEMBER 31, 1998	33-102	Regulation of Certain Registrant Activities	<i>Came into force Aug 1/01</i>
BR	A Proposal of The TSE to Foster Capital Formation for Junior Resource and Industrial Enterprises (1994), 17 O.S.C.B. 347			<i>Expired Mar 1/97</i>
BR	The Disclosure of Executive Compensation and of Indebtedness of Directors, Executive and Senior Officers (1994), 17 O.S.C.B. 1176			<i>Expired Mar 1/97</i>
BR	Dividend Reinvestment Plans (1994), 17 O.S.C.B. 1178 EXPIRED DECEMBER 22, 1998	45-501	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
BR	Blanket Permission Under S.81 of The Regulation (1994), 17 O.S.C.B. 1187			<i>Expired Mar 1/97</i>
BR	Trades by Issuers In Connection With Securities Exchange Issuer Bids and an Amalgamation, Arrangement or Specified Statutory Procedure (1994), 17 O.S.C.B. 1975 EXPIRED DECEMBER 22, 1998	45-501	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
BR	Real Return Bond Strip Bonds (1994), 17 O.S.C.B. 2875			<i>Expired Mar 1/97</i>
BR	Trades by Issuers Upon Exercise of Certain Conversion or Exchange Rights and The First Trade In Securities Acquired Upon Exercise of Such Conversion or Exchange Rights (1994), 17 O.S.C.B. 2877 EXPIRED DECEMBER 22, 1998	45-501	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
BR	Trading in Securities of Labour Sponsored Investment Fund Corporations (1994), 17 O.S.C.B. 5505 LAPSED DECEMBER 31, 1998	31-502	Proficiency Requirements for Registrants	<i>Came into Force Aug 17/00</i>
		31-702	Ontario Securities Commission Designation of Courses Under Rule 31-502	<i>Came into Force Aug 17/00</i>
BR	The First Trade in Securities Acquired Pursuant to Certain Exemptions, (1994), 17 O.S.C.B. 1978, as amended by (1994), 17 O.S.C.B. 5506 EXPIRED JUNE 10, 1998	72-501	Prospectus Exemption for First Trade Over a Market Outside Ontario	<i>Came into Force Jun 10/98</i>  <i>Proposed rescission published for comment Sep 14/01</i>
BR	Certain Amendments to Regulation 1015 (1994), 17 O.S.C.B. 5516	32-502	Registration Exemption for Certain Trades by Financial Intermediaries	<i>Came into Force Jan 1/97</i>  <i>Amendment Came into force Apr 9/98</i>
BR	Certain Amendments to Regulation 1015 (1994), 17 O.S.C.B. 5517	32-503	Registration and Prospectus Exemption for Trades by Financial Intermediaries in Mutual Fund Securities to Corporate Sponsored Plans	<i>Came into Force Jan 1/97</i>  <i>Amendment Came into force Apr 9/98</i>
BR	Trades by an Issuer in Securities of its own issue to Senior Officers, Directors, etc. and a Controlling Shareholder in Securities of an Issuer to Employees, Senior Officers, etc. (1994), 17 O.S.C.B. 5518 EXPIRED DECEMBER 22, 1998	45-503	Trades to Employees, Executives and Consultants	<i>Came into Force Dec 22/98</i>  <i>Amendments published for comment Sep 14/01</i>
<b>Notices of CSA</b>				
CSAN	Audit Committees (1990), 13 O.S.C.B. 4247	52-301	Audit Committees	<i>To be retained and renumbered</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
CSAN	Rates of Return on Money Market Mutual Funds (1990), 13 O.S.C.B. 4329	81-102	Mutual Funds	<i>Came into Force Feb 1/00</i>  <i>Amendments came into force May 2/01</i>
CSAN	Advertising by Money Market Mutual Funds That Have Not Offered Their Securities to the Public For a Full Year (1991), 14 O.S.C.B. 541	81-102	Mutual Funds	<i>Came into Force Feb 1/00</i>  <i>Amendments came into force May 2/01</i>
CSAN	Soft Dollar Transactions (1992), 15 O.S.C.B. 2714			<i>Under Consideration</i>
CSAN	Applications for Discretionary Orders (1992), 15 O.S.C.B. 3046			<i>Withdrawn Apr 20/01</i>
CSAN	Bought Deal Financing (1992), 15 O.S.C.B. 3657			<i>Under Consideration</i>
CSAN	Review of National Policy Statement No. 41 (1992), 15 O.S.C.B. 5289			<i>Withdrawn Apr 20/01</i>
CSAN	Mutual Funds: Sales Incentives (1993), 16 O.S.C.B. 359			<i>Repealed May 1/98</i>
CSAN	Bought Deals (1993), 16 O.S.C.B. 2820			<i>Under Consideration</i>
CSAN	Pre-Marketing Activities in the Context of Bought Deals (1993), 16 O.S.C.B. 2822			<i>Under Consideration</i>
CSAN	Bought Deals (1993), 16 O.S.C.B. 4811			<i>Under Consideration</i>
CSAN	NP 39 - Mutual Funds: Section 16 Sales Communications (1993), 16 O.S.C.B. 5881 REVOKED	81-102	Mutual Funds	<i>Came into Force Feb 1/00</i>  <i>Amendments came into force May 2/01</i>
CSAN	An Electronic System for Securities Filings (1994), 17 O.S.C.B. 2857			<i>Withdrawn Apr 20/01</i>
CSAN	Conflicts of Interest (1995), 18 O.S.C.B. 130			<i>Withdrawn Apr 20/01</i>
CSAN	Mutual Fund Sales Incentives - Point-of-Sale Disclosure Statement (1995), 18 O.S.C.B. 229			<i>Repealed May 1/98</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
CSAN	SEDAR (1995), 18 O.S.C.B. 1892			<i>Withdrawn Apr 20/01</i>
CSAN	Proposed Foreign Issuer Prospectus and Continuous Disclosure System (Draft National Policy Statement No. 53) (1995), 18 O.S.C.B. 1893	51-103	Continuous Disclosure and Other Exemptions Relating to Foreign Issuers	<i>In the process of being reformulated (Note: previously noted as published for comment as 72-502 on Oct 12/01)</i>
<b>Notices of OSC or OSC Staff</b>				
OSCN	Premature Announcements of Takeover Bids, Mergers, Amalgamations or Other Corporate Restructuring (1980), O.S.C.B. 2A			<i>Withdrawn Oct 6/00</i>
OSCN	Taxable Equivalent Adjustments (1983), 6 O.S.C.B. 1578			<i>Withdrawn Oct 6/00</i>
OSCN	Canadian Oil & Gas Lands Administration (1984), 7 O.S.C.B. 2675			<i>Withdrawn Oct 6/00</i>
OSCN	Auditors' Consent and Comfort Letters (1984), 7 O.S.C.B. 2993			<i>Withdrawn Oct 6/00</i>
OSCN	Color Your World - Take-over Bid Consideration (1984), 7 O.S.C.B. 3777			<i>Withdrawn Oct 6/00</i>
OSCN	Prospectus Disclosure of Ratings (1984), 7 O.S.C.B. 4362			<i>Withdrawn Oct 6/00</i>
OSCN	Application of Ceiling Test in Financial Statements of Oil and Gas Industry Issuers (1984), 7 O.S.C.B. 5114			<i>Withdrawn Oct 6/00</i>
OSCN	Bill 34 - Freedom of Information and Privacy Act (1984), 7 O.S.C.B. 6143			<i>Withdrawn Oct 6/00</i>
OSCN	Application of OSC Policy 11.4 on Commodity Pools Program (1985), 8 O.S.C.B. 2557	81-104	Commodity Pools	<i>Republished for comment Dec 14/01</i>
OSCN	Prompt Offering Qualification System - "Wrap Around" AIFs (1985), 8 O.S.C.B. 2911			<i>Withdrawn Oct 6/00</i>
OSCN	Prohibition Against Principal Trading by Investment Dealers in Securities of Target Company During Take-Over Bid (1985), 8 O.S.C.B. 3293			<i>Withdrawn Oct 6/00</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSCN	Second Notice Concerning Application of Ceiling Test in Financial Statements of Oil and Gas Industry Issuers (1985), 8 O.S.C.B. 4719			<i>Withdrawn Oct 6/00</i>
OSCN	Disclosure of Executive Compensation - Proxy Circulars (1986), 9 O.S.C.B. 1997			<i>Withdrawn Oct 6/00</i>
OSCN	Enforcement of Timely Filings of Financial Statements: Application of OSC 7.6 (1986), 9 O.S.C.B. 4216			<i>Withdrawn Oct 6/00</i>
OSCN	Leveraged Mutual Fund Purchases (1986), 9 O.S.C.B. 4375			<i>Withdrawn Oct 6/00</i>
OSCN	Fees for Prospectus Offerings Outside of Ontario (1987), 10 O.S.C.B. 1452			<i>Withdrawn Oct 6/00</i>
OSCN	Filing of Prospectuses with the Commission (1987), 10 O.S.C.B. 1730			<i>Withdrawn Oct 6/00</i>
OSCN	Advertising and Use of Marketing Material During the Waiting Period (1987), 10 O.S.C.B. 2831	47-701	Advertising and Use of Marketing Material During the Waiting Period	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Procedures and Requirements for Implementing Amendments to the Regulation Regarding Entry Into and Ownership of the Ontario Securities Industry (1987), 10 O.S.C.B. 2969	31-503	Limited Market Dealers	<i>Came into Force Apr 7/98</i>
OSCN	Conditional Registration of Limited Market Dealers (1987), 10 O.S.C.B. 4791			<i>Withdrawn Oct 6/00</i>
OSCN	Regulation of Mortgage Syndications - Proposed Structural Changes (1987), 10 O.S.C.B. 5145			<i>Withdrawn Oct 6/00</i>
OSCN	Pre-Filing Consultation on Innovative or Unusual Financial Reporting (1987), 10 O.S.C.B. 5687	52-703	Pre-Filing Consultation on Innovative or Unusual Financial Reporting	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Report on Financial Statement Review Program (1987), 10 O.S.C.B. 5687	52-710	Report on Financial Statement Review Program	<i>Retained and renumbered</i>
OSCN	"Blank Cheque" Preferred Shares (1987), 10 O.S.C.B. 5690	56-501	Restricted Shares	<i>Came into Force Oct 25/99</i>
OSCN	Soft Dollars - Exemptions by the Director (1987), 10 O.S.C.B. 6422			<i>Under Consideration</i>

Pre-Reformulation		Reformulation		Status as at March 31, 2002
Instrument	Title	Number	Title	
OSCN	Outline of NP 39 (1987), 10 O.S.C.B. 6423			<i>Withdrawn Oct 6/00</i>
OSCN	NP 41 - Shareholder Communication Exemption from Interim Financial Statements (1988), 11 O.S.C.B. 1029			<i>To be withdrawn pending the coming into force of proposed National Instruments 54-101 and 54-102</i>
OSCN	Media Articles Appearing During the Waiting Period (1988), 11 O.S.C.B. 1098	47-703	Media Articles Appearing During the Waiting Period	<i>Retained and renumbered on Apr 20/01</i>
OSCN	NP 41 - Shareholder Communication/The Canadian Depository for Securities Limited (1988), 11 O.S.C.B. 1242			<i>Withdrawn Oct 6/00</i>
OSCN	Compliance with Section 41 of the Securities Act (1988), 11 O.S.C.B. 2217	33-504	Compliance with Section 42	<i>Came into Force Apr 7/98</i>
OSCN	Mutual Fund Dealer Registration as Limited Market Dealer (1988), 11 O.S.C.B. 2311			<i>Withdrawn Oct 6/00</i>
OSCN	Applications to the OSC (1988), 11 O.S.C.B. 3107			<i>Withdrawn Oct 6/00</i>
OSCN	NP 41 - Industry Implementation and Monitoring Report (1988), 11 O.S.C.B. 3325			<i>Withdrawn Oct 6/00</i>
OSCN	OSC 5.8 - Dissemination of Future-Oriented Financial Information (1988), 11 O.S.C.B. 3726			<i>Withdrawn Oct 6/00</i>
OSCN	Conditions of Registration - Capital Requirements (1988), 11 O.S.C.B. 3726	33-701	Calculation of Regulatory Capital	<i>Came into Force Jun 27/97</i>
OSCN	Residential Real Estate Syndications (1988), 11 O.S.C.B. 4171			<i>To be withdrawn</i>
OSCN	Noranda Inc./Falconbridge Limited - Proposed Stock Exchange Take-over Bid/Pre-Bid Integration Rules (1988), 11 O.S.C.B. 4367	62-702	Noranda Inc./Falconbridge Limited - Proposed Stock Exchange Take-over Bid/Pre-Bid Integration Rules	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Further Extension of System of Conditional Registration and other Exemptions of Financial Intermediaries (1988), 11 O.S.C.B. 5137			<i>Withdrawn Oct 6/00</i>
OSCN	OSC 5.2 - Junior Natural Resource Issuers - Standing Liaison Committee (1989), 12 O.S.C.B. 953			<i>Lapsed Jul 1/01</i>



Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSCN	OSC 1.3 - Restricted Shares Notice Regarding Compliance with Restricted Share Disclosure Requirements and Disclosure Regarding Take-Over Bids (1989), 12 O.S.C.B. 1227	56-501	Restricted Shares	<i>Came into Force Oct 25/99</i>
OSCN	Rights Offerings Under a Prospectus (1989), 12 O.S.C.B. 1463	45-101	Rights Offerings	<i>Came into force Jul 25/01</i>
OSCN	Use of "Special Warrants" in Connection with Distribution of Securities By Prospectus (1989), 12 O.S.C.B. 2168	46-701	Use of "Special Warrants" in Connection with Distribution of Securities By Prospectus	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Use of "Green Sheets" and other Marketing Material During the Waiting Period (1989), 12 O.S.C.B. 2641			<i>Withdrawn Oct 6/00</i>
OSCN	Supplementary Notice - Application of the Securities Act to Certain Residential Real Estate Offerings (1989) 12 O.S.C.B. 2732			<i>To be withdrawn</i>
OSCN	Collection of Personal Information - <i>Freedom of Information and Protection of Privacy Act, 1987</i> (1989), 12 O.S.C.B. 3083	31-504	Applications for Registration	<i>Came into Force Sept 4/97</i>  <i>Amendments published for comment Jun 19/98</i>
OSCN	Final Report on Capital, Financial Reporting and Audit Requirements (1990), 13 O.S.C.B. 493			<i>Withdrawn Oct 6/00</i>
OSCN	Review of Short Form Prospectuses Qualifying Derivative Securities (1990), 13 O.S.C.B. 1559			<i>Withdrawn Oct 6/00</i>
OSCN	Revised Notice of Amendment or Change of Information Form of Dealers and Advisers (1990), 13 O.S.C.B. 2971	33-109	Registration Information Requirements (under the Securities Act)	<i>Published for comment Dec 14/01</i>
OSCN	Insider Reporting System (1991), 14 O.S.C.B. 260			<i>Withdrawn Oct 6/00</i>
OSCN	Staff Investigation in Respect of Loan by Stelco Inc. to controlling shareholder of Clarus Corporation (1991), 14 O.S.C.B. 1807	62-701	Staff Investigation in Respect of Loan by Stelco Inc. to controlling shareholder of Clarus Corporation	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Debt-like Derivative Securities (1991), 14 O.S.C.B. 3316	91-701	Debt-Like Derivative Securities	<i>Came into Force Jun 21/96</i>
OSCN	Disruption of Mail Service (1991), 14 O.S.C.B. 4113			<i>Withdrawn Oct 6/00</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSCN	Market Balancing for a Proposed Multinational Offering (1991), 14 O.S.C.B. 5845			<i>Withdrawn Oct 6/00</i>
OSCN	Deficiency Letters in Respect of Salesperson Registration Applications (1992), 15 O.S.C.B. 6			<i>Withdrawn Oct 6/00</i>
OSCN	Report on Financial Statement Issues (1992), 15 O.S.C.B. 6	52-704	Report on Financial Statement Issues	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Inter-Dealer Bond Broker Systems (1992), 15 O.S.C.B. 1081			<i>Withdrawn Oct 6/00</i>
OSCN	Confidential Material Change Reports (1992), 15 O.S.C.B. 4555			<i>To be withdrawn</i>
OSCN	Report on Capital Adequacy Formula for SRO Members (1992), 15 O.S.C.B. 4750			<i>Withdrawn Oct 6/00</i>
OSCN	Annual Information Form and MD&A of Financial Condition and Results of Operation Re: Small Issuer Exemption (1992), 15 O.S.C.B. 4772	51-501	Annual Information Form and Management's Discussion and Analysis of Financial Condition and Results of Operation	<i>Came into Force Jan 1/01</i>  <i>Amendments came into force Dec 31/01</i>
OSCN	Office of the Chief Accountant MD&A Guide (1993), 16 O.S.C.B. 360	51-704	Office of the Chief Accountant - MD&A Guide	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Universal Registration - Extension of Date for Registration of Financial Intermediaries (1993), 16 O.S.C.B. 2818			<i>Withdrawn Oct 6/00</i>
OSCN	Pre-Marketing Activities in the Context of Bought Deals (1993), 16 O.S.C.B. 4812			<i>Under Consideration</i>
OSCN	The GAAP Report (1993), 16 O.S.C.B. 5117			<i>Under Consideration</i>
OSCN	Labour Sponsored Investment Funds (1993), 16 O.S.C.B. 5283	31-502	Proficiency Requirements for Registrants	<i>Came into Force Aug 17/00</i>
		31-702	Ontario Securities Commission Designation of Courses Under Rule 31-502	<i>Came into Force Aug 17/00</i>

Pre-Reformulation		Reformulation		Status as at March 31, 2002
Instrument	Title	Number	Title	
OSCN	Contemporaneous Private Placements and Public Offerings and Media Coverage Prior to the Commencement of the Waiting Period (1993), 16 O.S.C.B. 5776	47-702	Contemporaneous Private Placements and Public Offerings and Media Coverage Prior to the Commencement of the Waiting Period	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Misleading Disclosure (1994), 17 O.S.C.B. 5			<i>Withdrawn Oct 6/00</i>
OSCN	Cash Equivalents (1994), 17 O.S.C.B. 489			<i>Withdrawn Oct 6/00</i>
OSCN	Disclosure of Investigations (1990), 13 O.S.C.B. 598	41-501	General Prospectus Requirements	<i>Came into Force Dec 31/00</i>
OSCN	Issuance of Receipts for Preliminary Prospectuses and (Final) Prospectuses (1994), 17 O.S.C.B. 1058	41-701	Issuance of Receipts for Preliminary Prospectus and Prospectus	<i>Published May 2/97</i>
OSCN	Executive Compensation Disclosure for Debt Only Issuers (1994), 17 O.S.C.B. 1059	51-702	Executive Compensation Disclosure for Debt-Only Issuers	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Securities Exchange Take-Over Bid Circulars - Reporting Issuer Status (1994), 17 O.S.C.B. 1402	45-501CP	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
OSCN	Meetings with a Commissioner Regarding a Prospectus or an Application for Exemption or Registration (1994), 17 O.S.C.B. 3529	15-701	Meetings with a Commissioner Regarding a Prospectus or an Application for Exemption or Registration	<i>Retained and renumbered on Apr 20/01</i>
OSCN	Electronic Registration Application Forms (1994), 17 O.S.C.B. 3529			<i>To be withdrawn pending adoption of proposed National Instrument 31-102</i>
OSCN	Residency Requirements for Advisers and Their Partners and Officers (1994), 17 O.S.C.B. 4206			<i>Under Consideration</i>
OSCN	Selective Review of Prospectuses and Other Documents (1994), 17 O.S.C.B. 4385	43-703	Selective Review of Prospectuses and Other Documents	<i>In the process of being reformulated</i>
OSCN	Solicitation Fee Claims (1994), 17 O.S.C.B. 4629			<i>Withdrawn Oct 6/00</i>
OSCN	Expedited Review of Short Form Prospectuses and Renewal AIFs (1994), 17 O.S.C.B. 5210	43-201	Mutual Reliance Review System for Prospectus and Initial AIFs	<i>Came into Force Jan 1/00</i>  <i>Amendments came into force Jan 25/02</i>
OSCN	Electronic Registration Forms (1994), 17 O.S.C.B. 6073			<i>To be withdrawn pending adoption of proposed National Instrument 31-102</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
OSCN	The Use of Securities Exchange Take-over Bid Circulars to Obtain Reporting Issuer Status (1995), 18 O.S.C.B. 1768	45-501CP	Exempt Distributions	<i>Came into Force Dec 22/98</i>  <i>Amendments came into force Nov 30/01</i>
OSCN	Courier/By Hand Deliveries (1995), 18 O.S.C.B. 2204			<i>Withdrawn Oct 6/00</i>
OSCN	Residency Requirements for Certain Non-Resident Salespersons and Supervisors (1995), 18 O.S.C.B. 3905			<i>Under Consideration</i>
OSCN	Registration Residency Requirements for Certain Canadian Dealers (1995), 18 O.S.C.B. 3908			<i>Under Consideration</i>
OSCN	Electronic Registration Forms (1995), 18 O.S.C.B. 5922			<i>To be withdrawn pending adoption of proposed National Instrument 31-102</i>
OSCN	Early Warning Information Publication (1996), 19 O.S.C.B. 1128			<i>Withdrawn Oct 6/00</i>
OSCN	Viatical Settlements (1996) 19 O.S.C.B. 4680			<i>To be retained</i>
<b>Principles of Regulation</b>				
PR	Distribution of Mutual Funds by Financial Institutions (1988), 11 O.S.C.B. 4436	33-102	Regulation of Certain Registrant Activities	<i>Came into force Aug 1/01</i>
PR	Full Service and Discount Brokerage Activities in Branches of Related FIs (1988), 11 O.S.C.B. 4640	33-102	Regulation of Certain Registrant Activities	<i>Came into force Aug 1/01</i>
PR	Activities of Registrants Related to Financial Institutions (1990), 13 O.S.C.B. 1779	33-102	Regulation of Certain Registrant Activities	<i>Came into force Aug 1/01</i>
PR	Activities of Registrants Related to Financial Institutions (1990), 13 O.S.C.B. 1779	33-102	Regulation of Certain Registrant Activities	<i>Came into force Aug 1/01</i>
<b>Staff Accounting Communiqués</b>				
SAC No. 1	(1989), 12 O.S.C.B. 2458	52-701	Financial Statements to be Filed According to GAAP	<i>To be retained</i>
SAC No. 1.1	(1993), 16 O.S.C.B. 1080		No Requirement to Provide Management Report Under CICA	<i>To be retained</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
SAC No. 2	Financial Statement Presentation of Corporate Financing Activities	52-703	Financial Statement Presentation of Corporate Financing Activities	<i>To be retained</i>
SAC No. 3	Auditors Report on Comparative Financial Statements			<i>To be withdrawn</i>
SAC No. 4	Interest Accrual on Delinquent Loans			<i>Withdrawn Apr 20/01</i>
SAC No. 5	Filing Extensions for Continuous Disclosure Financial Statements	52-704	Filing Extensions for Continuous Disclosure Financial Statements - Notice	<i>To be retained</i>
SAC No. 6	Income Statement Presentation	52-705	Income Statement Presentation - Notice	<i>To be retained</i>
SAC No. 7	Financial Disclosure in Information Circulars		Financial Disclosure in Information Circulars	<i>To be withdrawn</i>
SAC No. 8	Accounting Basis in an Initial Public Offering (I.P.O.)			<i>To be retained as notice</i>
SAC No. 9	Pro Forma Financial Statements (1994), 17 O.S.C.B. 5207			<i>Withdrawn Apr 20/01</i>
SAC No. 10	Restructuring and Similar Charges (Including Write Downs of Goodwill) (1994), 17 O.S.C.B. 6074	52-707	Restructuring and Similar Charges (Including Write Downs of Goodwill)	<i>To be retained</i>
<b>Registration Section Clarification Note</b>				
REG Note 1	Supplement to Principles of Regulation Regarding Distribution of Mutual Funds Through Branches of Financial Institutions			<i>Under Consideration</i>
REG Note 2	Registration as an Investment Counsel or Portfolio Manager (IC/PM): Senior and Junior IC/PM Registration	31-502	Proficiency Requirements for Registrants	<i>Came into Force Aug 17/00</i>
		31-702	Ontario Securities Commission Designation of Courses Under Rule 31-502	<i>Came into Force Aug 17/00</i>
REG Note 3	Registration of Certain Employees or Independent Agents of Registered Dealers: Recommendations for Supervision of Qualifiers			<i>Under Consideration</i>

Pre-Reformulation		Reformulation		
Instrument	Title	Number	Title	Status as at March 31, 2002
REG Note 4	New Procedures for Approving and Recording Amendments to Registration of Dealers and Advisers	33-109	Registration Information Requirements (under the Securities Act)	<i>Published for comment Dec 14/01</i>
<b>Interpretation Note</b>				
Interpretation Note 1	Distribution of Securities Outside Ontario (1983), 6 O.S.C.B. 228	72-101	Distributions Outside of the Local Jurisdiction	<i>Published for comment Sep 8/00</i>
Interpretation Note 2	Prospectus Disclosure of Principal Holders (1983) O.S.C.B. 4536	41-501	General Prospectus Requirements	<i>Came into Force Dec 31/00</i>

Item Key		
<p>The third digit of each instrument represents the following: 1-National/Multilateral Instrument; 2-National/Multilateral Policy; 3-CSA Notice; 4-Concept Release; 5-Local Rule; 6-Local Policy; 7-Local Notice; 8-Implementing Instrument; 9-Miscellaneous</p>		
NEW INSTRUMENTS		
Number	Title	Status as of March 31, 2002
11-201	Delivery of Documents by Electronic Means	<i>Came into Force Jan 1/00</i>
11-301	Canadian Securities Administrators Strategic Plan 1999 - 2001	<i>Withdrawn Dec 21/01</i>
11-302	Withdrawal of CSA Notices	<i>Published Dec 21/01</i>
11-401	Delivery of Documents by Issuers Using Electronic Media Concept Proposal	<i>Published for comment Jun 13/97</i>
11-702	Notice re Table of Concordance	<i>Published Jan 2/98</i>
11-703	Table of Concordance for the Reformulation Project	<i>Published Jan 8/99</i>
11-704	Table of Concordance for the Reformulation Project	<i>Published Jan 14/00</i>
11-705	Table of Concordance for the Reformulation Project	<i>Published Jul 7/00</i>
11-706	Rescission of Staff Notices	<i>Published Oct 6/00</i>
11-707	Table of Concordance for the Reformulation Project	<i>Published Oct 6/00</i>
11-708	Table of Concordance for the Reformulation Project	<i>Published Jan 5/01</i>
11-709	Assignment of Notice Numbers	<i>Published Apr 20/01</i>
11-710	Withdrawal of Staff Accounting Communiqués	<i>Published Apr 20/01</i>
11-711	Table of Concordance for the Reformulation Project	<i>Published Apr 6/01</i>

Item Key		
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NEW INSTRUMENTS		
Number	Title	Status as of March 31, 2002
11-712	Withdrawal of CSA Notices	<i>Published Apr 20/01</i>
11-713	Table of Concordance for the Reformulation Project	<i>Published Jul 13/01</i>
11-714	Table of Concordance for the Reformulation Project	<i>Published Oct 12/01</i>
11-715	Table of Concordance for the Reformulation Project	<i>Published Jan 18/02</i>
11-901	Concept Proposal to Revise Schedule I (Fees) to be Regulation to the Securities Act (Ontario)	<i>Published for comment Mar 30/01</i>
12-201	Mutual Reliance Review System for Exemptive Relief Applications	<i>Came into Force Jan 1/00</i>
12-302	National Policy 12-201 Mutual Reliance Review System ("MRRS") for Exemptive Relief Applications ("ERA")  ERA and Applications for Approval or Exemptions under National Policy No. 39 "Mutual Funds" ("NP 39")	<i>Published Nov 19/99</i>
12-303	Exemptive Relief Applications and Year End	<i>Published Sep 17/99</i>
12-304	Mutual Reliance Review System for Exemptive Relief Applications - Frequently Occurring Issues	<i>Published Aug 11/00</i>
12-305	Exemptive Relief Application and Year End	<i>Withdrawn Dec 21/01</i>
12-306	Exemptive Relief Application and Year End TO EXPIRE DECEMBER 31, 2001	<i>Published Sep 28/01</i>
12-401	National Application System Concept Proposal	<i>Published for comment Jan 30/98 (extended Jul 3/98)</i>
12-602	Deeming an Issuer from Certain Other Canadian Jurisdictions to be a Reporting Issuer in Ontario	<i>Came into force Jun 27/01</i>
12-702	Applications to be Deemed a Reporting Issuer in Ontario Orders Required by Year End EXPIRED DECEMBER 31, 2001	<i>Published Oct 19/01</i>
13-101	SEDAR (Electronic Filing) Rule	<i>Came into Force Dec 17/96</i>  <i>amendment Came into force Aug 27/99</i>
13-301	SEDAR - Use of Incorrect Document Formats	<i>Withdrawn Apr 20/01</i>
13-302	Notice of Changes to SEDAR Filer Software	<i>Withdrawn Apr 20/01</i>

<b>Item Key</b>		
<p><b>The third digit of each instrument represents the following: 1-National/Multilateral Instrument; 2-National/Multilateral Policy; 3-CSA Notice; 4-Concept Release; 5-Local Rule; 6-Local Policy; 7-Local Notice; 8-Implementing Instrument; 9-Miscellaneous</b></p>		
<b>NEW INSTRUMENTS</b>		
<b>Number</b>	<b>Title</b>	<b>Status as of March 31, 2002</b>
13-303	SEDAR Operational Changes	<i>Withdrawn Apr 20/01</i>
13-304	Changes to SEDAR Filing Service Charges	<i>Withdrawn Apr 20/01</i>
13-305	SEDAR Changes for Mutual Reliance Review Systems for Prospectuses and AIFs	<i>Withdrawn Apr 20/01</i>
13-306	Guidance for SEDAR Users	<i>Published May 4/01</i>
13-307	Notice of Amendments to the SEDAR Filer Manual	<i>Published Aug 24/01</i>
13-308	Increases to SEDAR Annual Filing Service Charges	<i>Published Nov 30/01</i>
13-401	Request for Changes, Additions or Improvements for a Revised SEDAR System	<i>Withdrawn Dec 21/01</i>
13-501	Payment of Fees	<i>Came into Force May 5/98</i>
13-701	SEDAR Filings and Year 2000 Contingency Plans	<i>Published Dec 24/99</i>
13-702	Processing Prospectuses Before Year-End TO EXPIRE DECEMBER 31, 2001	<i>Published Sep 28/01</i>
14-101	Definitions	<i>Came into Force Apr 1/97</i>  <i>Amendment Came into force Jul 1/99</i>  <i>Amendments published for comment Sep 28/01</i>
14-501	Definitions	<i>Came into Force Jul 29/97</i>  <i>Amendment Came into force Feb 13/99</i>
21-101	Marketplace Operation	<i>Came into force Dec 1/01</i>
21-301	Canadian Venture Exchange	<i>Published Nov 26/99</i>
23-101	Trading Rules	<i>Came into force Dec 1/01</i>
23-501	Designation as Market Participant	<i>Came into force Dec 1/01</i>



Item Key		
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NEW INSTRUMENTS		
Number	Title	Status as of March 31, 2002
23-502	Reported Market	<i>Published for comment Jul 28/00</i>
31-102	National Registration Database (under the Securities Act)	<i>Published for comment Dec 14/01</i>
31-301	The Year 2000 Challenge	<i>Withdrawn Apr 20/01</i>
31-302	Securities Industry Contingency Planning	<i>Withdrawn Apr 20/01</i>
31-303	System Changes for Market Participants After Completion of Year 2000 Testing	<i>Withdrawn Apr 20/01</i>
31-304	Year 2000: Backup of Records	<i>Withdrawn Apr 20/01</i>
31-401	Registration Forms Relating to the National Registration Database	<i>Withdrawn Dec 21/01</i>
31-402	Registration Forms Relating to the National Registration Database	<i>Published for comment Jul 6/01</i>
31-505	Conditions of Registration	<i>Came into Force Dec 23/98</i>
31-506	SRO Membership - Mutual Fund Dealers	<i>Came into Force Apr 23/01</i>
31-507	SRO Membership Securities Dealers	<i>Came into Force Dec 1/00</i>
31-508	Permanent Registration System	<i>Published for comment Jun 26/98 (replaced by 33-108)</i>
31-509	National Registration Database (under the Commodity Futures act)	<i>Published for comment Dec 14/01</i>
31-703	Year 2000	<i>Withdrawn Oct 6/00</i>
31-704	Application for Registration and Year 2000	<i>Withdrawn Oct 6/00</i>
32-501	Direct Purchase Plans	<i>Came into force Oct 4/01</i>
32-701	Processing of Equity and Fixed Income Trades by Financial Institutions and Mutual Fund Dealers	<i>Published Nov 12/99</i>
32-702	Applications for Exemption from the Time Limits on Completion of Courses and Previous Registrations	<i>Published Sep 28/01</i>
33-106	Year 2000 Preparation Reporting	<i>Revoked Jul 18/99</i>

Item Key		
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NEW INSTRUMENTS		
Number	Title	Status as of March 31, 2002
33-107	Proficiency Requirements for Registrants Holding Themselves Out as Providing Financial Planning Advise	<i>Published Feb 16/01</i>
33-108	Permanent Registration	<i>Published for comment Mar 16/01</i>
33-301	National Instrument 33-106 - Year 2000 Preparation Reporting	<i>Withdrawn Apr 20/01</i>
33-302	National Instrument 33-106 Non-Compliant Registered Firms and Possible Terms and Conditions	<i>Withdrawn Apr 20/01</i>
33-303	Trust Accounts for Mutual Fund Securities	<i>Withdrawn Dec 21/01</i>
33-304	CSA Distributions Structures Committee Position Paper	<i>Published Aug 27/99</i>
33-305	Sale of Insurance Products by Dually Employed Salespersons	<i>Published Jan 7/00</i>
33-401	Canadian Capital Markets Association - T+1 White Paper	<i>Published for comment Apr 6/01</i>
33-505	Permanent Registration (Commodity Futures Act)	<i>Published for comment Mar 16/01</i>
33-506	Registration Information Requirements (under the Commodity Futures Act)	<i>Published for comment Dec 14/01</i>
33-704	List of Non-Complying Ontario Registered Firms Under National Instrument 33-106	<i>To be withdrawn</i>
33-705	List of Non-Complying Ontario Registered Firms Under National Instrument 33-106	<i>Withdrawn Oct 6/00</i>
33-706	List of Non-Complying Ontario Registered Firms Under National Instrument 33-106	<i>Withdrawn Oct 6/00</i>
33-707	List of Non-Complying Ontario Registered Firms Under National Instrument 33-106	<i>Withdrawn Oct 6/00</i>
33-708	List of Non-Complying Ontario Registered Firms Under National Instrument 33-106	<i>Withdrawn Oct 6/00</i>
33-709	List of Non-Complying Ontario Registered Firms Under National Instrument 33-106	<i>Withdrawn Oct 6/00</i>
33-710	List of Non-Compliant Ontario Registered Firms Under National Instrument 33-106	<i>Withdrawn Oct 6/00</i>
33-711	List of Non-Compliant Ontario Registered Firms Under National Instrument 33-106	<i>Withdrawn Oct 6/00</i>
33-712	Processing of Equity and Fixed Income Trades by Financial Institutions and Mutual Fund Dealers	<i>Published Nov 12/99</i>
33-713	Registrant Regulatory Filings	<i>Published May 19/00</i>
33-718	Networking Applications	<i>Published Jan 14/00</i>

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<b>NEW INSTRUMENTS</b>		
<b>Number</b>	<b>Title</b>	<b>Status as of March 31, 2002</b>
33-719	Registration Renewal and Permanent Registration	<i>Published Jul 27/01</i>
35-101	Conditional Exemption from Registration for United States Broker - Dealers and Agents	<i>Came into Force Jan 1/01</i>
35-301	Conditional Exemption from Registration for United States Broker-Dealers and Agents	<i>Published Jul 16/99</i>
41-301	The Year 2000 Challenge - Disclosure Issues	<i>Withdrawn Apr 20/01</i>
41-502	Prospectus Requirements for Mutual Funds	<i>Came into Force Apr 5/01</i>
41-601	Capital Pool Companies	<i>Published for comment Aug 31/01</i>
42-301	Dual Reporting of Financial Information	<i>Published Feb 11/00</i>
43-301	CSA Mining Technical Advisory and Monitoring Committee	<i>Withdrawn Dec 21/01</i>
43-302	Frequently Asked Questions re National Instrument 43-101 Standards of Disclosure for Mineral Projects	<i>Published Oct 19/01</i>
43-303	Frequently Asked Questions re National Instrument 43-101 Standards of Disclosure for Mineral Projects (Revised February 8, 2002)	<i>Published Feb 8/02</i>
43-701	OSC Staff Notice Regarding National Instrument 43-101	<i>Published Feb 2/01</i>
43-702	Review Time Frames for "Equity Line" Short Form Prospectuses	<i>Published Jul 27/01</i>
44-401	CSA Notice and Request for Comment: Concept Proposal for an Integrated Disclosure System	<i>Published for comment Jan 28/00</i>
45-102	Resale of Securities	<i>Came into force Nov 30/01</i>
45-301	Implementation of Multilateral Instrument 45-102 Resale of Securities	<i>Published Nov 30/01</i>
45-504	Prospectus Exemption for Distributions of Securities to Portfolio Advisers on Behalf of Fully Managed Accounts	<i>Came into Force Feb 20/98</i>
45-701	Paragraph 35(2)14 of the Securities Act (Ontario)	<i>Published Nov 10/00</i>
46-201	Escrow for Initial Public Offerings	<i>Published for comment Sep 21/01</i>
46-301	Escrows - Proposal for Uniform Terms of Escrow Applicable to Initial Public Distributions	<i>Published Mar 17/00; to be withdrawn pending adoption of proposed National Policy 46-201</i>

Item Key		
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NEW INSTRUMENTS		
Number	Title	Status as of March 31, 2002
46-302	Consent to Amend Existing Escrow Agreements	<i>Published Jun 15/01; to be withdrawn pending adoption of proposed National Policy 46-201</i>
47-201	The Use of the Internet and Other Electronic Means of Communication to Facilitate Trading in Securities	<i>Came into Force Jan 1/00</i>
48-701	Notice of Lapse of SEC No-Action Letter regarding US Trading Rules and MJDS Transactions	<i>Published Jun 27/97</i>
51-201	Disclosure Standards	<i>Published for comment May 25/01</i>
51-301	Conversion of Corporate Issuers to Trusts	<i>Published Oct 10/97</i>
51-302	The Year 2000 Challenge - Disclosure Issues	<i>Withdrawn Apr 20/01</i>
51-303	CSA Follow-up of Inadequate Year 2000 Disclosure	<i>Withdrawn Apr 20/01</i>
51-401	CSA Notice and Request for Comment: Concept Proposal for an Integrated Disclosure System	<i>Published for comment Jan 28/00</i>
51-503	Supplementary SEC Filings	<i>Published for comment Oct 12/01</i>
51-703	Implementation of Reporting Issuer Continuous Disclosure Review Program	<i>Published Jun 16/00</i>
51-705	Notice of Commission Intention to Allow Rule to Lapse: In the Matter of Certain Trades in Securities of Junior Resource Issuers	<i>Published Jun 15/01</i>
51-706	Continuous Disclosure Review Program Report - November 2001	<i>Published Nov 16/01</i>
51-901	Report of the Toronto Stock Exchange Committee on Corporate Disclosure and Proposed Changes to the Definitions of "Material Fact" and "Material Change"	<i>Published Nov 7/97</i>
51-902	Proposal for a Statutory Civil Remedy for Investors in the Secondary Market	<i>Published for comment May 29/98</i>
52-302	Dual Reporting of Financial Information	<i>Published Feb 11/00</i>
52-303	Non-GAAP Earnings Measures	<i>Published Jan 11/02</i>
52-401	Financial Reporting in Canada's Capital Markets	<i>Published for comment Mar 16/01</i>

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NEW INSTRUMENTS		
Number	Title	Status as of March 31, 2002
52-501	Financial Statements	<i>Came into Force Dec 12/00 (replaces s. 7 to 11 of the Regulation)</i>  <i>Amendments published for comment Oct 12/01</i>
52-708	Staff Accounting Communiqué - Initial Offering Costs of Closed-End Investment Funds	<i>Published Dec 5/97</i>
52-709	Income Statement Presentation of Goodwill Charges	<i>Published Feb 18/00</i>
52-713	Report on Staff's Review of Interim Financial Statements and Interim Management's Discussion and Analysis - February 2002	<i>Published Mar 1/02</i>
53-301	CSA Notice - Task Force on Civil Remedies	<i>Withdrawn Dec 21/01</i>
53-302	Proposal for a Statutory Civil Remedy for Investors in the Secondary Market and Response to the Proposed Change to the Definitions of "Material Fact" and "Material Change"	<i>Published Nov 10/00</i>
53-701	Staff Report on Corporate Disclosure Survey	<i>Published July 28/00</i>
55-102	System for Electronic Data on Insiders	<i>Came into force Oct 29/01, except for s. 2.1, 2.2, 2.4, 3.1 and 3.2, which came into force Nov 13/01</i>
55-301	Filing Insider Reports By Facsimile and Exemption Where Minimal Connection to Jurisdiction	<i>Rescinded Nov 13/01</i>
55-302	National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI) Implementation Date Postponed	<i>Withdrawn Dec 21/01</i>
55-303	Extension of Electronic Filing and Reporting Deadlines - Issuer Profile Supplement Filing Deadline Extended to November 19, 2001 and Insider and Issuer Event Reporting Starting December 17, 2001	<i>Published Nov 2/01</i>
55-304	System for Electronic Disclosure by Insiders (SEDI) - Electronic Reporting Deadlines Shifted - Insider and Issuer Event Reporting Start January 21, 2002	<i>Published Dec 21/01</i>
55-305	System for Electronic Disclosure by Insiders (SEDI) - Interim Requirements for Insiders and Issuers Affected by Suspension of SEDI Operation	<i>Published Feb 15/02</i>
55-501	Insider Report Form	<i>Came into Force Jan 28/96</i>
55-502	Facsimile Filing or Delivery of Insider Reports	<i>Came into Force May 5/98</i>
57-603	Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements	<i>Came into force April 27/01</i>
61-301	Staff Guidance on the Practice of "Mini-Tenders"	<i>Published Dec 10/99</i>
61-701	Applications for Exemptive Relief under Rule 61-501	<i>Published June 30/00</i>

Item Key		
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NEW INSTRUMENTS		
Number	Title	Status as of March 31, 2002
62-101	Control Block Distribution Issues	<i>Came into Force Mar 15/00</i>
62-102	Disclosure of Outstanding Share Data	<i>Came into Force Mar 15/00</i>
62-103	The Early Warning System and Related Take-over Bid and Insider Reporting Issues	<i>Came into Force Mar 15/00</i>
62-301	Implementation of the Zimmerman Amendments Governing the Conduct of Take-over and Issuer Bids	<i>Published Mar 2/01</i>
71-301	SEC Proposed Rule: Mandated Edgar Filing for Foreign Issuers	<i>Published Oct 19/01</i>
81-105	Mutual Fund Sales Practices	<i>Came into Force May 1/98</i>
81-301	Mutual Fund Prospectus Disclosure System Concept Proposal	<i>Revoked</i>
81-302	Sales of Mutual Funds in Current RRSP Season	<i>Published Dec 12/97</i>
81-303	Year 2000 Disclosure for Mutual Funds	<i>Withdrawn Apr 20/01</i>
81-304	Trust Accounts for Mutual Fund Securities	<i>Withdrawn Dec 21/01</i>
81-305	National Policy 12-201 Mutual Reliance Review System ("MRRS") for Exemptive Relief Applications ("ERA")  ERA and Applications for Approval or Exemptions under National Policy No. 39 "Mutual Funds" ("NP 39")	<i>Published Nov 19/99</i>
81-306	Disclosure by Mutual Funds of Changes in Calculation of Management Expense Ratio	<i>Published Apr 7/00</i>
81-401	Joint Forum of Financial Market Regulators Discussion Paper Proposed Regulatory Principles for Capital Accumulation Plans	<i>Published for comment May 11/01</i>

<b>Item Key</b>		
<p>The third digit of each instrument represents the following: 1-National/Multilateral Instrument; 2-National/Multilateral Policy; 3-CSA Notice; 4-Concept Release; 5-Local Rule; 6-Local Policy; 7-Local Notice; 8-Implementing Instrument; 9-Miscellaneous</p>		
<b>NEW INSTRUMENTS</b>		
<b>Number</b>	<b>Title</b>	<b>Status as of March 31, 2002</b>
81-402	A Framework for Regulating Mutual Funds and their Managers	<i>Published for comment Mar 1/02</i>
81-704	Limited Powers of Attorney and Letters of Authorization Used in the Sale of Mutual Funds	<i>Published Aug 4/00</i>
91-504	Over-the-Counter Derivatives	<i>See Notice published Dec 1/00</i>
	Non-SRO Electronic Trading Systems and Market Fragmentation	<i>Published for comment May 16/97; replaced by 21-101 and 23-101</i>

**1.1.4 Notice of OSC Policy 41-601 Capital Pool Companies and the CPC Operating Agreement**

**NOTICE OF  
ONTARIO SECURITIES COMMISSION POLICY 41-601  
CAPITAL POOL COMPANIES AND THE  
CPC OPERATING AGREEMENT**

The Commission is publishing in Chapter 5 of today's Bulletin:

- (a) Commission Policy 41-601 Capital Pool Companies; and
- (b) a CPC Operating Agreement among the Canadian Venture Exchange Inc., the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Securities Commission, the Manitoba Securities Commission and the Ontario Securities Commission.

The CPC Operating Agreement has been delivered to the Minister of Finance in accordance with subsection 143.10(1) of the Act. **If the Minister approves the CPC Operating Agreement, or does not approve or reject the CPC Operating Agreement, it will come into effect in Ontario on June 15, 2002.**

Commission Policy 41-601 will become effective on the day on which the CPC Operating Agreement comes into effect in Ontario.

**1.1.5 Notice of Minister of Finance Approval Memorandum of understanding regarding the oversight of Market Regulation Services Inc.**

**NOTICE OF MINISTER OF FINANCE APPROVAL  
MEMORANDUM OF UNDERSTANDING REGARDING  
THE OVERSIGHT  
OF MARKET REGULATION SERVICES INC.**

On April 3, 2002, the Minister of Finance approved the Memorandum of Understanding (MOU) regarding oversight of Market Regulation Services Inc. (RS Inc.) between the British Columbia Securities Commission, the Alberta Securities Commission, the Commission des valeurs mobilières du Québec, the Manitoba Securities Commission and the Ontario Securities Commission. The effective date of the MOU is May 1, 2002. RS Inc. will operate as a regulation services provider under the Alternative Trading System (ATS) rules and will administer and enforce trading rules for the marketplaces that retain its services. The MOU includes a protocol for the joint review and approval of rules, the review and approval of material changes to RS Inc.'s operations and the performance of examinations of RS Inc.'s regulation services. The MOU was published in the Bulletin on February 15, 2002 at (2002) 25 OSCB 896.



**1.2 Press Releases**

**1.2.1 OSC Announces Policy to Encourage Cooperation with Staff During Investigations**

**FOR IMMEDIATE RELEASE  
April 9, 2002**

**OSC ANNOUNCES POLICY TO ENCOURAGE COOPERATION WITH STAFF DURING INVESTIGATIONS**

**TORONTO** – The Ontario Securities Commission has announced a “credit for cooperation” policy which allows market participants to benefit from cooperating with OSC staff during an investigation.

“This policy is intended to encourage firms and individuals to work with regulators to resolve compliance-related problems,” said OSC Chair David Brown. “It gives us greater flexibility when the party has cooperated fully during the investigation and has self-policed, self-reported, and self-corrected the problems.”

The policy enables OSC staff to choose one or more favourable approaches to resolving outstanding issues, including:

- narrowing the scope of allegations;
- recommending reduced sanctions;
- submitting settlement agreements for approval by the Executive Director rather than a tribunal of the Commission;
- obtaining an undertaking to avoid future violations of Ontario securities law;
- issuing a warning letter; and
- concluding the matter without taking any action.

The “credit for cooperation” policy was invoked today when a settlement agreement was approved for the first time by the OSC’s Executive Director, saving time and expense for all parties while ensuring a message of deterrence has been sent to the marketplace.

Thomas Vincent Hinke, the President and Chief Executive Officer of Thermal Energy International Inc. (“TEI”), failed to file insider reports relating to his transactions in TEI shares during the period from December, 1996 to December, 2000. In addition, some of these transactions constituted a distribution of TEI shares and therefore required either a prospectus to be filed or an exemption to be obtained. Hinke voluntarily disclosed his filing defaults and cooperated with OSC staff throughout its investigation.

In the settlement agreement, Hinke undertook to make all future required regulatory filings regarding his transactions in TEI shares in a timely manner, and made a voluntary contribution of \$8,000 to the Commission’s Investor Education Fund.

“The fact that Mr. Hinke took the initiative in bringing this matter to our attention and cooperated fully with our staff was a key factor in our decision to offer an expedited procedure,” said OSC Director of Enforcement Michael Watson.

The full text of the settlement agreement is available in the Enforcement section of the OSC website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

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**1.2.2 OSC Launches Investor Guide “Financial Disclosure: What you need to know”**

FOR IMMEDIATE RELEASE  
April 11, 2002

**ONTARIO SECURITIES COMMISSION LAUNCHES  
INVESTOR GUIDE  
“FINANCIAL DISCLOSURE: WHAT YOU NEED TO  
KNOW”**

**TORONTO** - The Ontario Securities Commission is launching a new Investor Guide entitled “*Financial Disclosure: What you need to know*” to help Ontario investors understand the various sources of information available about public companies.

While there is a great deal of disclosure available to investors on the Internet, in the news media, from companies directly and from analysts, the challenge for investors is to understand the strengths and weaknesses of these many sources of information. *Financial Disclosure: What you need to know* puts these disclosure documents into perspective for investors.

“Disclosure is one of the cornerstones of securities regulation,” says David Brown, Chair of the OSC. “We are pleased to launch this educational guide about the sources of disclosure during Investor Education Month.”

The 20-page guide, designed for investors who are at a stage where they are ready to do their own research, discusses the types of disclosure available and what they need to know about each type. It also educates investors about the roles of the various parties that prepare these communications, such as the directors and auditors of the company. It outlines what type of information must be disclosed and in what form. The Guide also gives useful tips on how investors can understand and analyze the quality of the information they receive. In addition, it explains the OSC’s role in enforcing disclosure laws and what can happen if a company doesn’t follow the rules.

*Financial Disclosure: What you need to know* is available free of charge as part of the OSC’s Investor Education Kit. It is the fifth in the OSC’s Guide for Investors series which also includes *An Investor’s Guide to OSC Resources and Services*, *A Step-by-Step Guide to Making a Complaint*, *Dealers and Advisers: With Whom are You Dealing for Your Investment Services?* and *Borrowing to Invest: Understanding Leverage*.

Investors can request a free Investor Education Kit by calling 1-877-785-1555 or they can view all our investor resources, including the new guide, on the OSC’s web site at [www.osc.gov.on.ca](http://www.osc.gov.on.ca). The new guide can be found on the Required Reading page of the Investor Resources section.

About the Ontario Securities Commission:

The Ontario Securities Commission is the regulatory body for the securities industry in Ontario, administering and

enforcing the Ontario Securities Act and Commodity Futures Act. Our mandate is to provide protection to investors from unfair or improper practices and to foster fair and efficient capital markets.

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**1.2.3 OSC to Consider Proposed Settlement in Relation to Sohan Singh Koonar et al.**

FOR IMMEDIATE RELEASE  
April 10, 2002

**OSC TO CONSIDER PROPOSED SETTLEMENT  
IN RELATION TO SOHAN SINGH KOONAR ET AL**

**Toronto** – The Ontario Securities Commission (the “Commission”) will consider a proposed settlement agreement entered between staff and the respondents 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. (the “Respondents”).

Staff of the Commission and the respondents will request the Commission’s approval at a hearing scheduled for Monday, April 15, 2002 at 10:00 a.m.. The hearing to consider the proposed settlement will be held in the main hearing room of the Commission located on the 17th Floor, 20 Queen Street West, Toronto, Ontario.

A copy of the Notice of Hearing and Statement of Allegations issued June 18, 2001 is available at the Commission’s website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca) or from the Commission, 19th Floor, 20 Queen Street West, Toronto, Ontario.

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## Chapter 2

# Decisions, Orders and Rulings

### 2.1 Decisions

#### 2.1.1 Cognicase (FPG) Inc. (formerly Ezenet Corp.) - MRRS Decision

##### Headnote

Mutual Reliance Review System for Exemptive Relief Applications - as a result of an amalgamation, issuer has only six beneficial holders of securities - issuer deemed to have ceased to be 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 ALBERTA,  
ONTARIO AND QUÉBEC**

**AND**

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

**AND**

**IN THE MATTER OF  
COGNICASE (FPG) INC. (FORMERLY EZENET CORP.)**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Ontario and Québec (the "Jurisdictions") has received an application by Cognicase (FPG) Inc. (formerly Ezenet Corp.) (the "Filer"), for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the Filer 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** the Filer has represented to the Decision Makers that:

1. The Filer was formed upon the amalgamation of Ezenet Corp. ("Ezenet") and Cognicase Acquisition Corp. on September 24, 2001 (the "Amalgamation") pursuant to an amalgamation agreement dated August

22, 2001 among Ezenet, Cognicase Inc. and Cognicase Acquisition Corp.

2. Ezenet was a reporting issuer in the Provinces of Ontario and Alberta, and as of the date of the Amalgamation, was not in default of any requirements of the securities legislation in Ontario or Alberta.
3. The Filer became a reporting issuer in the Jurisdictions by virtue of the Amalgamation and is not in default of any of the requirements of the Legislation, other than its failure to file its interim financial statements as at, and for the financial period ended, September 30, 2001.
4. The Filer's head office and principal place of business is located in Toronto, Ontario.
5. The Filer does not intend to seek public financing by way of an offering of its securities.
6. The Filer's authorized capital consists of an unlimited number of common shares (the "Common Shares"), of which 5,758,832 Common Shares are issued and outstanding, as of March 14, 2002, and 6,329,114 shares designated as \$3.16 Class A Preferred Shares (the "Preferred Shares"), of which none are issued and outstanding, as of March 14, 2002.
7. As of March 14, 2002 the Filer also has outstanding 444,450 options (the "Compensation Options") each exercisable to purchase 0.570 of a common share of Cognicase Inc. (a "Cognicase Share") at an exercise price of \$11.25 per 0.570 of a Cognicase Share, 20,750 options (the "\$3.00 Options") each exercisable to purchase 0.570 of a Cognicase Share at an exercise price of \$3.00 per 0.570 of a Cognicase Share, and 3,000 options (the "\$14.00 Options", and together with the \$3.00 Options, the "Employee Options"), each exercisable to purchase 0.570 of a Cognicase Share at an exercise price of \$14.00 per 0.570 of a Cognicase Share. The Compensation Options expire on

March 24, 2002, the \$3.00 Options expire on February 7, 2006 and the \$14.00 Options expire on April 26, 2005. Under certain circumstances, the Compensation Options and the Employee Options may be exercised for Preferred Shares of the Filer in lieu of or in combination with, the issuance of Cognicase Shares, which preferred shares must, subject to law, be redeemed by the Filer within two business days of issuance for a cash payment.

8. As a result of the Amalgamation, all of the issued and outstanding Common Shares are owned by Cognicase Inc.
9. There are currently two beneficial holders of Compensation Options and three beneficial holders of Employee Options.
10. The common shares of Ezenet were delisted from The Toronto Stock Exchange on September 26, 2002 and no securities of the Filer are currently listed or quoted on any exchange or market.
11. Other than the Common Shares, the Compensation Options and the Employee Options, the Filer has no securities, including debt securities, outstanding.

**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; and

**THE DECISION** by the Decision Makers under the Legislation is that the Filer is deemed to have ceased to be a reporting issuer under the Legislation.

April 3, 2002.

"John Hughes"

## 2.1.2 Oracle Corporation - MRRS Decision

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

**AND**

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

**AND**

**IN THE MATTER OF  
ORACLE CORPORATION**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator ("**Decision Maker**") in each of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick and Nova Scotia ("**Jurisdictions**") has received an application from Oracle Corporation ("**Oracle**" or "**Company**") for a decision pursuant to the securities legislation of the Jurisdictions ("**Legislation**") that:

- (i) the requirements contained in the Legislation to be registered to trade in a security (the "**Registration Requirement**") and to file and obtain a receipt for a preliminary prospectus and a prospectus (collectively with the Registration Requirement, the "**Registration and Prospectus Requirements**") shall not apply to certain trades in shares of Oracle common stock ("**Shares**") and Awards, as defined below, made in connection with the Oracle 1991 Long-Term Equity Incentive Plan ("**1991 LTIP**"), the Oracle 2000 Long-Term Equity Incentive Plan ("**2000 LTIP**") and the Employee Stock Purchase Plan (1992) ("**ESPP**") (collectively, "**Plans**"); and
- (ii) 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, taking up and paying for securities tendered to an issuer bid, disclosure, restrictions upon purchases of securities, bid financing, identical consideration and collateral benefits together with the requirement to file a reporting form within 10 days of an exempt issuer bid and pay a related fee ("**Issuer Bid Requirements**") shall not apply to certain acquisitions by Oracle of Shares or Awards pursuant to the Plans in the Jurisdictions.

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

("System"), the Nova Scotia Securities Commission is the principal regulator for this application;

**AND WHEREAS** Oracle has represented to the Decision Makers as follows:

1. Oracle is presently a corporation incorporated under the laws of the State of Delaware. The executive offices of Oracle are located in Redwood Shores, California.
2. The Company is registered with the Securities and Exchange Commission ("**SEC**") in the U.S. under the U.S. Securities Exchange Act of 1934 ("**Exchange Act**") and is not exempt from the reporting requirements of the Exchange Act pursuant to Rule 12g 3-2 made thereunder.
3. Oracle is not, and has no present intention of becoming, a reporting issuer in any jurisdiction in Canada. The majority of the directors and senior officers of Oracle reside outside of Canada.
4. The authorized share capital of Oracle consists of 11,000,000,000 Shares and 1,000,000 shares of preferred stock ("**Preferred Shares**"). As of December 31, 2001, there were 5,497,177,469 Shares and no Preferred Shares issued and outstanding.
5. The Shares are quoted on the Nasdaq National Market ("**Nasdaq**").
6. Oracle intends to use the services of one or more agents or brokers ("**Agents**") under the Plans. The current Agents for the Plans are E\*TRADE Canada Securities, Inc., AST Stock Plan, Inc. and Delphi Asset Management Corp. Not all of the current Agents are registered to conduct retail trades in the Jurisdictions and, if replaced, or if additional Agents are appointed, are not all expected to be registered in the Jurisdictions. Agents that are not registered in the Jurisdictions are or will be registered under applicable U.S. securities or banking legislation to trade in securities, if required under such legislation, and are or will be authorized by Oracle to provide services under the Plans. An Agent that is not registered in the Jurisdictions but is registered to trade in securities in the U.S. is referred to as a "**Foreign Agent**".
7. The Agents' role in the Plans may include: (a) assisting with the administration of the Plans, including record-keeping functions; (b) facilitating the exercise of Options (as defined below) granted under the Plans (including cashless and stock-swap exercises) to the extent that they are exercisable for Shares; (c) facilitating the issuance of Shares pursuant to the ESPP; (d) facilitating the cancellation and surrender of Awards (as defined below) as permitted under the Plans; (e) holding Shares issued under the Plans on behalf of Participants (as defined below), Former Participants (as defined below) and Permitted Transferees (as defined below); (f) facilitating the resale of the Shares issued in connection with the Plans; and (g) facilitating the mechanisms as set out in the Plans for the payment of withholding taxes.
8. The Plans are administered by the board of directors of the Company ("**Board**") and/or a committee appointed by the Board ("**Committee**").
9. All necessary securities filings have been made in the U.S. in order to offer the Plans to Participants of Oracle and its affiliates ("**Oracle Companies**"). The Plans have been approved by the shareholders of Oracle.
10. A prospectus prepared according to U.S. securities laws describing the terms and conditions of the Plans will be delivered to each Canadian Participant who is eligible to participate in the ESPP or who receives an Award under the 2000 LTIP or the 1991 LTIP. The annual reports, proxy materials and other materials Oracle is required to file with the SEC will be provided or made available to Canadian Participants at the same time and in the same manner as the documents are provided or made available to U.S. Participants.
11. The sale of Shares acquired under the Plans may be made by Participants, Former Participants or Permitted Transferees through the Agents.
12. As there is no market for the Shares in Canada and none is expected to develop, it is expected that the resale by Participants, Former Participants and Permitted Transferees of the Shares acquired under the Plans will be effected through Nasdaq.
13. As of August 20, 2001, Canadian shareholders of Oracle did not own, directly or indirectly, more than 10% of the issued and outstanding Shares and did not represent in number more than 10% of the shareholders of the Company.
14. The purposes of the 1991 LTIP and the 2000 LTIP are to provide an incentive to eligible employees, independent consultants, advisers, officers and directors of the Oracle Companies whose present and potential contributions are important to the continued success of the Company; to afford such persons an opportunity to acquire a proprietary interest in the Company; and to enable the Company to continue to enlist and retain in its employ the best available talent for the successful conduct of its business. It is Oracle's intention to only allow employees of the Oracle Companies ("**Participants**") in Canada to participate in the 1991 LTIP and 2000 LTIP at this time.

15. The following awards are offered under the 1991 LTIP and 2000 LTIP: (a) stock options exercisable for Shares ("**Options**"); (b) stock purchase rights; (c) stock appreciation rights; and (d) long-term performance awards (collectively, the "**Awards**"). The Awards are non-transferable. It is Oracle's intention to only offer Options to Participants in Canada at this time.
16. The Shares issued under the 1991 LTIP and 2000 LTIP are previously authorized but unissued Shares or reacquired Shares, whether purchased on the market or otherwise.
17. Participants who participate in the 1991 LTIP and 2000 LTIP will not be induced to purchase Shares by expectation of employment or continued employment.
18. The maximum number of Shares that may be issued under the 1991 LTIP is 480,950,499 and under the 2000 LTIP is 570,893,278 plus any unused Shares under the 1991 LTIP that may be transferred to the 2000 LTIP. The foregoing maximum amount is subject to adjustment as provided for in the Plans.
19. The Committee may, in its sole discretion, grant Options to eligible Participants. Each Option granted under the 1991 LTIP and 2000 LTIP will be evidenced by an Option agreement ("**Option Agreement**").
20. As of December 31, 2001, there were 952 Participants in Canada eligible to receive Options under the 2000 LTIP: 696 Participants in Ontario; 53 Participants in British Columbia; 43 Participants in Alberta; 4 Participants in Saskatchewan; 10 Participants in Manitoba; 140 Participants in Québec; 4 Participants in New Brunswick; and 2 Participants in Nova Scotia. No more Awards are being made under the 1991 LTIP.
21. Subject to the provisions of the 1991 LTIP and 2000 LTIP, the Committee has the sole authority to determine the number of Shares covered by each Option and the conditions and limitations applicable to the exercise of the Option.
22. Options shall be exercisable at such times and subject to such terms and conditions as the Committee may specify, provided that no Option shall be exercisable after the expiration of ten years from the date of grant.
23. The exercise price for Options ("**Exercise Price**") will be specified in the Option Agreement and will be established at the discretion of the Committee. Generally, the Exercise Price per Share shall be the Fair Market Value (as defined in the 1991 LTIP and 2000 LTIP) of a Share on the effective date of grant of the Option.
24. The Committee shall establish procedures governing the exercise of Options. Generally, in order to exercise an Option, a Participant, Former Participant or Permitted Transferee must submit to Oracle or an Agent a notice of exercise in the form and manner prescribed by the Committee ("**Notice of Exercise**") identifying the Option and number of Shares being purchased, together with full payment for the Shares. The Notice of Exercise shall specify which type of exercise will be used to pay the Exercise Price and other costs, if any.
25. Following the termination of a Participant's relationship with the Oracle Companies for reasons of disability, retirement or any other reason ("**Former Participant**") or where the Option has been transferred on the death of a Participant by will or pursuant to the laws of intestacy or where the Option has been transferred to family members and trusts and charitable institutions as the Committee shall approve at the time of the grant of such Option ("**Permitted Transferees**"), the Former Participants and Permitted Transferees will continue to have rights in respect of the Plans ("**Post-Termination Rights**"). Post-Termination Rights may include, among other things, the right of a Former Participant or Permitted Transferee to exercise an Option for a period determined in accordance with the Plans and the right to sell Shares acquired under the Plans through the Agents. Post-Termination Rights are only available if the right was earned by the Participant while the Participant still had a relationship with the Oracle Companies.
26. The purpose of the ESPP is to provide Participants an opportunity to purchase Shares through payroll deductions.
27. Subject to adjustments as provided for in the ESPP, an aggregate of 405,000,000 Shares have been reserved for issuance under the ESPP.
28. As of December 31, 2001, there were 952 Participants in Canada eligible to purchase Shares under the ESPP: 696 Participants in Ontario; 53 Participants in British Columbia; 43 Participants in Alberta; 4 Participants in Saskatchewan; 10 Participants in Manitoba; 140 Participants in Quebec; 4 Participants in New Brunswick; and 2 Participants in Nova Scotia.
29. Participants may participate in an offering by delivering a subscription agreement to the Company within the time specified in the ESPP, in the prescribed form, thereby authorizing regular payroll deductions accumulated in a periodic deposit account maintained on behalf of the Participant in the ESPP.
30. The purchase price of Shares acquired under the ESPP shall not be less than the lesser of (i) an



amount equal to 85% of the fair market value of a Share on the Offering Date, as defined in the ESPP; or (ii) an amount equal to 85% of the fair market value of a Share on the Exercise Date, as defined in the ESPP.

31. An ESPP Participant may authorize deductions not exceeding 10% of compensation, up to a maximum of US\$21,250 per year.
32. Immediately upon termination for any reason of a Participant's employment with the Oracle Companies, the accumulated payroll deductions shall be distributed to the terminated employee, without interest, unless termination occurs within 15 days of the end of the Offering Period, as defined in the ESPP, in which case the purchase will occur at the end of the Offering Period. A terminated Participant shall immediately cease to participate in the ESPP.
33. Pursuant to the 1991 LTIP and the 2000 LTIP, the acquisition of Awards and Shares by the Company in certain circumstances may constitute an "issuer bid". The terms of the Plans permit Option holders to surrender Shares to the Company on a stock-swap exercise; for the Company to withhold Shares in order to satisfy tax-withholding obligations (the Shares so withheld will have a Fair Market Value (as defined in the Plans) equal to the amount required to be withheld); for the Company to buy out for a payment in cash or Shares an Option; for the Company to substitute new Options for previously issued Options. The exemptions in the Legislation from the Issuer Bid Requirements may not be available for such acquisitions by the Company since such acquisitions may occur at a price that is not calculated in accordance with the "market price," as that term is defined in the Legislation and may be made from persons other than employees or former employees.
34. The Legislation of the Jurisdictions does not contain exemptions from the Registration and Prospectus Requirements for all the trades in Awards and Shares under the Plans.
35. When a Foreign Agent sells Shares on behalf of Participants, Former Participants and Permitted Transferees, the Foreign Agent, Participants, Former Participants and Permitted Transferees may not be able to rely upon the exemptions from the Registration Requirement contained in the Legislation.

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

- (i) the Registration and Prospectus Requirements shall not apply to any trade or distribution of Awards or Shares made in connection with the Plans, including trades and distributions involving the Oracle Companies, the Agents, Participants, Former Participants, and Permitted Transferees, provided that the first trade of Shares acquired through the Plans pursuant to this Decision shall be deemed a distribution or primary distribution to the public under the Legislation unless the conditions in subsection 2.14(1) of Multilateral Instrument 45-102 *Resale of Securities* are satisfied;
- (ii) the first trade of Shares acquired pursuant to the Plans by Participants, Former Participants and Permitted Transferees effected through a Foreign Agent shall not be subject to the Registration Requirement provided that the first trade is executed through a stock exchange or market outside of Canada; and
- (iii) the Issuer Bid Requirements shall not apply to the acquisition by Oracle of Shares or Awards from Participants, Former Participants and Permitted Transferees provided the acquisitions are made in accordance with the terms of the Plans.

March 27, 2002.

"H. Leslie O'Brien"

**2.1.3 Genetronics Biomedical Corporation - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – relief granted from the requirement to be a U.S. issuer, as defined in NI 71-101 *The Multijurisdictional Disclosure System* to allow the issuer to benefit from Parts 14-18 and 20 of NI 71-101, subject to certain conditions. Issuer is not technically a U.S. issuer as more than 50% of its registered shareholders are resident in Canada and more than 50% of the issuer's board members are both Canadian residents and Canadian citizens.

**Applicable Provisions**

National Instrument 71-101 – The Multijurisdictional Disclosure System

**IN THE MATTER OF  
SECURITIES LEGISLATION OF  
BRITISH COLUMBIA AND ONTARIO**

**AND**

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

**AND**

**IN THE MATTER OF  
GENETRONICS BIOMEDICAL CORPORATION  
  
MRRS DECISION**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia and Ontario (the "Jurisdictions") has received an application from Genetronics Biomedical Corporation (the "Filer") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement to be a U.S. issuer, as defined in National Instrument 71-101 *The Multijurisdictional Disclosure System* ("NI 71-101"), shall not apply to the Filer, so that it is eligible to rely on Parts 14-18 and 20 of NI 71-101;

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

**AND WHEREAS** the Filer has represented to the Decision Makers that:

1. the Filer is a Delaware corporation and has its head office in San Diego, California;
2. the Filer is a reporting issuer in the Jurisdictions, has been a reporting company under the *United States Securities Exchange Act* (the "1934 Act") since 1999, and is not in default of any

requirements of the Legislation or the securities legislation of the United States of America;

3. under the Legislation, the Filer is required to make certain continuous disclosure filings in the Jurisdictions;
4. under section 12 or 15(d) of the 1934 Act, the Filer is required to make certain continuous disclosure filings with the United States Securities and Exchange Commission (the "SEC");
5. as of March 15, 2002, the authorized capital of the Filer is 100,000,000 common shares and 10,000,000 preferred shares, of which 34,860,167 common shares have been issued;
6. the common shares are listed for trading on The Toronto Stock Exchange and the American Stock Exchange;
7. Parts 14-18 and 20 of NI 71-101 generally allow a U.S. issuer (as defined in NI 71-101), that has a class of securities registered under section 12 of the 1934 Act, to meet the continuous disclosure requirements of the Legislation of the Jurisdictions by complying with the continuous disclosure requirements of U.S. federal securities law and by filing with the Jurisdictions, and sending to each securityholder, the same continuous disclosure documents that it has filed with the SEC (collectively, the "NI 71-101 Filings");
8. an issuer, such as the Filer, would qualify as a U.S. issuer under the definition at section 1.1 in NI 71-101 if it is incorporated or organized under the laws of the United States or any state or territory of the United States or the District of Columbia, unless:
  - (a) voting securities carrying more than 50% of the votes for the election of directors are held by persons or companies whose last address as shown on the books of the issuer is in Canada; and
  - (b) any one or more of :
    - (i) the majority of the senior officers or directors of the Filer are citizens or residents of Canada (the "Citizenship and Residency Test");
    - (ii) more than 50% of the assets of the issuer are located in Canada; or
    - (iii) the business of the issuer is administered principally in Canada;

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**Decisions, Orders and Rulings**

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9. all five of the Filer's senior officers and two of its five directors reside in the United States of America;
10. the Filer's remaining three directors reside in British Columbia and four of the directors are Canadian citizens;
11. substantially all of the Filer's assets are located in the United States, with the exception of certain choses in action, such as intellectual property rights that the Filer is securing in other jurisdictions;
12. as of February 7, 2002, the registered shareholder list shows that 50.3% of the common shares are held by persons resident in Canada, however, further investigations conducted by the Filer's transfer agent have concluded that approximately 30.3% of the common shares are held beneficially by Canadian residents;
- (a) but for the fact that three of the Filer's five directors are Canadian residents, and four of its directors are Canadian citizens, the Filer would be considered a U.S. issuer under section 1.1 of NI 71-101, even though the registered shareholder list shows that 50.3% of the Filer's common shares are held by persons resident in Canada; and
13. the Filer would like to be able to make use of Parts 14-18 and 20 of NI 71-101 in order to reduce its continuous disclosure costs by satisfying the continuous disclosure requirements of the Legislation of the Jurisdictions with its U.S. filings;
- (c) the Filer meets all the conditions of the definition of a U.S. issuer, except for the Citizenship and Residency Test; and
- (d) no more than 60% of the Filer's directors are Canadian residents and no more than 80% of the Filer's directors are Canadian citizens.

March 28, 2002.

"Brent Aitken"

**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 each Decision Maker with the jurisdiction to make the Decision has been met;

**THE DECISION** of the Decision Makers under the Legislation is that the requirement in Parts 14-18 and 20 of NI 71-101 that the Filer be a U.S. issuer, as defined in NI 71-101, shall not apply to the Filer in connection with the NI 71-101 Filings, provided that at the time of making the NI 71-101 Filings:

- (a) the Filer has a class of securities registered under section 12 of the 1934 Act;
- (b) the Filer complies with U.S. securities laws with respect to its NI 71-101 Filings;

2.1.4 Hewlett-Packard Company - MRRS Decision

Headnote

MRRS – Relief from registration and prospectus requirements for trades involving employees, former employees and designated beneficiaries pursuant to equity investment plan – Relief from issuer bid requirements for acquisition by issuer of securities in connection with exercise mechanisms under equity investment plan – Issuer with *de minimis* Canadian presence.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am. ss. 25, 53, 35(1)(12)(iii), 72(1)(f)(iii), 74(1) and 144

Policies Cited

Rule 45-503 – Trades to Employees, Executives and Consultants

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

**AND**

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

**AND**

**IN THE MATTER OF  
HEWLETT-PACKARD COMPANY  
MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the “Decision Maker”, and collectively, the “Decision Makers”) in each of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Quebec and Saskatchewan (the “Jurisdictions”) has received an application (the “Application”) from Hewlett-Packard Company (“HP” or the “Filer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that:

- (a) 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

distributions and/or certain trades in common shares (the “Common Shares”) in the capital of the Filer and in options for Common Shares made in connection with the HP 2000 Employee Stock Purchase Plan (“HP SOP”), the HP 2000 Stock Plan (“HP 2000 SP”) and certain other plans; and

- (b) the requirements contained in the Legislation pertaining to bids to acquire or redeem securities of an issuer made by an issuer, including requirements relating to the filing of forms (the “Issuer Bid Requirements”), shall not apply to certain acquisitions by the Filer of Common Shares pursuant to the HP SOP, the HP 2000 SP and certain other plans;

**AND WHEREAS** the Filer was previously granted a decision document dated October 24, 2000 (the “Previous MRRS Decision”) under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), decisions of the Commission des valeurs mobilières du Québec (the “CVMQ”) dated September 29, 2000 and a decision dated May 31, 2000 by the Decision Maker in New Brunswick, that provided relief from the Registration and Prospectus Requirements in respect of certain distributions and/or trades in securities of the Filer arising from the HP SOP and the HP 2000 SP;

**AND WHEREAS** the Filer is also requesting a decision under the Legislation that revokes the Previous MRRS Decision;

**AND WHEREAS** under the System, Ontario is the principal regulator for this application;

**AND WHEREAS** the Filer has represented to the Decision Makers that:

1. HP is a corporation incorporated under the laws of Delaware and is not a reporting issuer in Canada under the Legislation. HP is subject to the reporting requirements of the U.S. Securities Exchange Act of 1933, as amended (the “1933 Act”), and the U.S. Securities Exchange Act of 1934, as amended (the “1934 Act”). The Common Shares are listed and posted for trading on the New York Stock Exchange, Inc. (the “NYSE”) and the Pacific Exchange.
2. The authorized share capital of HP consists of 9,600,000,000 Common Shares with a par value of US\$0.01 each and 300,000,000 shares of preferred stock with a par value of US\$0.01 each. As at January 28, 2002, there were 1,941,391,000 Common Shares and no preferred stock of HP issued and outstanding.
3. Hewlett-Packard (Canada) Ltd. (“HP Canada”), currently a wholly-owned subsidiary of HP, is a

- corporation incorporated under the federal laws of Canada. HP Canada is not a reporting issuer or its equivalent under the Legislation and has no present intention of becoming a reporting issuer or its equivalent in any of the Jurisdictions.
4. HP and Compaq Computer Corporation ("Compaq") have agreed that, subject to certain conditions, HP will acquire Compaq pursuant to an Agreement and Plan of Reorganization, dated as of September 4, 2001 (the "Merger").
  5. HP and Indigo N.V. ("Indigo") have agreed that, subject to certain conditions, HP will acquire Indigo pursuant to an Offer Agreement, dated as of September 6, 2001 (the "Indigo Acquisition").
  6. Compaq is a corporation incorporated under the laws of the state of Delaware and is not a reporting issuer or its equivalent under the Legislation except under the Securities Act (Quebec) (the "QSA"). The CVMQ granted exemptive relief to Compaq on January 14, 2000 from the continuous disclosure obligations under the QSA (decision no. 2000-C-0029). Compaq is subject to the reporting requirements of the 1933 Act and the 1934 Act. An effect of the Merger is that HP will be a reporting issuer under the QSA. HP intends to apply for exemptive relief from the continuous disclosure obligations under the QSA similar to the above relief provided to Compaq by the CVMQ.
  7. The authorized share capital of Compaq consists of 3,000,000,000 common shares with a par value of US\$0.01 per share and 10,000,000 shares of preferred stock with a par value of US\$0.01. As of January 28, 2002, there were 1,704,636,432 common shares and no preferred stock of Compaq issued and outstanding.
  8. Compaq Canada Corp. ("Compaq Canada") and Compaq Financial Services Canada Corporation ("Compaq Financial Canada"), both wholly-owned subsidiaries of Compaq, are corporations incorporated under the laws of Nova Scotia. Neither corporation is a reporting issuer or its equivalent under the Legislation and neither has any present intention of becoming a reporting issuer or its equivalent in any of the Jurisdictions.
  9. Indigo is a corporation incorporated under the laws of The Netherlands and is not a reporting issuer or its equivalent under the Legislation and has no present intention of becoming a reporting issuer or its equivalent in any of the Jurisdictions.
  10. The authorized share capital of Indigo consists of 240,000,000 common shares with a par value of NLG 0.04 per share. As of September 5, 2001, there were 113,676,895 issued and outstanding common shares. Indigo is subject to the reporting requirements of the 1933 Act and the 1934 Act.
  11. Indigo Canada, Inc., currently a wholly-owned subsidiary of Indigo, is a corporation incorporated under the laws of Ontario. Indigo Canada, Inc. is not a reporting issuer or its equivalent under the Legislation and has no present intention of becoming a reporting issuer or its equivalent in any of the Jurisdictions.
  12. After the Merger, it is expected that current Compaq employees in Canada will initially continue to be employed by Compaq Canada or Compaq Financial Canada, which will become indirect, wholly-owned subsidiaries of HP. Such employees may subsequently be transferred to and become employed by a newly incorporated Canadian entity, which will also be an indirect, wholly-owned subsidiary of HP ("New HP Canada").
  13. After the Indigo Acquisition, it is expected that current Indigo employees in Canada will be initially employed by HP Canada but they may also subsequently be transferred to and become employed by New HP Canada. In addition, current HP Canada employees may also be subsequently transferred to New HP Canada.
  14. HP will assume (a) the Compaq options ("Compaq Options") previously provided by Compaq to eligible employees resident in Canada ("Compaq Option Holders") pursuant to Compaq's 1985 Stock Option Plan, 1989 Equity Incentive Plan, 1995 Equity Incentive Plan, 1998 Stock Option Plan and/or 2001 Stock Option Plan (collectively, the "Compaq Option Plans"), and (b) the Indigo options ("Indigo Options") previously provided by Indigo to eligible employees resident in Canada ("Indigo Option Holders") pursuant to Indigo's 1996 United States Stock Option Plan (the "Indigo SOP").
  15. On the effective date of the Merger, all then outstanding Compaq Options will be assumed by HP ("Assumed Options") and the terms of such options will be amended to provide for the issuance of Common Shares upon their exercise instead of Compaq common shares. The number of Common Shares to be subject to each such Assumed Option and the exercise price per share under each such Assumed Option will be adjusted according to a predetermined formula. The duration and other material terms of such Assumed Options will remain unamended.
  16. On the effective date of the Indigo Acquisition, all then outstanding Indigo Options will be assumed by HP as Assumed Options and the terms of such options will be amended to provide for the issuance of Common Shares upon their exercise instead of Indigo common shares. The number of Common Shares to be subject to each such Assumed Option and the exercise price per share under each such Assumed Option will be adjusted

- according to a predetermined formula. The duration and other material terms of such Assumed Options will remain unamended.
17. Compaq Option Holders and Indigo Option Holders will be provided with all the disclosure documentation that HP employees resident in the United States who receive HP Options are entitled to receive.
18. Participation in the Compaq Option Plans and the Indigo SOP is voluntary and the option holders under such plans are not induced to participate or acquire Common Shares under such plans by expectation of employment or continued employment.
19. Employees of Compaq Canada, Compaq Financial Canada or Indigo Canada, Inc. who become employees of HP Canada, New HP Canada or another Canadian incorporated HP affiliate as a result of the Merger or the Indigo Acquisition ("New HP Group Employees") will be respectively invited to participate in the HP SOP and the HP 2000 SP shortly after the effective date of the Merger and the effective date of the Indigo Acquisition.
20. The HP SOP was made effective as of November 1, 2000. The HP SOP allows eligible employees ("Stock Eligible Employees") to acquire Common Shares. All regular full-time and regular part-time employees of HP Canada or of any other Canadian incorporated affiliate of HP are Stock Eligible Employees.
21. Participation in the HP SOP by Stock Eligible Employees is voluntary and the Stock Eligible Employees have not been and will not be induced to participate in the HP SOP by expectation of employment or continued employment with HP, HP Canada or any other affiliated entity of HP.
22. Termination for any reason immediately cancels a Stock Eligible Employee's option and participation in the HP SOP. In such event the payroll deductions credited to the Stock Eligible Employee's account will be returned without interest to him or her, or in the case of death to his or her heirs or estate.
23. Stock Eligible Employees who purchase Common Shares under the HP SOP will be provided with all the disclosure documentation that HP employees resident in the United States who purchase Common Shares under the HP SOP are entitled to receive.
24. Options to acquire Common Shares ("HP Options") are awarded pursuant to the HP 2000 SP to various employees of HP Canada or of any other Canadian incorporated affiliate of HP eligible to participate ("Option Eligible Employees"). In addition, stock awards and cash awards may be granted under the HP 2000 SP. All HP Options granted are determined by the Compensation Committee of the Board of HP and its delegates.
25. Participation in the HP 2000 SP is voluntary and the Option Eligible Employees have not been and will not be induced to exercise HP Options by expectation of employment or continued employment with HP, HP Canada or any other affiliated entity of HP.
26. The HP Options are non-transferable during an Option Eligible Employee's life. An Option Eligible Employee's legal representative may exercise his or her HP Options in full within one (1) year following his or her death.
27. Option Eligible Employees who are issued HP Options under the HP 2000 SP will be provided with all the disclosure documentation that HP employees resident in the United States who receive HP Options are entitled to receive.
28. HP uses the services of agents (each as listed or as replaced, an "Agent", and collectively, the "Agents") in connection with the HP 2000 SP and the HP SOP and may use the services of Agents in connection with the Compaq Option Plans and the Indigo SOP. The current Agents under the HP 2000 SP are UBS Paine Webber, Salomon Smith Barney, Inc., Morgan Stanley and First Bank and Trust. The current Agent under the HP SOP is Mellon Investor Services. The current Agent in connection with the Compaq Option Plans is Salomon Smith Barney, Inc. The Agents are, and, if replaced will be, corporations registered under applicable U.S. securities legislation to trade in securities and have been or will be authorized to provide services under the above plans.
29. Subject to the discretion of the applicable Agent to permit transfers to permitted transferees neither Compaq Options nor Indigo Options are transferable otherwise than by will or the laws of descent and distribution.
30. Because there is no market for the Common Shares in Canada and none is expected to develop, any trades of the Common Shares by Stock Eligible Employees, Option Eligible Employees or New HP Group Employees will be effected through the facilities of and in accordance with the rules of a stock exchange or recognized market outside of Canada on which the Common Shares are traded and in accordance with all laws applicable to such trading.
31. As at January 28, 2002, residents of Canada did not own, directly or indirectly, more than 10 percent of the outstanding Common Shares and did not represent in number more than 10 percent

of the total number of owners, directly or indirectly, of Common Shares.

32. An exemption from the Registration and Prospectus Requirements is not available in all of the Jurisdictions for all of the above distributions and/or trades in Common Shares acquired under the HP 2000 SP, the HP SOP, the Compaq Option Plans and the Indigo SOP.
33. In connection with options granted under the HP 2000 SP, the Compaq Option Plans and the Indigo SOP, HP may make acquisitions of Common Shares in connection with the surrender of Common Shares pursuant to the exercise by an option holder of an option granted under such plans. The exemptions in the Legislation from the Issuer Bid Requirements may not be available for such acquisitions by HP since such acquisitions may occur at a price that is not calculated in accordance with the "market price", as that term is defined in the Legislation, as the market value of the Common Shares acquired may be calculated on less than a 20 day trailing period, and acquisitions may be made from persons other than employees or former employees.

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

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

1. the Registration and Prospectus Requirements shall not apply to:
- (i) the granting of options, the exercising of such options, the distribution of Common Shares and any other trade or distribution made in connection with the HP SOP, except in Quebec;
  - (ii) the granting of options and the distribution of stock awards, the exercising of such options, the distribution of Common Shares and any other trade or distribution made in connection with the HP 2000 SP, except in Quebec;
  - (iii) the assumption and exercising of Assumed Options, the distribution of Common Shares pursuant to such exercise and any other trade or distribution made in connection therewith; or
  - (iv) the activities of Agents in connection with the foregoing which, for Quebec, will include the activities in connection with subparagraphs (i) and (ii);

provided that the first trade in Common Shares acquired pursuant to this Decision in a Jurisdiction shall be deemed a distribution or a primary distribution to the public;

2. except in Quebec, the first trade by Stock Eligible Employees, Option Eligible Employees, New HP Group Employees, former Stock Eligible Employees, former Option Eligible Employees, former New HP Group Employees, Compaq Option Holders, Indigo Option Holders, former Compaq Option Holders, former Indigo Option Holders or the legal representatives or permitted transferees of any of the foregoing in Common Shares acquired pursuant to this Decision, including first trades effected through the Agents, shall not be subject to the Registration and Prospectus Requirements, provided that:
- (i) at the time of the trade, HP is not a reporting issuer in any of the Jurisdictions except in Quebec;
  - (ii) at the time of the acquisition of the Common Shares, residents of Canada (a) did not own, directly or indirectly, more than 10 percent of the outstanding Common Shares and (b) did not represent in number more than 10 percent of the total number of owners, directly or indirectly, of Common Shares;
  - (iii) such first trade is effected through the facilities of, and in accordance with the rules applicable to, a stock exchange or quotation system outside of Canada on which the Common Shares may be listed or quoted for trading;
3. in Quebec, the first trade by Stock Eligible Employees, Option Eligible Employees, New HP Group Employees, former Stock Eligible Employees, former Option Eligible Employees, former New HP Group Employees, Compaq Option Holders, Indigo Option Holders, former Compaq Option Holders, former Indigo Option Holders or the legal representatives or permitted transferees of any of the foregoing (collectively, the "Quebec Holders") in Common Shares acquired pursuant to this Decision, including first trades effected through the Agents after the date of the Decision, shall not be subject to the Registration and Prospectus Requirements, provided that:
- (i) the first trade is effected outside Canada, through the facilities of, and in accordance with the rules applicable to, a stock exchange or quotation system on which the Common Shares may be listed or quoted for trading; or

- (ii) the first trade is effected among the Quebec Holders, or among the Quebec Holders and persons to whom the Quebec Holders are related; and
4. the Issuer Bid Requirements of the Legislation shall not apply to the acquisition by HP of Common Shares from the applicable participants in connection with the exercising of options granted pursuant to the HP 2000 SP, the Compaq Option Plans and the Indigo SOP.

**THE FURTHER DECISION** of the Decision Makers is that the Previous MRRS Decision be revoked.

April 3, 2002.

“Paul M. Moore”

“H. Lorne Morphy”

## **2.1.5 Corona Gold Corporation, et al. - MRRS Decision**

### **Headnote**

MRRS - First trade in certain common shares acquired pursuant to the exercise of stock options or a warrant acquired in connection with a statutory arrangement are not subject to the prospectus and registration requirements subject to certain conditions.

### **Statutes Cited**

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

### **Rules Cited**

Multilateral Instrument 45-102 Resale of Securities

National Instrument 45-501 Exempt Distributions

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF BRITISH  
COLUMBIA, ONTARIO,  
QUEBEC, NEW BRUNSWICK, NOVA SCOTIA AND  
PRINCE EDWARD ISLAND**

**AND**

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

**AND**

**IN THE MATTER OF  
CORONA GOLD CORPORATION, BLUE ECHO  
VENTURES INC.  
AND UNISPHERE WASTE CONVERSION LTD.**

### **MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia, Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island (the “Jurisdictions”) has received an application from Corona Gold Corporation (“Corona”), Blue Echo Ventures Inc. (“New Corona”) and Unisphere Waste Conversion Ltd. (“Unisphere”) (collectively, the “Filers”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that certain trades made in connection with or subsequent to a proposed statutory plan of arrangement (the “Arrangement”) involving Corona, New Corona and Unisphere pursuant to section 182 of the *Business Corporations Act* (Ontario) (the “OBCA”) are exempt from the requirements to be registered to trade in a security and to file a preliminary prospectus and prospectus and to receive receipts therefor (collectively, the “Requirements”);

**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. Corona is a public company incorporated under the OBCA, has been a reporting issuer in the Provinces of British Columbia, Alberta and Ontario for more than twelve months and is not in default of any requirements of Legislation.
2. The authorized capital of Corona consists of an unlimited number of common shares (“Corona Common Shares”) of which there are 12,641,287 Corona Common Shares outstanding.
3. Corona also has outstanding options (“Corona Options”) to purchase an aggregate of 1,761,128 Corona Common Shares.
4. Corona is involved in the exploration of geologically attractive properties for precious and base metals and the Corona Common Shares are listed for trading on The Toronto Stock Exchange (the “TSE”).
5. New Corona is an inactive, private, wholly owned subsidiary of Corona incorporated under the OBCA with no material assets other than approximately \$250,000 in cash and no liabilities.
6. The authorized capital of New Corona consists of an unlimited number of common shares (“New Corona Common Shares”) of which 6,000,000 are issued and outstanding.
7. New Corona has a stock option plan (the “New Corona Plan”) for directors, officers, employees and consultants of New Corona.
8. Unisphere is a private company incorporated under the OBCA formed for the purpose of introducing systems to process non-hazardous waste and industrial waste in an environmentally safe manner, principally through the thermochemical decomposition of scrap tires.
9. The authorized capital of Unisphere consists of 10,000,000 special shares and an unlimited number of common shares (“Unisphere Common Shares”) of which there are no special shares and 7,707,549 Unisphere Common Shares outstanding.
10. Unisphere also has outstanding: (a) options (“Unisphere Options”) to purchase an aggregate of 3,685,000 Unisphere Common Shares; and (b) warrants to purchase an aggregate of 666,664 Unisphere Common Shares. In addition, Unisphere has an agreement to grant warrants to purchase an aggregate of 501,803 Unisphere

Common Shares immediately prior to the Arrangement.

11. Corona, New Corona and Unisphere have agreed, subject to the satisfaction of certain conditions precedent, to the Arrangement pursuant to which two separate publicly traded companies will be formed, being New Corona and the company resulting from the amalgamation of Corona and Unisphere (“New Unisphere”).
12. New Corona will conduct the mineral exploration operations previously carried on by Corona and New Unisphere will conduct the waste tire recycling business previously carried on by Unisphere.
13. Upon the Arrangement becoming effective (the “Effective Date”), Corona Common Shareholders will become holders of both New Corona Common Shares and common shares of New Unisphere (“New Unisphere Common Shares”) and Unisphere Common Shareholders will become holders of New Unisphere Common Shares.
14. The relevant steps of the Arrangement can be summarized as follows:
  - (a) the articles of Corona will be amended to create, and authorize Corona to issue an unlimited number of, pre-amalgamation common shares (“Pre-Amalgamation Common Shares”);
  - (b) Corona will transfer and assign to New Corona all of the non-cash assets of Corona (plus \$750,000 cash) at the fair market value thereof and issue to New Corona a warrant (the “Corona Warrant”) entitling New Corona to purchase an aggregate of 1,000,000 Corona Common Shares at a price of \$2.00 per share for a period of three years from the Effective Date in exchange for the issue by New Corona to Corona of 6,641,287 New Corona Common Shares;
  - (c) all right, title and interest of the Corona Shareholders in the Corona Common Shares will be surrendered to Corona for cancellation, and such shares will be cancelled by Corona, and in exchange therefor, each Corona Shareholder will receive from Corona one Pre-Amalgamation Common Share and one New Corona Common Share for each such Corona Common Share so surrendered and cancelled;
  - (d) Corona and Unisphere will amalgamate, pursuant to the provisions of the OBCA, and continue as New Unisphere;

- (e) each holder of Pre-Amalgamation Common Shares will receive one New Unisphere Common Share for every one Pre-Amalgamation Common Share held and each holder of Unisphere Common Shares will receive 3.28 New Unisphere Common Shares for each Unisphere Common Share held;
  - (f) each Corona Option will be amended so that each holder of a Corona Option will be entitled to receive, on exercise of a Corona Option, one New Unisphere Common Share for each Corona Option held, on the same terms and conditions and at the same expiry date or dates as set forth therein notwithstanding the resignation, removal or termination of the holders;
  - (g) each Unisphere Option will be amended so that each holder of a Unisphere Option will be entitled to receive, on exercise of a Unisphere Option, one New Unisphere Common Share for each Unisphere Option held, on the same terms and conditions and at the same expiry date or dates as set forth therein; and
  - (h) the terms of the Corona Warrant will be amended to permit New Corona to purchase up to 1,000,000 New Unisphere Common Shares at a price of \$2.00 per share for a period of three years from the Effective Date.
15. The Arrangement has been approved by the holders of Corona Common Shares, the holders of Unisphere Common Shares and by the Superior Court of Justice (Ontario).
16. The Arrangement is also subject to certain conditions precedent, including:
- (i) the New Corona Common Shares and New Unisphere Common Shares shall be freely tradable in all of the Jurisdictions at the Effective Date;
  - (ii) Unisphere must have completed or received commitments on terms satisfactory to Corona for additional equity financing of not less than \$3.5 million; and
  - (iii) the New Corona Common Shares and the New Unisphere Common Shares must have been approved for listing by either the TSE or the Canadian Venture Exchange.
17. Prospectus-level disclosure relating to New Corona and New Unisphere, after giving effect to the Arrangement, and the securities to be distributed pursuant to the Arrangement, was included in the joint management proxy circular of Corona and Unisphere dated July 23, 2001.
18. Holders of Corona Common Shares and Unisphere Common Shares had the right to dissent from the Arrangement under section 185 of the OBCA, and the Circular disclosed full particulars of this right.
19. Exemptions from registration and prospectus requirements of the Legislation in respect of trades made in connection with the Arrangement, and exemptions from prospectus requirements of the Legislation in respect of the first trades in New Corona Common Shares and New Unisphere Common Shares acquired pursuant to the Arrangement or upon the exercise of stock options distributed prior to the Arrangement or the Corona Warrant distributed pursuant to the Arrangement, are not otherwise available in all Jurisdictions.
20. New Unisphere will be a reporting issuer in each of British Columbia, Alberta and Ontario upon the completion of the Arrangement. New Corona will be a reporting issuer in each of British Columbia and Alberta upon completion of the Arrangement. New Corona will be a reporting issuer in Ontario upon the listing of the New Corona Common Shares on the TSE.

**AND WHEREAS** under the System, this MRRS 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 all trades in connection with the Arrangement, the exercise of the Corona Warrant distributed pursuant to the Arrangement, and the exercise of stock options distributed prior to the Arrangement shall not be subject to the Requirements provided that the first trade in New Unisphere Common Shares or New Corona Common Shares acquired pursuant to this Decision will be a distribution or primary distribution to the public unless:

- (i) except in Quebec, the conditions in subsections (3) or (4) of section 2.6 of Multilateral Instrument 45-102: Resale of Securities ("MI 45-102") are satisfied, and for the purposes of determining the period of time that New Unisphere or New Corona has been a reporting issuer under section 2.6 or 2.8 of MI 45-102, the period of time that Corona was a

- reporting issuer immediately before the Arrangement may be included; and
- (ii) in Quebec,
- (a) the trade is executed through the facilities of an exchange,
  - (b) no unusual effort is made to prepare the market or to create a demand for the securities that are the subject of the trade,
  - (c) no extraordinary commission or consideration is paid to a person or company in respect of the trade, and
  - (d) if the selling shareholder is an insider or officer of the issuer, the selling shareholder has no reasonable grounds to believe that the issuer is in default of securities legislation.

April 3, 2002.

“Paul M. Moore”

“H. Lorne Morphy”

## 2.1.6 Corona Gold Corporation, et al. - Additional MRRS Decision

### Headnote

MRRS - National Instrument 43-101 - Relief granted from requirement in subsection 4.1(1) to file a technical report upon first becoming a reporting issuer - Issuer to become a reporting issuer as a result of plan of arrangement where assets spun out of existing reporting issuer - Business of new reporting issuer substantively a continuation of business of existing reporting issuer.

### Rules Cited

National Instrument 43-101 Standards of Disclosure for Mineral Projects, ss 4.1(1) and 9.1(1).

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

**AND**

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

**AND**

**IN THE MATTER OF  
CORONA GOLD CORPORATION, BLUE ECHO  
VENTURES INC.  
AND UNISPHERE WASTE CONVERSION LTD.**

### MRRS DECISION DOCUMENT

**WHEREAS** the local securities regulatory authority or regulator (the “Decision Maker”) in each of Alberta, British Columbia, and Ontario (the “Jurisdictions”) has received an application from Corona Gold Corporation (“Corona”), Blue Echo Ventures Inc. (“New Corona”) and Unisphere Waste Conversion Ltd. (“Unisphere”) (collectively, the “Filers”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the requirements of the Legislation to file a current technical report for each material property upon first becoming a reporting issuer (the “Technical Report Requirement”) will not apply to New Corona;

**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. Corona is a public company incorporated under the *Business Corporations Act* (Ontario) (the “OBCA”), has been a reporting issuer in the Provinces of British Columbia, Alberta and Ontario

- for more than twelve months and is not in default of any requirements of Legislation.
2. The authorized capital of Corona consists of an unlimited number of common shares ("Corona Common Shares") of which there are 12,641,287 Corona Common Shares outstanding.
3. Corona also has outstanding options ("Corona Options") to purchase an aggregate of 1,761,128 Corona Common Shares.
4. Corona is involved in the exploration of geologically attractive properties for precious and base metals and the Corona Common Shares are listed for trading on The Toronto Stock Exchange (the "TSE").
5. New Corona is an inactive, private, wholly owned subsidiary of Corona incorporated under the OBCA with no material assets other than approximately \$250,000 in cash and no liabilities.
6. The authorized capital of New Corona consists of an unlimited number of common shares ("New Corona Common Shares") of which 6,000,000 are issued and outstanding.
7. New Corona has a stock option plan (the "New Corona Plan") for directors, officers, employees and consultants of New Corona.
8. Unisphere is a private company incorporated under the OBCA formed for the purpose of introducing systems to process non-hazardous waste and industrial waste in an environmentally safe manner, principally through the thermochemical decomposition of scrap tires.
9. The authorized capital of Unisphere consists of 10,000,000 special shares and an unlimited number of common shares ("Unisphere Common Shares") of which there are no special shares and 7,707,549 Unisphere Common Shares outstanding.
10. Unisphere also has outstanding: (a) options ("Unisphere Options") to purchase an aggregate of 3,685,000 Unisphere Common Shares; and (b) warrants to purchase an aggregate of 666,664 Unisphere Common Shares. In addition, Unisphere has an agreement to grant warrants to purchase an aggregate of 501,803 Unisphere Common Shares immediately prior to the Arrangement.
11. Corona, New Corona and Unisphere have agreed, subject to the satisfaction of certain conditions precedent, to participate in a proposed statutory plan of arrangement (the "Arrangement") pursuant to section 182 of the OBCA, pursuant to which two separate publicly traded companies will be formed, being New Corona and the company resulting from the amalgamation of Corona and Unisphere ("New Unisphere").
12. Corona will transfer its mineral assets to New Corona. New Corona will conduct the mineral exploration operations previously carried on by Corona and New Unisphere will conduct the waste tire recycling business previously carried on by Unisphere.
13. Upon the Arrangement becoming effective (the "Effective Date"), Corona Common Shareholders will become holders of both New Corona Common Shares and common shares of New Unisphere ("New Unisphere Common Shares") and Unisphere Common Shareholders will become holders of New Unisphere Common Shares.
14. The relevant steps of the Arrangement can be summarized as follows:
- (a) the articles of Corona will be amended to create, and authorize Corona to issue an unlimited number of, pre-amalgamation common shares ("Pre-Amalgamation Common Shares");
- (b) Corona will transfer and assign to New Corona all of the non-cash assets of Corona (plus \$750,000 cash) at the fair market value thereof and issue to New Corona a warrant (the "Corona Warrant") entitling New Corona to purchase an aggregate of 1,000,000 Corona Common Shares at a price of \$2.00 per share for a period of three years from the Effective Date in exchange for the issue by New Corona to Corona of 6,641,287 New Corona Common Shares;
- (c) all right, title and interest of the Corona Shareholders in the Corona Common Shares will be surrendered to Corona for cancellation, and such shares will be cancelled by Corona, and in exchange therefor, each Corona Shareholder will receive from Corona one Pre-Amalgamation Common Share and one New Corona Common Share for each such Corona Common Share so surrendered and cancelled;
- (d) Corona and Unisphere will amalgamate, pursuant to the provisions of the OBCA, and continue as New Unisphere;
- (e) each holder of Pre-Amalgamation Common Shares will receive one New Unisphere Common Share for every one Pre-Amalgamation Common Share held and each holder of Unisphere Common Shares will receive 3.28 New Unisphere

- Common Shares for each Unisphere Common Share held;
- (f) each Corona Option will be amended so that each holder of a Corona Option will be entitled to receive, on exercise of a Corona Option, one New Unisphere Common Share for each Corona Option held, on the same terms and conditions and at the same expiry date or dates as set forth therein notwithstanding the resignation, removal or termination of the holders;
- (g) each Unisphere Option will be amended so that each holder of a Unisphere Option will be entitled to receive, on exercise of a Unisphere Option, one New Unisphere Common Share for each Unisphere Option held, on the same terms and conditions and at the same expiry date or dates as set forth therein; and
- (h) the terms of the Corona Warrant will be amended to permit New Corona to purchase up to 1,000,000 New Unisphere Common Shares at a price of \$2.00 per share for a period of three years from the Effective Date.
15. The Arrangement has been approved by the holders of Corona Common Shares, the holders of Unisphere Common Shares and by the Superior Court of Justice (Ontario).
16. The Arrangement is also subject to certain conditions precedent, including:
- (i) the New Corona Common Shares and New Unisphere Common Shares be freely tradable in all of the Jurisdictions at the Effective Date;
- (j) Unisphere must have completed or received commitments on terms satisfactory to Corona for additional equity financing of not less than \$3.5 million; and
- (k) the New Corona Common Shares and the New Unisphere Common Shares must have been approved for listing by either the TSE or the Canadian Venture Exchange.
17. Prospectus-level disclosure relating to New Corona and New Unisphere, after giving effect to the Arrangement, and the securities to be distributed pursuant to the Arrangement, was included in the joint management proxy circular (the "Circular") of Corona and Unisphere dated July 23, 2001.
18. Holders of Corona Common Shares and Unisphere Common Shares had the right to dissent from the Arrangement under section 185 of the OBCA, and the Circular disclosed full particulars of this right.
19. New Unisphere will be a reporting issuer in each of British Columbia, Alberta and Ontario upon the completion of the Arrangement. New Corona will be a reporting issuer in each of British Columbia and Alberta upon completion of the Arrangement. New Corona will be a reporting issuer in Ontario upon the listing of the New Corona Common Shares on the TSE.
20. Corona's mineral exploration activities have been the subject of continuous disclosure on an ongoing basis for more than 12 months pursuant to Corona's responsibilities as a reporting issuer. The disclosure in the Circular also contained technical disclosure regarding Corona's mineral exploration activities.
- AND WHEREAS** under the System, this MRRS 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 New Corona is exempt from the Technical Report Requirement.
- April 10, 2002.
- "Kathryn Soden"

2.1.7 Talisman Energy Sweden AB - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Application to be deemed to have ceased to be a reporting issuer.

Applicable Alberta Statutory Provisions

Securities Act, R.S.A., 2000, c. S-4, section 153

IN THE MATTER OF  
THE SECURITIES LEGISLATION  
OF ALBERTA, SASKATCHEWAN, AND ONTARIO

AND

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

AND

IN THE MATTER OF TALISMAN ENERGY SWEDEN AB  
(formerly, LUNDIN OIL AB)

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities authority or regulator (the "Decision Maker") in Alberta, Saskatchewan, and Ontario (the "Jurisdictions") has received an application from Talisman Energy Sweden AB ("Talisman Energy Sweden"), formerly Lundin Oil AB, for a decision under the securities legislation of the Jurisdictions (the "Legislation") that Talisman Energy Sweden be deemed to have ceased to be a reporting issuer under the Legislation;
2. **AND WHEREAS** under the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Alberta Securities Commission is the principal regulator for this application;
3. **AND WHEREAS** the Talisman Energy Sweden has represented to the Decision Makers that:
  - 3.1 before November 19, 2001, Talisman Energy Sweden was named Lundin Oil AB ("Lundin Oil");
  - 3.2 Talisman Energy Sweden was incorporated under the *Swedish Companies Act* on June 16, 1987;
  - 3.3 Talisman Energy Sweden's head office is located in Stockholm, Sweden;
  - 3.4 Talisman Energy Sweden is a reporting issuer in the Jurisdictions and became a reporting issuer in Alberta on or about December 22, 1997 when it filed a

securities exchange take-over bid circular;

- 3.5 other than its failure to file interim financial statements in the Jurisdictions for the period ended September 30, 2001, Talisman Energy Sweden is not in default of any of the requirements under the Legislation;
- 3.6 the authorized share capital of Talisman Energy Sweden consists of Class A shares (the "Class A Shares"), Class B shares (the "Class B Shares"), and Class C shares (the "Class C Shares");
- 3.7 in July, 2001, Talisman Energy AB ("TAB"), a wholly-owned Swedish subsidiary of Talisman Energy Inc., made a cash offer (the "Offer") to acquire all of the outstanding securities and employee warrants (the "Employee Warrants") of Lundin Oil including, in the U.S., the Global Depository Shares (the "GDS"), each representing a Class B Share;
- 3.8 under the Offer, TAB acquired:
  - 3.8.1 all of the outstanding Class A Shares;
  - 3.8.2 approximately 98.1% of the outstanding Class B Shares (including Class B shares represented by GDSs); and
  - 3.8.3 all of the outstanding Employee Warrants;
- 3.9 in connection with the Offer, TAB subscribed for Class C Shares and is the owner of all of the outstanding Class C Shares;
- 3.10 in September 2001, as a result of having acquired shares and warrants representing more than 90% of the total number of shares and votes of Lundin Oil on a fully diluted basis, TAB commenced compulsory acquisition proceedings under the *Swedish Companies Act* to acquire the remaining Class B Shares;
- 3.11 on October 5, 2001, the Class B Shares and GDSs were de-listed from the Stockholm Stock Exchange and the Nasdaq SmallCap Market, respectively, and there are currently no securities of Talisman Energy Sweden listed or quoted on any exchange or market;
- 3.12 in January 2002, TAB acquired the remaining Class B Shares under the

compulsory acquisition proceedings of the *Swedish Companies Act* and now holds all of the securities of Talisman Energy Sweden;

3.13 other than the outstanding Class A Shares, Class B Shares, Class C Shares, and Employee Warrants, Talisman Energy Sweden has no securities, including debt securities, outstanding; and

3.14 Talisman Energy Sweden does not intend to seek public financing by way of an offering of its securities;

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

5. **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;

6. **THE DECISION** of the Decision Makers under the Legislation is that Talisman Energy Sweden is deemed to have ceased to be a reporting issuer under the Legislation.

March 13, 2002.

"Patricia M. Johnston"

## 2.1.8 Telus Corporation - MRRS Decision

### Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief allowing the delivery of proxy materials and interim financial statements to participants in an employee share purchase plan by electronic delivery in accordance with NP 11-201 "Delivery of Documents by Electronic Means".

### Applicable Ontario Provisions

Securities Act, R.S.O. 1990, c.S.5, as am., 88(2)(b).

### Policies Cited

National Policy Statement No. 41.

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,  
MANITOBA, ONTARIO, QUÉBEC, NOVA SCOTIA,  
NEW BRUNSWICK, NEWFOUNDLAND AND  
LABRADOR, PRINCE EDWARD ISLAND,  
THE NORTHWEST TERRITORIES, NUNAVUT AND  
YUKON TERRITORY**

**AND**

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

**AND**

**IN THE MATTER OF  
TELUS CORPORATION**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, The Northwest Territories, Nunavut and Yukon Territory (the "Jurisdictions") has received an application from TELUS Corporation ("TELUS") for a decision under the securities legislation and policies of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to deliver proxy related materials (the "NP 41 Material") to non-registered holders by postage-paid first class mail or by personal delivery shall not apply to TELUS, or the trustee (the "Trustee") of TELUS' Employee Share Purchase Plan (the "Plan"), in respect of deliveries of NP 41 Material to participants in the Plan (the "Participants");

**AND WHEREAS** TELUS has also applied to the Decision Maker in each of the Jurisdictions for a decision under the Legislation that the requirement contained in the Supplemental Mailing List Legislation (as defined below) to deliver interim financial statements to non-registered

holders that are on a supplemental mailing list by postage-paid first class mail or by personal delivery shall not apply to TELUS in respect of deliveries of interim financial statements to Participants on TELUS' supplemental mailing list;

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

**AND WHEREAS** TELUS has represented to the Decision Makers that:

*TELUS Corporation*

1. TELUS was incorporated under the Company Act (British Columbia) on October 26, 1998, as BCT.TELUS Communications Inc. and on May 3, 2000 changed its name to TELUS Corporation;
2. TELUS' executive and registered offices are located in Burnaby, British Columbia;
3. the authorized capital of TELUS consists of 4,000,000,000 shares divided into 1,000,000,000 common shares without par value (the "Common Shares"), 1,000,000,000 non-voting shares without par value (the "Non-Voting Shares"), 1,000,000,000 first preferred shares without par value (the "First Preferred Shares") and 1,000,000,000 second preferred shares without par value (the "Second Preferred Shares"); as at January 3, 2002, 181,441,402 Common Shares, 121,689,134 Non-Voting Shares, no First Preferred Shares and no Second Preferred Shares were issued and outstanding;
4. TELUS is a reporting issuer or its equivalent in each of the Jurisdictions;
5. TELUS is not on the list of defaulting reporting issuers maintained pursuant to the Legislation, where applicable;
6. the Common Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE"); the Non-Voting Shares are listed and posted for trading on the TSE and the New York Stock Exchange;
7. TELUS is the second largest Canadian telecommunications provider, offering a full range of communication services; for the year ended December 31, 2000, TELUS had consolidated revenue of \$6,433,200,000 and has over two million wireless subscribers;

*Employee Share Purchase Plan*

8. the Plan was established on February 1, 1999;

9. the purpose of the Plan is to encourage employees to invest in Common Shares through Participant contributions and employer contributions, thereby providing employees with an opportunity to share in the growth and success of TELUS and its subsidiaries, by means of participation in the profits of the employer on the basis provided for in the Plan;

*Paper Delivery Requirements*

10. Participants are considered "non-registered holders" for purposes of National Policy No. 41 "Shareholder Communication" ("NP 41"); the Trustee is considered an "intermediary" for purposes of NP 41;
11. NP 41 provides that delivery of NP 41 Material to non-registered holders shall be by postage-paid first class mail or by personal delivery;
12. TELUS desires to send the NP 41 Material to Participants by electronic means, pursuant to the principles set forth in National Policy 11-201 "Delivery of Documents by Electronic Means" ("NP 11-201");

*Interim Financial Statements and Supplemental Mailing List Requirements*

13. the Legislation in certain jurisdictions provides that an issuer who complies with all of the requirements of NP 41 respecting interim financial statements is not required to send interim financial statements to its security holders if it maintains a supplemental mailing list in accordance with NP 41 (the "Supplemental Mailing List Legislation");
14. NP 41 provides that the delivery of interim financial statements to non-registered holders on an issuer's supplemental mailing list shall be by postage-paid first class mail or by personal delivery; and
15. TELUS desires to send interim financial statements to Participants who are on TELUS's supplemental mailing list by electronic means, pursuant to the principles set forth in NP 11-201;

**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 the requirement contained in the Legislation to deliver NP 41 Material to non-registered holders by postage-paid first class mail or by personal delivery shall not apply to TELUS, or the Trustee, in



respect of deliveries of NP 41 Material to Participants, provided that TELUS or the Trustee sends the NP 41 Material to Participants by electronic delivery in accordance with NP 11-201;

**THE FURTHER DECISION** of the Decision Makers under the Legislation is that the requirement contained in the Supplemental Mailing List Legislation to deliver interim financial statements to non-registered holders that are on a supplemental mailing list by postage-paid first class mail or by personal delivery shall not apply to TELUS in respect of deliveries of interim financial statements to Participants on TELUS' supplemental mailing list, provided that TELUS or the Trustee sends the interim financial statements to Participants by electronic delivery in accordance with NP 11-201.

March 28, 2002.

"Brenda Leong"

2.2 Orders

2.2.1 Independent Electricity Market Operator -  
Exemption Order - s. 147

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

AND

IN THE MATTER OF  
THE INDEPENDENT ELECTRICITY MARKET  
OPERATOR

EXEMPTION ORDER (Section 147)

UPON the application of the Independent Electricity Market Operator (the "IMO") to the Ontario Securities Commission (the "Commission") for an order pursuant to section 147 of the Act exempting the IMO from the requirements to file forms and fees with the Commission pursuant to Part 7 of Commission Rule 45-501;

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

AND UPON the IMO having represented to the Commission that:

**Background**

1. the IMO is an independent, not for profit, non share capital corporation created by statute pursuant to Part II of the *Electricity Act, 1998* (Ontario) (the "Electricity Act");
2. the Government of Ontario has assigned the responsibility for creating and administering the IMO-administered markets to the IMO;
3. the IMO has been allocated the statutory mandate of meeting the following objects as set out in subsection 5(1) of the Electricity Act:
  - (a) to exercise and perform the powers and duties assigned to the IMO under the Electricity Act, the Market Rules and the OEB Licence as issued by the OEB;
  - (b) to enter into agreements with transmitters giving the IMO authority to direct the operations of their transmission systems;
  - (c) to direct the operations and maintain the reliability of the IMO-controlled grid to promote the purposes of the Electricity Act;
  - (d) to establish and operate the IMO-administered markets to promote the purposes of the Electricity Act;

- (e) to collect and provide to the public, information relating to the current and future electricity needs of Ontario and the capacity of the integrated power system to meet those needs;
- (f) to participate in the development of standards and criteria relating to the reliability of Ontario's transmission systems; and
- (g) to work with the responsible authorities outside of Ontario to efficiently and effectively co-ordinate the IMO's activities with their activities;

4. the markets administered and operated by the IMO in accordance with the Electricity Act consist of both physical and financial markets;
5. the physical markets govern the real-time operation of the power system, allowing load and generation to be balanced, flows on the transmission system to be within limits and voltage and frequency to be maintained;
6. the financial markets consist of: (i) the Energy Forward Market (the "EFM"), wherein market participants can acquire financial contracts linked to the real-time energy market on a forward basis; and (ii) the Transmission Rights Market (the "TRM"), wherein market participants can acquire financial contracts linked to locational price differences across the interties;
7. in carrying out its objects, the IMO is empowered to and has developed a codified set of rules to govern the wholesale electricity marketplace in Ontario (collectively, the "Market Rules");
8. the provisions of the Market Rules are intended to be complete codes, covering the form and content of the transactions (collectively the "Contracts") to be entered into by market participants in the EFM and the TRM (collectively, the "Financial Markets");
9. the Contracts are issued by the IMO through the auction processes stipulated in the Market Rules;
10. all persons interested in becoming authorized market participants in either or both of the Financial Markets (whether as electricity industry participants or otherwise) must be approved in advance by the IMO. Trades made to or among authorized market participants in the Financial Markets are exempt from the prospectus and registration requirements in Ontario since all authorized market participants will be required to meet financial thresholds that are equal to those to be applied under Commission Rule 45-501 dealing with "accredited investors";

**Regulatory Oversight**

11. The IMO has made an application pursuant to National Policy 12-201 for a decision under the securities legislation of certain jurisdictions that the IMO be exempt from the requirements to be registered to trade in a security and to file a preliminary prospectus and a final prospectus and to receive receipts therefore (the "**MRRS Application**"). The IMO anticipates receiving a favourable decision with respect to the MRRS Application.
12. The IMO has made a separate application (the "**Exchange Application**") to the Commission for exemptive relief related to the operation of the Financial Markets as a stock exchange and a clearing agency. This relief was sought only in Ontario, since the trading facilities of the IMO will exist only in Ontario and all trading through the IMO will be executed only through the facilities of the IMO in Ontario. This relief was granted pursuant to an order of the Commission dated March 6, 2002 (the "**Exchange Order**");
13. the IMO operates pursuant to the licence (the "**OEB Licence**") granted to it by the Ontario Energy Board (the "**OEB**") under the *Ontario Energy Board Act, 1998* (the "**OEB Act**"). The OEB is the sole regulatory body under the Electricity Act vested with the powers of oversight in connection with the business and/or aim of the IMO, including its operation of the Financial Markets;
14. the IMO is bound to make certain reports to the Minister of Energy, Science and Technology (the "**Minister**") pursuant to the Electricity Act and to the OEB pursuant to the terms of the OEB Licence;
15. the IMO, its operation of the Financial Markets and the Financial Markets themselves shall not be subject to the regulatory oversight of any provincial securities commission or security regulatory authority;
16. section 32 of the Electricity Act permits the IMO to make rules "establishing and governing markets related to electricity". As part of its efforts, the Market Design Committee prepared a set of "Market Rules for the Ontario Electricity Market" in early 1999. Since that time, the IMO has been refining those rules. The approval process at the present time requires any new rule or rule amendment to be approved by the Board of Directors of the IMO by a least a two-thirds majority and then submitted to the Minister for final approval. The Market Rules are publicly available and are accessible on the Internet and may be downloaded from the IMO's web site at: **www.theimo.com**;
17. pursuant to subsection 32(6) of the Electricity Act, upon opening of the IMO-administered markets, the Minister will transfer formal rule making authority to the IMO, subject at all times to the appeal rights to the OEB, as set out in the Electricity Act. In addition, the IMO has the power to amend the Market Rules on an urgent basis pursuant to section 34 of the Electricity Act, subject at all times to the appeal rights to the OEB, as set out in the Electricity Act;
18. all Contracts concluded within the Financial Markets will conform to the Market Rules, and all market participants will receive transaction confirmations from the IMO in accordance with the provisions thereof; and
19. the IMO has the mandate to administer, supervise and enforce all aspects of the IMO-administered markets and has put in place employees and diagnostic software to fulfill this function.

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

**IT IS HEREBY ORDERED** by the Commission that, pursuant to section 147 of the Act, the IMO and all authorized market participants in the Financial Markets are exempt from the requirements to file forms and fees with the Commission pursuant to Part 7 of Commission Rule 45-501, provided that:

- (a) the IMO continues to operate pursuant to a valid licence issued by the OEB; and
- (b) that the Exchange Order remains in force and effect;

March 6, 2002.

"D. A. Brown"

"Paul Moore"

**2.2.2 Northwest Mutual Funds Inc. and Northwest International Fund - ss. 59(1)**

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

**AND**

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

**AND**

**IN THE MATTER OF  
NORTHWEST MUTUAL FUNDS INC.  
AND  
NORTHWEST INTERNATIONAL FUND**

**ORDER**

**(Subsection 59(1) of Schedule I to the Regulation)**

**UPON** the application of Northwest Mutual Funds Inc. ("NWMF"), the trustee, manager and principal distributor of the Northwest RSP International Fund (the "Clone Fund"), the Northwest Balanced Fund (the "Balanced Fund" and collectively with the Clone Fund hereinafter referred to as, the "Top Funds") and the Northwest International Fund (the "Underlying Fund") for an order pursuant to subsection 59(1) of Schedule I of the Regulation (the "Schedule") exempting the Underlying Fund from having to pay the Ontario Securities Commission that portion of its annual filing fee that is determined with reference to the distribution of units (referred to herein as "Units") of the Underlying Fund to the Top Funds, the distribution of Units of the Underlying Fund to a counterparty with whom the Clone Fund has entered into a forward contract, and on the reinvestment of distributions of income and/or capital of such Units;

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

**AND UPON NWMF** having represented to the Commission that:

1. NWMF is the trustee, manager and principal distributor of the Top Funds and the Underlying Fund. NWMF is a corporation amalgamated under the laws of Ontario.
2. The Top Funds and the Underlying Fund are open-ended unincorporated mutual fund trusts established under the laws of Ontario.
3. The Top Funds and the Underlying Fund are reporting issuers and not in default of any requirement of the securities acts or regulations applicable in each of the provinces and territories of Canada. The Units of the Top Funds and the

Underlying Fund are qualified for distribution pursuant to simplified prospectuses and annual information forms in those jurisdictions.

4. As part of their investment strategy, each of the Top Funds may invest a portion of its assets directly in Units of the Underlying Fund (the "Direct Units"). In addition, the Clone Fund enters into a forward contract with a counterparty who may choose to hedge its exposure under the forward contract by investing directly in Units of the Underlying Fund (the "Hedge Units").
5. Applicable securities regulatory approvals for the investments by the Top Funds in Direct Units and for the Top Funds' investment strategies have been obtained.
6. Annually, each of the Top Funds will be required to pay filing fees to the Commission in respect of the distribution of its Units in Ontario pursuant to section 14 of the Schedule and will similarly be required to pay fees based on the distribution of its Units in other relevant Canadian jurisdictions pursuant to applicable securities legislation in each of those jurisdictions.
7. Annually, the Underlying Fund will be required to pay filing fees in respect of the distribution of its Units in Ontario, including the distribution of the Direct Units and the Hedge Units, pursuant to Section 14 of the Schedule and will similarly be required to pay fees based on the distribution of its Units in other relevant Canadian jurisdictions pursuant to the applicable securities legislation in each of those jurisdictions.
8. A duplication of filing fees pursuant to Section 14 of the Schedule of the Regulation may result when (a) Direct Units are distributed (b) Hedge Units are distributed and (c) a distribution fee is paid by the Underlying Fund on the Direct Units and the Hedge Units which are reinvested in Units of the Underlying Fund (the "Reinvested Units").

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

**IT IS ORDERED** by the Commission pursuant to subsection 59(1) of the Schedule that the Underlying Fund is exempt from the payment of duplicate filing fees on an annual basis pursuant to section 14 of the Schedule in respect of the distribution of Direct Units to the Clone Fund, Hedge Units to a counterparty and Reinvested Units in connection with any such distributions made on or after February 28, 2001 provided that the Underlying Fund shall include in its notice filed under subsection 14(4) of the Schedule a statement of the aggregate gross proceeds realized in Ontario as a result of the issuance by the Underlying Fund of such Units, together with a calculation of the fees that would have been payable in the absence of this order.

**AND IT IS FURTHER ORDERED** by the Commission pursuant to subsection 59(1) of the Schedule that the Underlying Fund is exempt from the payment of duplicate filing fees on an annual basis pursuant to section 14 of Schedule 1 of the Regulation in respect of the distribution of Direct Units to the Balanced Fund and Reinvested Units, in connection with any such distributions made on or after February 28, 2001, provided that the Underlying Fund shall include in its notice filed under subsection 14(4) of the Schedule a statement of the aggregate gross proceeds realized in Ontario as a result of the issuance by the Underlying Fund of such Units, together with a calculation of the fees that would have been payable in the absence of this order.

April 9, 2002.

“Theresa McLeod”

“H. Lorne Morphy”

**2.3 Rulings**

Agent shall not be subject to section 25 of the Act; and

**2.3.1 Electronic Data Systems Corporation - Ruling and Order**

(c) first trades ("First Trades") in Shares acquired under the Plan by Non-Employee Participants (defined below) shall not be subject to section 25 of the Act;

**Headnote**

Subsections 74(1) and 104(2)(c) - relief from registration requirements granted in connection with certain trades by employees and non-employees in connection with employee compensation plan - relief from issuer bid requirements granted in connection with acquisitions of securities from employees and non-employees at a price determined under the plan.

**Statutes Cited**

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 25, 35, 74(1), 95, 96, 97, 98, 100 and 104(2)(c).

**Regulations Cited**

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., ss. 183, 203, 204 and 206.

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

**AND**

**IN THE MATTER OF  
ELECTRONIC DATA SYSTEMS CORPORATION**

**Ruling and Order  
(Subsections 74(1) and 104(2)(c))**

**WHEREAS** the Ontario Securities Commission (the "Commission") has received an application from Electronic Data Systems Corporation ("EDS" or the "Company") for a decision pursuant to subsection 74(1) of the Act that:

- (a) the exercise of Awards (defined below) issued under the Electronic Data Systems Corporation Amended and Restated Incentive Plan (the "Plan") through the agent(s) appointed by EDS under the Plan (each an "Agent"), shall not be subject to the registration requirements of section 25 of the Act;
- (b) the reacquisition of Shares of common stock of EDS ("Shares") and awards issued under the Plan ("Awards") by EDS pursuant to Stock-Swap Exercises (defined below), certain Award surrenders and Withholding Acquisitions (defined below) from employees or directors of EDS or its affiliates ("EDS Companies") or Non-Employee Participants (defined below), through the

**AND WHEREAS** the Commission has received an application from the Company for an order pursuant to subsection 104(2)(c) exempting the Company from sections 95, 96, 97, 98 and 100 of the Act and the Regulation made thereunder and from the requirements of subsection 203.1(b)(ii) of the Regulation (the "Issuer Bid Requirements") with respect to certain acquisition by the Company of Shares and Awards of its own issue pursuant to the Plan;

**AND WHEREAS** EDS has represented to the Commission as follows:

1. EDS is a corporation incorporated under the laws of the State of Delaware, is not a reporting issuer under the Act and has no present intention of becoming a reporting issuer under the Act.
2. The authorized share capital of EDS consists of 2 billion Shares of which, as of November 30, 2001, there were 477,700,000 Shares issued and outstanding.
3. EDS is subject to the requirements of the Securities Exchange Act of 1934, as amended, of the United States, including the reporting requirements thereof.
4. The purpose of the Plan is to aid the Company and its subsidiaries in attracting and retaining employees and directors of the Company and its affiliates ("Service Providers").
5. The Shares offered under the Plan are registered with the U.S. Securities and Exchange Commission (the "SEC") under the Securities Act of 1933 and are listed for trading on the New York Stock Exchange ("NYSE").
6. Under the Plan, options exercisable for Shares ("Options"), stock appreciation rights ("SARs"), and performance awards ("Performance Awards") valued in reference to or based upon Shares or factors that influence the value of Shares (all of the foregoing collectively, "Awards") may be granted to Service Providers.
7. The EDS Companies will identify Service Providers to be granted Awards under the Plan.
8. EDS intends to engage the services of one or more Agents in connection with the Plan. The current Agents under the Plan are Mellon Investor Services, LLC. ("Mellon") and FutureShare

- Financial. FutureShare Financial is, and, if replaced or an additional Agent, is appointed to take on broker functions, such Agent will be, a corporation registered under applicable U.S. securities or banking law. Each of Mellon and FutureShare Financial has been and any additional Agents will be, authorized by EDS to provide services under the Plan. Neither Mellon nor FutureShare Financial is a registrant in Ontario and, any additional Agent is not expected to be a registrant in Ontario.
9. The Agent's role in the Plan will involve various administrative and brokerage functions and may include: (i) facilitating the exercise of Awards (including cashless exercises, stock-swap exercises and Award swap exercises) under the Plan; (ii) maintaining brokerage and record keeping accounts and holding Shares on behalf of participants under the Plan; and (iii) facilitating the resale of Shares acquired under the Plan through the NYSE.
10. As of January 1, 2002, there were approximately 4,500 Service Providers resident in Ontario eligible to participate in the Plan ("Ontario Service Providers").
11. Participation in the Plan by Ontario Service Providers is voluntary and such Service Providers are not induced to participate in the Plan or to exercise their exercisable Awards by expectation of employment or continued employment with EDS Companies.
12. Awards are not transferable otherwise than by will or the laws of intestacy.
13. The committee appointed by the Board of Directors of EDS (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 exercisable Award, the Award holder, must submit to EDS or to the Agent a written notice of exercise identifying the Award and the number of Shares being exercised, together with full payment of the option price, withholding taxes and other transaction costs, if any (collectively, "Exercise Costs"). The Exercise Costs of an Award may be paid in cash or by way of a cashless exercise, stock-swap exercise, Award-swap exercise, or such other method permitted by the Committee.
14. Shares withheld in payment of Exercise Costs may either (i) be sold by the Agent on behalf of the Awardholder and the proceeds of the sale delivered to the Company, or (ii) be reacquired by EDS through a netting out process or otherwise ("Withholding Acquisitions").
15. Following the termination of an Ontario Service Provider's relationship with the EDS Companies, a former Ontario Service Provider, or in some cases the legal representative of an Ontario Service Provider or former Ontario Service Provider, or the beneficiary of an Award or Shares under a will or the laws of intestacy (collectively, "Non-Employee Participants") may continue to have rights in respect of such Awards and Shares ("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 issued under the Plan through an Agent.
16. A copy of the U.S. Prospectus relating to the Plan will be delivered or made available to each Ontario Service Provider who is granted an Award under the Plan. The annual reports, proxy materials and other materials EDS is required to file with the SEC, will be provided or made available to persons who acquire Shares under the Plan and become shareholders at substantially the same time and in substantially the same manner as the documents are provided to U.S. shareholders.
17. Ontario Service Providers and Non-Employee Participants who wish to sell Shares acquired under the Plan, may do so through the Agent.
18. As at January 28, 2002, Canadian shareholders did not own, directly or indirectly, more than 10% of the issued and outstanding Shares and did not represent more than 10% of the shareholders of EDS.
19. Because there is no market for the Shares in Ontario and none is expected to develop, any resale of the Shares acquired under the Plan will be effected through the facilities of a stock exchange or organized market outside of Ontario on which the Shares may be listed or quoted for trading.
20. The registration exemption contained in subsection 35(1)(12)(iii) of the Act is not available in connection with Option and Award exercises by Non-Employee Participants effected through the Agent as the Agent is a market intermediary in Ontario but is not registered under the Act.
21. The acquisition of Shares by EDS through the Agent upon an Ontario Service Provider or Non-Employee Participant tendering Shares in payment of the Award exercise price pursuant to a stock-swap exercise or pursuant to Withholding Acquisitions, is not exempt from the registration requirements under either subsection 35(1)(17) of the Act or under subpart 2.2(b) of OSC Rule 45-501 because the Agent is a market intermediary in Ontario and is not registered under the Act.

22. No exemption from the registration requirements is available in Ontario for First Trades by Non-Employee Participants through the Agent.
23. No exemption is available from the Issuer Bid Requirements for certain acquisitions by EDS of Shares in accordance with the terms of the Plan since such acquisitions may occur at a price that is not equal to the "market price" as that term is defined in subsection 183(1) of the Regulations to the Act.

**AND WHEREAS** the Commission is 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:

- (1) the exercise of Options or Awards that are capable of being exercised and related trades in Shares made in connection with the Plan effected through the Agent shall not be subject to the registration requirements of the Act;
- (2) acquisitions of Shares or Awards by EDS from Ontario Service Providers or Non-Employee Participants through the Agent as a means of satisfying Exercise Costs (including withholding taxes) for Options and Awards granted pursuant to the Plan or otherwise in accordance with the Plan, shall not be subject to the registration requirements of the Act;
- (3) the registration requirement shall not apply to First Trades by Non-Employee Participants in Shares acquired under the Plan made through the Agent provided the conditions in subsection 2.4 of Ontario Commission Rule 45-503 are satisfied; and

**IT IS ORDERED** pursuant to subsection 104(2)(c) of the Act that acquisitions of Shares and Awards by EDS from Ontario Service Providers or Non-Employee Participants are exempt from the Issuer Bid Requirements, provided that such acquisitions are made in accordance with the provisions of the Plan.

March 8, 2002.

"Paul M. Moore"

"Theresa McLeod"



## Chapter 3

# Reasons: Decisions, Orders and Rulings

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THERE IS NO MATERIAL FOR THIS CHAPTER  
IN THIS ISSUE

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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
Canada 3000 Inc.	02 Apr 02	12 Apr 02		
Cobrun Mining Corporation	25 Mar 02	05 Apr 02	05 Apr 02	
Franchisemaster Technologies Inc.	08 Apr 02	19 Apr 02		
Hegco Canada Inc.	03 Apr 02	15 Apr 02		
Manitex Capital Inc.	28 Mar	09 Apr 02		
Stox.com Inc.	08 Apr 02	19 Apr 02		

### 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
Krystal Bond Inc.	19 Feb 02	04 Mar 02	04 Mar 02		
World Wise Technologies Inc.	19 Feb 02	04 Mar 02	04 Mar 02		
Radiant Energy Corporation	22 Mar 02	04 Apr 02		08 Apr 02	

### 4.3.1 Lapsed Cease Trading Orders

Company Name	Date of Lapse/Expire
Planetsafe Enviro Corporation	04 Apr 02

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## Chapter 5

# Rules and Policies

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### 5.1.1 Notice and Ontario Securities Commission Policy 41-601 Capital Pool Companies

#### NOTICE OF ONTARIO SECURITIES COMMISSION POLICY 41-601 CAPITAL POOL COMPANIES

##### Notice of Policy

The Ontario Securities Commission (the "Commission") has, under section 143.8 of the *Securities Act* (Ontario) (the "Act"), adopted Policy 41-601 Capital Pool Companies (the "Policy"). The Policy sets out the views of the Commission as to whether issuers participating in the Canadian Venture Exchange's capital pool company program (the "Program") should be permitted to conduct public offerings in Ontario.

The Commission is also publishing, concurrently with this Notice, a CPC Operating Agreement (the "Operating Agreement") among the Commission, the Canadian Venture Exchange Inc. ("CDNX"), the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Securities Commission and the Manitoba Securities Commission. The Operating Agreement sets out the procedures which will be adopted by the parties in connection with the Program. The Operating Agreement has been delivered to the Minister of Finance in accordance with subsection 143.10(1) of the Act. If the Minister approves the Operating Agreement, or does not approve or reject the Operating Agreement within 60 days of its publication in the Bulletin, it will come into effect in Ontario on June 15, 2002.

The Policy will become effective on the day on which the Operating Agreement comes into effect in Ontario.

##### Background

On August 31, 2001, the Commission published a version of the Policy for comment (the "Draft Policy"). During the comment period, which ended October 31, 2001, the Commission received two comments letters. One was from the Alberta law firm of Armstrong Perkins Hudson LLP ("Armstrong Perkins") and the other was from the Prospectors & Developers Association of Canada (the "PDAC"). The comments provided by the two commentators have been considered by the Commission and the final version of the Policy published with this Notice reflects the decision of the Commission with respect to such comments.

Terms used in the Policy that are defined or interpreted in the definition instruments in force in Ontario should be read in accordance with those definition instruments, unless the context otherwise requires.

##### Substance and Purpose of the Policy

The Policy sets out the views of the Commission as to whether issuers participating in the Program should be permitted to conduct public offerings in Ontario. The Program permits an initial public offering to be conducted and an exchange listing to be achieved by a newly created capital pool company (a "CPC") that has no assets, other than cash, and which has not commenced commercial operations. The CPC then uses this pool of funds to identify and evaluate assets or businesses which, when acquired (a "Qualifying Transaction"), qualify the resulting issuer ("Resulting Issuer") for listing as a regular Tier 1 or Tier 2 issuer on CDNX.

##### Summary of changes

The Commission has made changes to the Draft Policy to respond to the comments received from Armstrong, Perkins and the PDAC, as well as to reflect changes to the Program that were made by CDNX. However, none of the changes are material and the Commission is not republishing the Policy for comment.

##### Summary of Comments Received

- (i) Both Armstrong Perkins and the PDAC supported the introduction of the Program into Ontario. However, the PDAC noted that the Program may not be appropriate for use by junior mineral exploration companies, as the primary financing of such companies is often consumed in a single project which, even if successful, rarely generates immediate cash flows.

##### **Commission Response:**

*The Commission acknowledges that, while the Program is an initiative designed to assist junior issuers, it may not be appropriate for all junior issuers. However, the Commission also notes that CDNX's minimum listing requirements for a mining company accommodate this problem.*

- (ii) Armstrong Perkins and the PDAC both noted that Commission staff intended to review, for a transitional period, the information circular filed by a CPC where the Resulting Issuer would be a reporting issuer in Ontario. Both commentators suggested that such "dual" review by staff of the Commission and CDNX would be inefficient and duplicative. Armstrong Perkins further suggested that the review of a prospectus filed by a CPC by both CDNX and staff of the Commission would also be duplicative.

**Commission Response:**

*The Commission has reconsidered its decision to have its staff review the information circular of a CPC prior to it being mailed to its shareholders and has concluded that it is prepared to rely upon the review conducted by CDNX staff. The Policy has therefore been revised. However, with respect to the review of CPC prospectuses, the Commission notes that such reviews will be done in accordance with the principles of mutual reliance currently applicable to all prospectuses. As a result, the Commission does not intend to adopt this suggestion.*

- (iii) The PDAC supported the statement that the Director would be willing to consider, upon application, exempting a CPC from including in its prospectus those financial statements which could be required by Part 6 of Rule 45-501 General Prospectus Requirements. However, the PDAC was concerned about the additional cost involved in making a formal application and queried whether a blanket order would be more appropriate.

**Commission Response:**

*While sympathetic to the concerns of the PDAC, the Commission notes that section 143.11 of the Act prohibits the Commission from making any orders or rulings of general application. The Commission is willing to consider, however, incorporating such an exemption into proposed future amendments to Commission Rule 41-501 General Prospectus Requirements. In the meantime, the Commission notes that such an application can be made pursuant to the relatively stream-lined process set out in Part 15 of Rule 41-501.*

The PDAC also questioned whether such an exemption should not also be available to a CPC in relation to the information circular it must prepare in connection with a proposed Qualifying Transaction.

**Commission Response:**

*The Commission is of the view that the financial statements of a CPC's target are an integral part of the disclosure required in a CPC's information circular. Consequently, the Commission is not prepared to consider adopting such an exemption at this time.*

- (iv) Armstrong Perkins noted that, under a predecessor of the Program, issuers were permitted to conduct public offerings as a capital pool company so long as they had no enforceable agreement with the target company. In the view of Armstrong Perkins, the adoption of the concept of "agreement in principle" by CDNX has created

uncertainty, made the Program less effective and resulted in more blind pools. Armstrong, Perkins suggested that if the concept of "agreement in principle" was to be continued, there ought to be complete certainty as to the conditions upon which an "agreement in principle" is deemed to exist prior to the filing of a CPC's preliminary prospectus.

**Commission Response:**

*In the view of the Commission, this is a comment which should be addressed to CDNX. However, the Commission does note that CDNX's revised Policy 2.4 provides additional guidance as to when an issuer may have an "agreement in principle". Furthermore, where there may be uncertainty, Policy 2.4 encourages issuers to arrange a pre-filing meeting with CDNX staff.*

## ONTARIO SECURITIES COMMISSION POLICY 41-601 CAPITAL POOL COMPANIES

### Introduction

The Canadian Venture Exchange Inc. ("CDNX") currently operates a capital pool company program (the "Program") in each of Alberta, Saskatchewan, Manitoba and British Columbia. The Program was designed as a corporate finance vehicle to provide businesses with an opportunity to obtain financing earlier in their development than might otherwise be possible through a normal initial public offering (an "IPO"). The Program permits an IPO to be conducted and a CDNX listing to be achieved by a newly created capital pool company (a "CPC") which has no assets, other than cash, and which has not commenced commercial operations. The CPC then uses this pool of funds to identify and evaluate assets or businesses which, when acquired (a "Qualifying Transaction"), qualify the resulting issuer (the "Resulting Issuer") for listing as a regular Tier 1 or Tier 2 issuer on CDNX.

This Policy sets out the views of the Commission as to whether issuers participating in the Program should be permitted to conduct public offerings in Ontario.

### Background

In 1986 the Junior Capital Pool ("JCP") program, a predecessor to the Program, was initiated in Alberta through the co-operation of the Alberta Securities Commission and The Alberta Stock Exchange. In 1997, the British Columbia Securities Commission and the Vancouver Stock Exchange adopted a similar program, the Venture Capital Pool ("VCP") program, for use in British Columbia. The current Program, created following the merger of the Vancouver Stock Exchange and The Alberta Stock Exchange in November 1999, replaced the existing VCP and JCP programs. Prior to the merger of the Winnipeg Stock Exchange with CDNX in November 2000 and the subsequent approval of the Program by the Manitoba Securities Commission, a similar junior capital program, known as the Keystone Company program, was previously available in Manitoba.

Staff of the Commission, the Alberta Securities Commission, the British Columbia Securities Commission, the Manitoba Securities Commission and the Saskatchewan Securities Commission have worked together with CDNX to develop a revised version of the Program to operate in each of their respective jurisdictions (collectively, the "CPC Jurisdictions"). Such an initiative will, among other things, assist in harmonizing the ability of entrepreneurs to raise venture capital in the CPC Jurisdictions.

### Operation of the Program

The Program is currently governed by CDNX Policy 2.4 Capital Pool Companies ("CDNX Policy 2.4"). CDNX Policy 2.4 provides that an issuer wishing to participate in the Program must file a preliminary prospectus and related supporting documents with CDNX as well as with each of the securities regulatory authorities in whose jurisdictions the proposed distribution will be made. A CPC prospectus that is filed in Ontario will be reviewed by the staff of both CDNX and the Commission. Upon the issuance of a receipt for a final prospectus and the completion of its IPO, securities of a CPC will trade on Tier 2 of CDNX. A CPC will have 18 months following its IPO in which to identify and complete a Qualifying Transaction. However, as soon as a CPC reaches an "agreement in principle" (as defined below) with respect to a proposed Qualifying Transaction, it must issue a comprehensive news release. The Program requires each CPC to seek the approval of both CDNX and a majority of its minority shareholders prior to completing the Qualifying Transaction. In connection with obtaining such shareholder approval, the CPC must prepare a comprehensive information circular containing full, true and plain disclosure concerning the CPC and the Target Company. The information circular will be reviewed by CDNX before it is mailed to shareholders of the CPC.

As CDNX has incorporated the disclosure requirements of Commission Rule 41-501 General Prospectus Requirements ("Rule 41-501") into CDNX Policy 2.4 and the related information circular form, the information circular must contain the same information as a company would be required to disclose if it filed a prospectus.

The Program will not be available to issuers if, prior to the completion of its IPO, an agreement in principle has been reached with respect to a proposed Qualifying Transaction. An "agreement in principle" includes any enforceable agreement or any other agreement or similar commitment which identifies the fundamental terms upon which the parties agree or intend to agree which:

- identifies assets or a business to be acquired which would reasonably appear to constitute "significant assets", the acquisition of which would reasonably appear to constitute a Qualifying Transaction;
- identifies the parties to the Qualifying Transaction;
- identifies the consideration to be paid for the "significant assets" or otherwise identifies the means by which the consideration will be determined; and

- identifies the conditions to any further formal agreements to complete the transaction, and

in respect of which there are no material conditions to closing (other than receipt of shareholder approval and CDNX acceptance), the satisfaction of which is dependent upon third parties and beyond the reasonable control of the non-arm's length parties to the CPC or the non-arm's length parties to the Qualifying Transaction. Both CDNX and the securities regulatory authorities in the CPC Jurisdictions are of the view that if the issuer has reached an agreement in principle, it is able to, and should, prepare a regular prospectus.

Further information regarding the operation of the Program can be found by consulting the CDNX Corporate Finance Manual and CDNX Policy 2.4.

### Historical Concerns versus Anticipated Benefits of the Program

Historically, the Director has been reluctant to issue a receipt for a prospectus where the prospectus revealed the issuer to have neither a business nor operations and no assets, other than cash. In *Re Loki Resources Inc.* (1984), 7 OSCB 583 the Director noted that where an issuer has neither assets to appraise nor business activities to evaluate, nor any present expectation of either assets or activities, meaningful information regarding an issuer cannot be provided to market participants. Accordingly, in such an instance, the benefits of 'reporting issuer status', including the ability of its securities to freely trade in the market following the expiry of any applicable hold period, should not be conferred upon the issuer. This approach was supported by the subsequent Commission decision in *Re Inland National Capital Inc.* (1996), 19 OSCB 2053.

While the concerns expressed in *Loki* and *Inland National Capital* remain relevant today, the Commission is aware that the implementation of the Program in Ontario may also confer benefits upon Ontario's capital markets by providing entrepreneurs and emerging businesses access to the financial and other resources necessary for such enterprises to fully develop. Moreover, the Commission has also noted that the Program provides certain investor protection provisions that were unavailable in the *Loki* and *Inland National Capital* cases, which, in the view of the Commission, help mitigate the potential for harm to investors identified in those decisions. These provisions include the following:

- management of a CPC is scrutinized by CDNX to ensure that management has experience appropriate to the running of a public company and the completion of a Qualifying Transaction; management's track record must also be disclosed in the CPC prospectus to allow potential investors a basis upon which to make an investment decision;
- the risk of the investment is clearly and prominently disclosed throughout the CPC prospectus;
- directors and officers of a CPC must contribute a minimum amount of cash prior to an IPO, and a CPC may raise only a limited amount of cash under the CPC prospectus; furthermore, a CPC is subject to strict regulation of private placements prior to the completion of its Qualifying Transaction;
- the amount that may be invested by any one individual during an IPO is limited to 2% of the shares issued under the CPC prospectus, and no more than 4% of the shares issued under the CPC prospectus may be purchased by an investor and his or her associates and affiliates during the IPO;
- most shares held by non-arm's length parties of a CPC are escrowed until the completion of the Qualifying Transaction and then are released in stages;
- when a CPC reaches an "agreement in principle" to acquire the business or assets that will be the subject of the Qualifying Transaction, trading in its shares is halted until a detailed press release describing the transaction is issued, a sponsor is retained (unless waived) and CDNX staff is satisfied that there are no obvious reasons why the Qualifying Transaction cannot be completed;
- each CPC must file and distribute to its shareholders an information circular which is subject to review and which must provide prospectus level disclosure of the Qualifying Transaction and the Resulting Issuer in accordance with CDNX requirements (which incorporate the Commission's prospectus requirements as set out in Rule 41-501);
- CDNX staff will closely monitor secondary trading in securities of CPCs to help guard against insider trading; and
- a CPC which fails to complete its Qualifying Transaction within 18 months may be suspended or de-listed and potentially subject to a cease trade order, thereby ensuring that secondary trading in shares of the CPC does not continue indefinitely.

In discharging its statutory duty, the Commission must have consideration for the purposes of the *Securities Act* (the "Act"). Section 1.1 of the Act states that the purposes of the Act are (a) to provide protection to investors from unfair, improper or



fraudulent practice, and (b) to foster fair and efficient capital markets and confidence in capital markets. Section 2.1 of the Act provides that, in pursuing the purposes of the Act, the Commission shall have regard to certain fundamental principles, including the following:

- Balancing the importance to be given to each of the purposes of this Act may be required in specific cases.
- The Commission should, subject to an appropriate system of supervision, use the enforcement capability and regulatory expertise of recognized self-regulatory organizations.
- The integration of capital markets is supported and promoted by the sound and responsible harmonization and co-ordination of securities regulation regimes.
- Business and regulatory costs and other restrictions on the business and investment activities of market participants should be proportionate to the significance of the regulatory objectives sought to be realized.

Upon considering the Program and balancing the purposes and principles underlying the Act, the Commission has decided that it would not be prejudicial to the public interest to permit the operation of the Program in Ontario.

### **Availability of CDNX Program In Ontario**

As the Commission has determined that it would not be prejudicial to the public interest to permit CPCs to conduct initial public offerings in Ontario, the Director is generally willing to issue a final receipt for a CPC's prospectus on the basis of the issuer's participation in the Program.

On the basis of the *Loki* and *Inland National Capital* cases, however, it is unlikely that, in the absence of an issuer's participation in the Program, the Director will consider it to be in the public interest to issue such a receipt to a 'shell issuer'. Issuers contemplating participation in the Program should therefore be cautioned that the Director will consider issuing a cease trade order in respect of the securities of a CPC if such CPC is de-listed on account of its failure to complete its Qualifying Transaction or otherwise comply with the Program.

### **Future Review of the Program**

Five years after the adoption of the Program in Ontario, the Commission intends to review the functioning of the Program to assess the benefits it confers upon Ontario's capital markets. In unusual circumstances, the Commission may decide to review the operation of the Program at an earlier date.

### **Continuing Compliance with Ontario Securities Legislation**

Program participants are reminded of their obligations to comply with Ontario securities legislation, including, without limitation, Rule 41-501. In certain circumstances, the CPC's negotiations regarding its Qualifying Transaction may have progressed to the stage where the CPC has a "significant probable acquisition" (as defined in Rule 41-501) but not an "agreement in principle". In this situation, where compliance with Parts 6 and 7 of Rule 41-501 will require a CPC to include in a CPC prospectus financial statements relating to one or more proposed acquisitions, the Director will be prepared to consider, upon application, exempting the CPC from such requirement as the requirement may be inappropriate in the context of the Program.

**5.1.2 Publication of Certain Ancillary Documents in Connection with OSC Policy 41-601**

**PUBLICATION OF CERTAIN ANCILLARY DOCUMENTS  
IN CONNECTION WITH THE ADOPTION OF  
COMMISSION POLICY 41-601 CAPITAL POOL  
COMPANIES**

**Notice of Publication**

The Ontario Securities Commission (the "Commission") is publishing with this Notice a CPC Operating Agreement (the "Operating Agreement") among the Canadian Venture Exchange Inc. ("CDNX"), the British Columbia Securities Commission, the Alberta Securities Commission, the Saskatchewan Securities Commission, the Manitoba Securities Commission and the Commission.

The Operating Agreement is being published in connection with the adoption by the Commission of Policy 41-601 Capital Pool Companies. The Operating Agreement sets out the procedures which will be adopted by the parties in connection with CDNX's capital pool company program. It has been delivered to the Minister of Finance in accordance with subsection 143.10(1) of the Act. If the Minister approves the Operating Agreement, or does not approve or reject the Operating Agreement, it will come into effect in Ontario on June 15, 2002.

The Commission is also making available on its website ([www.osc.gov.on.ca](http://www.osc.gov.on.ca)) certain other documents in connection with the adoption of Commission Policy 41-601 Capital Pool Companies. These documents, which will become effective June 15, 2002, are:

1. CDNX Corporate Finance Manual Policy 2.4 Capital Pool Companies
2. CDNX Form 3A: Form of CPC Prospectus
3. CDNX Form 3B: Exchange Information Circular Form

Documents 1, 2 and 3 are CDNX documents that are being published for informational purposes only. Readers are advised to consult the CDNX website ([www.cdnx.com](http://www.cdnx.com)) for any future amendments or variations to those documents.

### 5.1.3 CPC Operating Agreement

#### CPC OPERATING AGREEMENT

Among:

CANADIAN VENTURE EXCHANGE INC. (CDNX)

AND

BRITISH COLUMBIA SECURITIES COMMISSION (BCSC),  
ALBERTA SECURITIES COMMISSION (ASC),  
SASKATCHEWAN SECURITIES COMMISSION (SSC),  
MANITOBA SECURITIES COMMISSION (MSC)

AND

ONTARIO SECURITIES COMMISSION (OSC)

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## Rules and Policies

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**I. Definitions and Interpretations**

**A. Definitions**

The following terms used in this Agreement have the meanings set out below.

**Applicable Commission** means each Commission with which a CPC has filed a preliminary CPC Prospectus.

**Commission** means any of the BCSC, ASC, SSC, MSC and OSC and includes either or both of the securities regulatory authority and regulator, as applicable, as securities legislation or securities directions, may require.

**Control Person** means a control person as defined in CDNX Policy 1.1 - *Interpretation*.

**CPC** means a capital pool company, as defined in the CPC Policy.

**CPC Jurisdictions** means the jurisdictions in which (subject to securities legislation) a CPC prospectus may be filed and receipted and, as at the date of this agreement, include British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.

**CPC Policy** means CDNX Policy 2.4 - *Capital Pool Companies* as published April, 2002 and effective on or before June 15, 2002, as amended from time to time. Reference in this agreement to the application of, or compliance with, the CPC Policy includes reference to the application of, or compliance with, any other CDNX policy or form that is referred to in the CPC Policy.

**CPC Prospectus** means a prospectus prepared in accordance with the CPC Policy, the CPC Prospectus Form, OSC Rule 41-501 *General Prospectus Requirements* and other applicable securities legislation.

**CPC Prospectus Form** means CDNX Form 3A - *Capital Pool Company Prospectus* as published April, 2002 and effective on or before June 15, 2002, as amended from time to time.

**CPC Review Staff** means the corporate analysts employed on a full-time, part-time or secondment basis by CDNX to review, among other things, CPC Prospectuses.

**"Excluded Persons"** means those persons in respect of whom CDNX may choose not to carry out a background check and:

- (a) in the context of the review of a CPC Prospectus, refers to persons referred to in section I. B. 1(c) of Appendix A; or
- (b) in the context of a review of the QT Circular, refers to persons referred to in section II. A. 4 of Appendix A.

**Final Exchange Bulletin** has the meaning in the CPC Policy.

**Insider** means an insider as defined in CDNX Policy 1.1 - *Interpretation*.

**IPO Jurisdiction(s)** means the one or more CPC Jurisdictions in which the CPC's initial public offering is made under the CPC Prospectus.

**IPO Regulator** means, in connection with a CPC's initial public offering, the principal regulator under the MRRS Policy. Until the BCSC obtains a CPIC terminal, when the BCSC is the IPO Regulator, for the purpose of completing background checks, the IPO Regulator will mean the ASC.

**Lead Regulator** means the ASC.

**MRRS Policy** means National Policy 43-201 *Mutual Reliance Review System for Prospectuses and AIFs* or any successor instrument.

**MRRS ERA Policy** means National Policy 12-201 *Mutual Reliance Review System for Exemptive Relief Applications* or any successor instrument.

**PIF** means CDNX's Form 2A - *Personal Information Form* or any successor form required by CDNX to conduct background checks.

**Qualified Accountant** means an individual employed by CDNX on a full-time or part-time basis, who has a Canadian professional accounting designation (CA, CMA, CGA) and a minimum of 30 months accounting or auditing experience in a public accounting firm or any other individual that the Lead Regulator accepts in writing.

**Qualified Lawyer** means an individual employed by CDNX on a full-time or part-time basis, who is a member of a law society in Canada and has a minimum of three years experience primarily in the area of securities law or any other individual that the Lead Regulator accepts in writing.

**Qualified Resource Professional** means an individual employed or retained by CDNX, who:

- (a) if the Resulting Issuer will be a mining issuer is:
  - (i) a “qualified person” under National Instrument 43-101 *Standards of Disclosure for Mineral Projects*; or
  - (ii) an engineer or geologist with at least three years experience in mineral exploration, mine development or operation or mineral project assessment, or any combination of these and a member in good standing of a provincial professional association of engineers or geologists where that individual is located; or
- (b) if the Resulting Issuer will be an oil and gas issuer,
  - (i) after implementation of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* would be a “qualified evaluator” as defined in that instrument or any successor instrument, or
  - (ii) is a member of a Canadian professional engineering or geoscience association or an equivalent foreign professional association with at least three years of relevant professional experience in the oil and gas industry; or
- (c) the Lead Regulator agrees in writing to accept as a qualified resource professional.

**Qualifying Transaction** has the meaning in the CPC Policy.

**QT Circular** means the information circular required to be prepared in connection with a Qualifying Transaction by a CPC in accordance with the CPC Policy.

**QT Circular Form** means CDNX Form 3B – *Exchange Information Circular Form* as published April, 2002 and effective on or before June 15, 2002, as amended from time to time.

**QT Regulator** means, for a CPC that has issued a news release announcing a proposed Qualifying Transaction:

- (a) the securities regulatory authority in the jurisdiction in which the head office of the Resulting Issuer will be located, provided that it is one of the Commissions; or
- (b) if the head office of the Resulting Issuer will not be located in one of the CPC Jurisdictions, the IPO Regulator.

However, if a CPC issues a news release announcing that it will not be proceeding with a proposed Qualifying Transaction, the IPO Regulator will be the QT Regulator.

**QT Review Staff** means the corporate analysts employed on a full-time, part-time or secondment basis by CDNX to review, among other things, QT Circulars.

**Receipt** means a receipt issued for a prospectus (including a preliminary prospectus or amendment) and, if applicable, includes reference to the term, decision document, as used in the MRRS Policy.

**Receipt Refusal Concerns** mean the concerns of the IPO Regulator as set out in section 120 of the *British Columbia Securities Commission Rules*; section 120 of the *Securities Act* (Alberta); section 70 of the *Securities Act* (Saskatchewan); section 61 of the *Securities Act* (Manitoba); and section 61 of the *Securities Act* (Ontario) as may be amended from time to time, as applicable.

**Resulting Issuer** has the meaning in the CPC Policy.

**RSP** means Market Regulation Services Inc. or any regulation services provider as defined in National Instrument 21-101 – *Marketplace Operation* and referred to in National Instrument 23-101 - *Trading Rules*, that may be retained by CDNX.

**SEDAR** has the meaning in National Instrument 13-101 *System for Electronic Document Analysis and Retrieval*.

**Significant Waiver** means a waiver of the CPC Policy identified in Appendix B to this Agreement.

**Sponsor** has the meaning in the CPC Policy.

**Target Company** has the meaning in the CPC Policy.

**B. Interpretation**

The following terms have the meanings provided in National Instrument 14-101 *Definitions*: jurisdiction; securities directions; securities legislation; securities regulatory authority; and regulator (other than when used in the term IPO Regulator, Lead Regulator or QT Regulator).

**II. Background and Purpose**

1. The CPC Policy establishes a program under which a CPC may conduct an initial public offering by prospectus and obtain a listing on CDNX's Tier 2. The program requires the CPC to identify and complete a Qualifying Transaction within a specified period of time after listing. After the CPC obtains the necessary shareholder approval, it closes the Qualifying Transaction and submits to CDNX all required post-meeting and post-closing documents. Provided that the Resulting Issuer meets applicable CDNX minimum listing requirements, CDNX issues a Final Exchange Bulletin and the Resulting Issuer is no longer considered to be a CPC.
2. CDNX administers the CPC program and wishes to review CPC Prospectuses and QT Circulars in order to more effectively administer the CPC program, reduce duplication of review, improve market efficiencies and provide consistent treatment to CPCs among CPC Jurisdictions.
3. In agreeing to accept the CPC program and in determining that the operation of the CPC program is not contrary to the public interest, the Commissions considered that it was appropriate to enter into this Agreement to set out the standards CDNX will apply in review of CPC Prospectuses and QT Circulars.
4. The Commissions, in exercising their discretion under securities legislation, intend to rely primarily on the analysis and review carried out by CDNX. However, nothing in this Agreement involves a surrender of jurisdiction by any Commission. Each Commission may conduct a detailed review of a CPC Prospectus and retains its discretion to refuse to issue a Receipt for a CPC Prospectus, whether a preliminary or final or an amendment of either. Nothing in this Agreement is intended to create an obligation on any Commission to review a preliminary CPC Prospectus or draft QT Circular.

**III. Responsibilities of IPO Regulator**

**A. Issuing Receipts**

1. The IPO Regulator will be responsible for issuing the Receipt for the preliminary CPC Prospectus, the final CPC Prospectus and any amendment to a preliminary or final CPC Prospectus.

**B. Commission Review of CPC Prospectus**

1. An Applicable Commission may elect to conduct a detailed review of a CPC Prospectus. An Applicable Commission will use its reasonable best efforts to advise CDNX of this in writing, within five business days following the filing of the CPC Prospectus.
2. An Applicable Commission will immediately notify the CPC in writing of this election and will advise the CPC to deal directly with that Applicable Commission.
3. The terms of this Agreement shall continue to apply to the parties except to the extent they relate to the review of that CPC Prospectus and the issuance of Receipts for it.

**IV. CPC Prospectus: Responsibilities of CDNX**

1. When reviewing a CPC Prospectus, CDNX will exercise its reasonable professional judgement.
2. CDNX, on a timely basis, having regard to the procedures set out in Part I of Appendix A, will use its reasonable best efforts to:
  - (a) apply and enforce the CPC Policy;
  - (b) assess the quality of the disclosure contained in the CPC Prospectus to determine whether it appears to:
    - (i) comply in all material respects with the CPC Prospectus Form; and

- (ii) contain full, true and plain disclosure of all material facts relating to the securities offered by the CPC Prospectus, and
  - (c) identify material issues and consider whether there appear to be any Receipt Refusal Concerns.
- 3. CDNX will not recommend issuance of a final Receipt for a CPC Prospectus where it appears to CDNX that:
  - (a) there are unresolved Receipt Refusal Concerns;
  - (b) the CPC Prospectus does not comply with the tests set out in sub-paragraph 2(b)(i) and (ii), above;
  - (c) there is material non-compliance with the CPC Policy and such non-compliance, if allowed, would constitute a Significant Waiver unless the necessary exemption or waiver has been granted in accordance with Part VI of the Agreement; or
  - (d) any necessary exemption or waiver from securities legislation or securities direction has not been granted by the relevant securities regulatory authority(ies) or regulator(s).
- 4. This Agreement does not impose on CDNX a standard higher than that which would be achieved by the exercise of reasonable professional judgement. This Agreement does not impose a responsibility on CDNX to:
  - (a) be a substitute for the due diligence investigations of the CPC, its directors, officers, and promoters or the agent;
  - (b) ensure the viability of the CPC;
  - (c) guarantee the adequacy of the disclosure in the CPC Prospectus;
  - (d) guarantee that there are no Receipt Refusal Concerns;
  - (e) guarantee compliance with the CPC Policy; or
  - (f) guarantee compliance by the CPC with applicable securities legislation or securities directions.

**V. Qualifying Transaction: Responsibilities of CDNX**

- 1. When reviewing a QT Circular filing, CDNX will exercise its reasonable professional judgement.
- 2. When reviewing a QT Circular, CDNX, on a timely basis, having regard to the procedures set out in Part II of Appendix A will use its reasonable best efforts to:
  - (a) apply and enforce the CPC Policy; and
  - (b) assess the quality of the disclosure in the QT Circular to determine whether it appears to comply in all material respects with the QT Circular Form.
- 3. CDNX will not accept a QT Circular where it appears to CDNX that:
  - (a) the QT Circular does not comply in all material respects with the QT Circular Form;
  - (b) there is material non-compliance with the CPC Policy and such non-compliance, if allowed, would constitute a Significant Waiver, unless a Significant Waiver has been granted in accordance with Part VI of this Agreement; or
  - (c) any necessary exemption or waiver from securities legislation has not been granted by the relevant securities regulatory authority(ies) or regulator(s).
- 4. This Agreement does not impose on CDNX a standard higher than that which would be achieved by the exercise of reasonable professional judgement. This Agreement does not impose a responsibility on CDNX to:
  - (a) be a substitute for the due diligence investigations of the CPC, its directors, officers, promoters or the Sponsor;
  - (b) ensure the viability of the Resulting Issuer;
  - (c) guarantee the adequacy of the disclosure in the QT Circular;
  - (d) guarantee there are no public interest concerns;
  - (e) guarantee compliance with the CPC Policy; or
  - (f) guarantee compliance by the CPC, Target Company or the Resulting Issuer with applicable securities legislation or securities directions.



**VI. Waivers and Amendments**

**A. Waivers of Securities Legislation and Securities Directions**

4. **General** - In regard to pre-filings and waivers of securities legislation in connection with a CPC Prospectus filing, the principles of mutual reliance, as amended from time to time will apply. The mutual reliance procedures are described in the MRRS Policy and the MRRS ERA Policy.

(a) **CPC Prospectus** - Subject to amendment of those policies, where a waiver or exemption is required in connection with a CPC Prospectus, generally, this will mean that:

(i) The IPO Regulator will act as principal regulator under the MRRS Policy or MRRS ERA Policy, as applicable, unless relief is not required from the IPO Regulator, in which case the Commission with which the CPC has the next most significant connection will act as principal regulator.

(ii) If referred to in Appendix B to the MRRS Policy, (e.g. relief from requirements relating to financial statements, escrow or listing representations) the application will be dealt with under the MRRS Policy and the relief will be evidenced by the issuance of a Receipt.

(i) Where a waiver or exemption cannot be evidenced by the issuance of a Receipt for a CPC Prospectus, the matter will generally be dealt with under the MRRS ERA Policy.

(b) **QT Circular** - Notwithstanding the MRRS ERA Policy, when an exemption from securities legislation, if applicable, is required in regard to the disclosure that must be provided in a QT Circular, generally, the QT Regulator will act as the principal regulator unless relief is not required from the QT Regulator, in which case the CPC will select as principal regulator the Commission with which the Resulting Issuer will have the next most significant connection.

5. **CDNX Advice** - CDNX will require a CPC to identify at the time of filing the preliminary CPC Prospectus and the draft QT Circular whether any waiver or exemption from securities legislation or securities directions is required. If a waiver or exemption is required in connection with a CPC Prospectus, CDNX will advise the IPO Regulator whether it has any objection to the requested waiver or exemption.

**B. Significant Waivers of CPC Policy and Forms**

1. CDNX agrees not to allow any Significant Waiver of the CPC Policy, the CPC Prospectus Form or its QT Circular Form unless CDNX has considered the proposed waiver and determined that granting the waiver:

(a) is a reasonable exercise of discretion; and

(b) does not to the best of its knowledge, authorize an action which is contrary to applicable securities legislation except where a waiver or exemption has also been obtained from the applicable securities regulatory authority(ies) or regulator(s).

**C. Amendments to the CPC Policy, CPC Prospectus Form or QT Circular Form**

Any proposed amendment to any provision of the CPC Policy, the CPC Prospectus Form or the QT Circular Form (a "Policy Amendment"), will be reviewed and approved by the Lead Regulator and the BCSC (the "Primary Regulators") in accordance with the oversight program established for CDNX by the Primary Regulators from time to time and in accordance with the procedures set out in Part VI of Appendix A.

**VII. Violation of Securities Legislation**

In the event that in the context of a review of a CPC Prospectus, or a QT Circular, CDNX becomes aware of a circumstance that appears to be a violation of applicable securities legislation:

(a) CDNX will conduct a reasonable inquiry into the matter;

(b) if the results of the inquiry reveal a circumstance that CDNX perceives to be a contravention of securities legislation, CDNX will immediately provide written notification to the Applicable Commissions to the persons identified in Appendix E; and

(c) CDNX will not take any further action with regard to acceptance of the CPC Prospectus or the QT Circular until the Applicable Commission has confirmed it has no objection to CDNX proceeding.

## **VIII. Reporting**

Unless otherwise agreed to by the Lead Regulator, CDNX will submit to each of the Commissions the information referred to in:

- (a) Part V A 3 (a) and (c) of Appendix A, except for a Significant Waiver contemplated by section 2 of Appendix B, in which case, CDNX will provide the name of the CPC and the financial statement requirement that was waived; and
- (b) Part V B of Appendix A

within 30 days after the end of a reporting period. The first reporting period will commence on the effective date of this Agreement and end on December 31, 2002. Subsequent reporting periods will be six month periods ending on June 30 and December 31 of each year.

## **IX. Miscellaneous**

### **A. Prior Agreements**

1. Subject to section B, below, each of the ASC, SSC and MSC agree with CDNX that on the effective date, this Agreement will replace and supercede the operating agreements that previously existed between each of them and CDNX (or a predecessor to CDNX) relating to CPCs, junior capital pool companies ("JCPs") or keystone companies.
2. An operating agreement currently exists between the BCSC and CDNX relating to the review of various types of prospectuses (including venture capital pools ("VCPs") and CPCs) the review of QT Circulars and the operation of the CPC program. Subject to section B, below, the BCSC and CDNX agree that on the effective date this Agreement replaces and supercedes the prior operating agreement in relation to any matter pertaining to the review of CPC Prospectuses or QT Circulars and the operation of the CPC program. CDNX and the BCSC agree that this Agreement does not affect the prior operating agreement as it relates in any manner to the review of other prospectuses by CDNX.

### **B. Application of this Agreement**

1. This Agreement will apply only to a CPC that files a preliminary CPC Prospectus with an Applicable Commission on or after the effective date of this Agreement.
2. In the review of a CPC Prospectus or a Qualifying Transaction with regard to a CPC, JCP, VCP or keystone company that has filed a preliminary prospectus, prior to the effective date of this Agreement, CDNX will continue to be subject only to the applicable prior operating agreement.

### **C. Effective Date**

This Agreement will come into effect on June 15, 2002. However, if prior to June 15, 2002, the Minister of Finance of the Province of Ontario (the "Minister") rejects this Agreement, it will not come into effect as it relates to the OSC but will take effect as it relates to all other parties as if the OSC was not a party to this Agreement.

In the event that the Minister rejects this Agreement, the OSC will promptly advise each of the other parties to this Agreement and each of the other parties will have 10 business days from the date of such advice, to elect to immediately cancel this Agreement, upon notice to every other party, which notice must be given in accordance with section D. 3 of this Agreement.

### **D. Cancellation of this Agreement**

1. A Commission may terminate its participation in this Agreement by giving six months prior written notice to the other parties. If any Commission cancels its participation in this Agreement, CDNX will cease to have authority to review CPC Prospectuses in that jurisdiction from the effective date of cancellation. Notwithstanding such cancellation, the Agreement will continue to bind the other parties.
2. CDNX may terminate this Agreement with any one or more Commissions on six months notice. However, the Agreement will continue to apply with regard to any CPC that has filed a preliminary CPC Prospectus before the effective date of CDNX's termination.
3. Notice of termination will be given to the persons referred to in Appendix C, and to the President of CDNX.
4. If CDNX materially breaches this Agreement, a Commission may terminate this Agreement immediately.

**E. Appendices**

Appendix A to this Agreement provides the relevant policies and procedures for review of a CPC Prospectus and a QT Circular, qualifications of CPC Review Staff and QT Review Staff, SEDAR filings, file maintenance and Policy Amendments. Appendix B identifies waivers from the CPC Policy that are considered Significant Waivers. Appendix C identifies the persons to whom proposed CPC Policy, CPC Prospectus Form, and QT Circular Form amendments and amendments to this Agreement are to be addressed. Appendix D identifies the parties required to approve amendments to this Agreement. Appendix E identifies the persons to be notified if CDNX perceives that securities legislation has been contravened. The Appendices form part of this Agreement.

**F. Consultation**

Unless otherwise agreed to between CDNX and the Lead Regulator, CDNX will meet at least semi-annually with the Lead Regulator, within 30 days of the end of each reporting period referred to in section VIII of this Agreement, in order to review and enhance the operation of this Agreement and to identify and discuss issues that have arisen during that period.

**G. Amendments to Operating Agreement**

1. Subject to paragraphs 4 and 5, amendments may be made to this Agreement upon the written consent of CDNX and the parties referred to in Appendix D.
2. If a Commission requests an amendment, the request will be made in writing and sent by that Commission to the Lead Regulator to be coordinated by the Lead Regulator among the Commissions prior to it being sent to CDNX. CDNX will endeavor to provide a response or consent to the Lead Regulator within 30 days of receipt of any written request from the Lead Regulator.
3. If CDNX requests an amendment, CDNX, in a covering letter sent to the Commissions, will provide a narrative summary and reasons for the proposed amendment together with a copy of the proposed amendment. The Commissions will follow principles of mutual reliance in considering the amendment. The Lead Regulator will consolidate written responses and/or coordinate consents from the other Commissions and will endeavor to provide such responses and/or consents to CDNX within 30 days of receipt of any written request from CDNX.
4. An amendment to the information respecting a Commission contained in Appendix C, D or E may be made by that Commission without the consent of any other party to this Agreement, provided that any such Commission sends written notice of such amendment to the other parties in the form of a revised Appendix C, D or E, as the case may be.
5. (a) No amendment to this Agreement shall affect the OSC until the procedures set out in section 143.10 of the Securities Act (Ontario) (the "Ontario Act") have been complied with, unless:
  - (i) the amendment is an amendment to an Appendix;
  - (ii) the amendment adds an additional securities regulatory authority as a party to the Agreement; or
  - (iii) on the date upon which the proposed amendment is to become effective, section 143.10 of the Ontario Act no longer applies to this Agreement.
- (b) Where section 143.10 of the Ontario Act applies to this Agreement, the amendment shall come into effect with respect to the OSC on the date determined in accordance with section 143.10 of the Ontario Act.
- (c) Where section 143.10 of the Ontario Act does not apply to this Agreement, the amendment shall come into effect with respect to the OSC upon the written consent of CDNX and the parties referred to in Appendix D.

**H. Counterparts**

This Agreement may be executed in several counterparts, including by facsimile. Upon execution, each counterpart will be considered an original. The counterparts together shall constitute one agreement.

**Acknowledgments**

By placing their signatures below, each of the parties to this Agreement acknowledges and agrees to the terms of this Agreement.

**Canadian Venture Exchange Inc.**

"Gerry Romanzin"  
Acting President and Executive Vice-President

**British Columbia Securities Commission**

"Steve Wilson"  
Executive Director

**Alberta Securities Commission**

"David C. Linder"  
Executive Director

**Saskatchewan Securities Commission**

"Barbara Shourounis"  
Director

**Manitoba Securities Commission**

"Donald G. Murray"  
Chair

**Ontario Securities Commission**

"David A. Brown"  
Chair

APPENDIX A

**CPC Prospectus and QT Circular Procedures,  
Review Staff, SEDAR, File Maintenance and Policy Amendments**

**I. CPC Prospectus**

**A. Filing of CPC Prospectus**

1. **CPC Policy Requirements** - CDNX will require each CPC, subject to the grant by CDNX of a Significant Waiver:
- (a) to comply in all material respects with the CPC Policy;
  - (b) to prepare the CPC Prospectus in accordance with the CPC Prospectus Form or any successor form;
  - (c) to identify in the cover letter accompanying the filing of the preliminary CPC Prospectus, in addition to any requirement of Part 9 of the MRRS Policy, any required waivers or exemptive relief applications from applicable securities legislation, securities directions or CDNX requirements;
  - (d) to file the CPC Prospectus together with supporting materials in accordance with the MRRS Policy; and
  - (e) to confirm to the IPO Regulator in a letter accompanying the preliminary filing materials that it has made application, or is concurrently making an application, to CDNX to list its securities on CDNX.

**B. Review of Preliminary CPC Prospectus**

1. **Review Procedures** - The following review procedures will apply in respect of the filing of a CPC Prospectus:
- (a) **General Review** – After the preliminary Receipt is issued by the IPO Regulator, CDNX will promptly review the CPC Prospectus and supporting materials in accordance with its review procedures.
  - (b) **CDNX Background Checks** – Subject to subsection (c), as soon as possible after receiving the PIF for any director, officer, Insider, promoter or Control Person of the CPC, CDNX will, or will cause its RSP to, conduct background checks on each such person or company to determine whether there is relevant material information of detriment with respect to a director, officer, Insider, promoter or Control Person of the CPC that would give CDNX reason to believe that there is a Receipt Refusal Concern.
  - (c) **CDNX Discretion on Background Checks**-CDNX may choose not to carry out a background check for any person referred to in subsection (b) if:
    - (i) the person is currently on the board of directors or a member of senior management of an issuer that is listed on CDNX or the TSE, and
    - (ii) either:
      - (A) CDNX or its RSP has:
        - (I) required a PIF and conducted background checks on that person in the prior 18 month period, and those prior background checks did not disclose material issues of detriment, and
        - (II) received a statutory declaration from that person confirming that there has been no change in the information disclosed in the most recent PIF filed by that person; or
      - (B) a Vice-President Corporate Finance of CDNX has concluded that it is not necessary to conduct background checks because the person has exhibited:
        - (I) a satisfactory track record with public companies in Canada or the United States, and
        - (II) a positive corporate governance and regulatory history.
  - (d) **IPO Regulator Background Checks** – The IPO Regulator will initiate its own background checks. In the event the IPO Regulator identifies any questions or concerns as a result of those background checks, the IPO Regulator will deal directly with the CPC or the applicable person or company and, if the questions or concerns are satisfactorily resolved, the IPO Regulator will advise CDNX accordingly by fax or e-mail.
  - (e) **Communication with CPC Relating to Background Checks** – CDNX will address details of any issues or concerns arising from background checks conducted on any director, officer, Insider, promoter or Control Person of the CPC as soon as possible after receipt of any such background checks. If confidential inquiries regarding potential information of detriment are necessary, the communication may be made in writing directly

with the applicable individual and need not be sent via SEDAR. However, CDNX must maintain a record of that communication.

- (f) **General CDNX Responsibility** - Subject to subsection (d), CDNX will be responsible for issuing and resolving comments on the CPC Prospectus and related materials and the CPC will generally deal solely with CDNX.
- (g) **CDNX Financial Statement Review** – CDNX will provide the CPC Prospectus (including the financial statements) to a Qualified Accountant for review and comment if:
  - (i) the financial statements consist of anything other than an audit report, opening balance sheet, an income statement and notes;
  - (ii) there are any items in the balance sheet, income statement, if applicable, or notes that deviate from those customarily contained in the financial statements accompanying a CPC Prospectus; or
  - (iii) there is any reservation in the auditor's report.
- (h) **CDNX Initial Comment Letter** – CDNX will use its reasonable best efforts to send an initial comment letter to the CPC within 10 business days of the date of the Receipt for the preliminary prospectus. The initial comment letter will provide a clear and full explanation of CDNX's material concerns and the issues to be resolved, including:
  - (i) any Receipt Refusal Concerns;
  - (ii) any material disclosure deficiencies;
  - (iii) any non-compliance with the CPC Policy that if permitted would constitute a Significant Waiver and, unless an application has already been filed, a direction to the CPC to comply with the CPC Policy or make application to CDNX for a Significant Waiver;
  - (iv) requests for any additional information reasonably required to assess the filing; and
  - (v) a request that the CPC confirm that all necessary applications for exemptive relief or waivers have been made to the Applicable Commissions.
- (i) **Comments of Applicable Commissions** – Within five business days after CDNX issues its initial comment letter, each Applicable Commission (other than the IPO Regulator) will use its reasonable best efforts:
  - (i) to advise CDNX and the IPO Regulator by fax or e-mail if it has any material concerns with the materials that, if left unresolved, would cause it to opt out of the MRRS Policy, or
  - (ii) if there are no outstanding applications for exemption orders or waivers filed with it, to indicate in the SEDAR "Filing Status" screen that it is clear to receive final materials.
- (j) **Comments of IPO Regulator** - Within five business days after CDNX issues its initial comment letter, the IPO Regulator will use its reasonable best efforts to advise CDNX by fax or e-mail if it has any material concerns with the materials (other than as a result of background checks), that if left unresolved, would cause it to refuse to issue a Receipt. CDNX will incorporate into a subsequent comment letter or send as an attachment to the CPC any material concerns raised by the IPO Regulator.
- (k) **Treatment of Concerns** - As soon as possible after receipt of a notice, under section 1 (i) above, the IPO Regulator will advise CDNX whether it considers the concern to be a Receipt Refusal Concern or other concern required to be raised, and if it does, CDNX will incorporate the concern into a subsequent comment letter or send it as an attachment to the CPC. Where the IPO Regulator does not consider the concern to be a Receipt Refusal Concern or another concern required to be raised, CDNX may nonetheless include the concern in a subsequent comment letter or send it as an attachment to the CPC. If an Applicable Commission opts out of the MRRS Policy, this Agreement will remain in effect and the Applicable Commission will deal with the CPC separately to resolve the concern.
- (l) **Notices Under MRRS Policy** – Any notice from an Applicable Commission that is required to be provided under the MRRS Policy to the principal regulator will be provided at the same time to both CDNX and the IPO Regulator.

2. **Written Record of Material Communication** - Material communication including comment letters and responses to comment letters, between CDNX and the CPC will generally be in writing and delivered via SEDAR. Any material verbal communication must be documented in writing, including the nature and outcome of the discussion.

3. **CPC's Response** - Where issues or deficiency comments were initially raised by a Qualified Lawyer or Qualified Accountant, that individual (or a similarly qualified individual) will consider the acceptability of the CPC's responses.
4. **Invitation to File Final Material** - CDNX will only invite the CPC to file final material when the IPO Regulator has indicated via SEDAR, in the SEDAR "Filing Status" screen that it is "Clear for Final". Before the IPO Regulator will indicate that it is "Clear for Final", it will generally require that CDNX provide written confirmation that:
  - (a) all of CDNX's comments on the preliminary CPC Prospectus filing (including those raised by an Applicable Commission) have been satisfactorily resolved;
  - (b) CDNX has received either:
    - (i) the results of all CDNX background checks as carried out in accordance with section B 1(b) and any relevant information of detriment revealed by those background checks has been appropriately resolved and, if necessary, disclosed in the CPC Prospectus, or
    - (ii) the results of the CDNX background checks as carried out in accordance with section B 1(b), in relation to at least a majority of all directors, officers, other Insiders, promoters, inclusive of Excluded Persons, and any Control Person of the CPC and any relevant information of detriment revealed by those background checks, has been appropriately resolved and, if necessary, disclosed in the CPC Prospectus and in regard to each director, officer, Insider or promoter who is not an Excluded Person in regard to whom background checks have not been received, from such person or company:
      - (A) an undertaking to resign,
      - (B) in the case of an Insider, an undertaking to divest shares, or
      - (C) in the case of a promoter, an undertaking to cease to be involved with the CPC,at the request of CDNX, if CDNX in its sole discretion, considers the resignation, divestiture or cessation of involvement appropriate;
  - (c) to the best of its knowledge, CDNX is not aware of any other circumstances that would cause it to conclude that there are Receipt Refusal Concerns or a failure to materially comply with the CPC Policy, except where a Significant Waiver waiving such non-compliance has been granted;
  - (d) CDNX has granted listing approval to the CPC, conditional only on satisfaction of distribution and other standard conditions of CDNX or, if there are any non-standard conditions, those conditions and the concerns underlying those conditions are fully described in the written confirmation;
  - (e) either CDNX has
    - (i) not granted any Significant Waiver, or
    - (ii) only granted a Significant Waiver in accordance with Part VI. B. of the Agreement; and
  - (f) if the CPC Prospectus has been filed in multiple CPC Jurisdictions, each of the Applicable Commissions, other than the IPO Regulator, has indicated in the SEDAR "Filing Status" screen,
    - (i) that it is "Clear for Final", or
    - (ii) has opted out of the MRRS Policy by indicating "MRRS - Opt Out".
5. **Review of Final Material** - When the final CPC Prospectus and supporting material is filed, a member of the CPC Review Staff will promptly review it to determine that acceptable materials have been filed. CDNX will use its reasonable best efforts to promptly review the final materials such that a final Receipt for the CPC Prospectus may be issued not later than the next business day following receipt of acceptable final materials.
6. **CDNX's Recommendation to Issue Final Receipt** - If the final materials are acceptable, CDNX will promptly send to the IPO Regulator a written notice recommending that a Receipt be issued for the final prospectus and stating that:
  - (a) acceptable materials have been filed;
  - (b) CDNX has complied with this Agreement;
  - (c) if the CPC Prospectus has been filed in multiple CPC Jurisdictions, the CPC has filed the letter required under section 7.4(4) of the MRRS Policy; and

- (d) if applicable, the statutory waiting period (10 days) between the issuance of an MRRS decision document for the preliminary CPC Prospectus and the final CPC Prospectus has expired.

7. **Final Receipt** - The IPO Regulator will generally require receipt of the confirmation from CDNX referred to in section B.6. prior to issuing a Receipt for the final CPC Prospectus.

**C. Prospectus Amendments**

1. **Preliminary Prospectus Amendments** - In the case of a preliminary prospectus amendment, CDNX will use its reasonable best efforts to follow the MRRS Policy as if it were the principal regulator and if any Applicable Commission sends comments in respect of the preliminary prospectus amendment, that Applicable Commission will provide those comments both to CDNX and the IPO Regulator.

2. **Final Prospectus Amendments** - If a prospectus amendment is filed, the following procedures will apply.

- (a) Except as varied by this section C. 2., Part I of Appendix A, as modified by the time period requirements of section 10.5 of the MRRS Policy, will apply to the review by CDNX of any prospectus amendment.
- (b) CDNX, the IPO Regulator and each Applicable Commission (other than the IPO Regulator) will review the prospectus amendment and accompanying documents following the procedure set out at sections B.1.(h) to (k) to the extent applicable to the amendment filed.
- (c) Prior to issuing a Receipt for the prospectus amendment, the IPO Regulator will generally require receipt from CDNX of the confirmation:
  - (i) referred to in sections B.4, as may be applicable, and B.6(a) and (b); and
  - (ii) if the prospectus amendment has been filed in multiple CPC Jurisdictions, that the CPC has filed the letter required under section 10.6(4) of the MRRS Policy.

**II. Qualifying Transaction Review**

**A. Review of QT Circular**

1. **Initial QT Circular Filing** - CDNX will require each CPC, subject to the grant by CDNX of a Significant Waiver to:

- (a) comply in all material respects with the CPC Policy;
- (b) prepare the draft QT Circular in accordance with the QT Circular Form or any successor form;
- (c) make a complete filing with CDNX; and
- (d) identify in the cover letter accompanying the filing of the draft QT Circular, any required waivers or exemptive relief orders required under applicable securities legislation or CDNX requirements.

2. **General Review** – Following receipt of a draft QT Circular, CDNX will promptly review the QT Circular and supporting materials in accordance with its review procedures.

3. **CDNX Background Checks** – Subject to section 4, CDNX will conduct or will cause its RSP to conduct as soon as possible after receiving the PIF for any proposed director, officer, Insider, promoter or Control Person of the Resulting Issuer, background checks on each such person or company. CDNX will conduct or will cause its RSP to conduct a reasonable review to determine whether there is relevant material information of detriment with respect to a director, officer, Insider, promoter or Control Person of the Resulting Issuer that would give CDNX reason not to accept the Qualifying Transaction.

4. **CDNX Discretion on Background Checks** - CDNX may choose not to carry out a background check for any person referred to in section 3 if:

- (a) the person is currently on the board of directors or a member of senior management of an issuer that is listed on CDNX or the TSE, and
- (b) either:
  - (i) CDNX or its RSP has:
    - (A) required a PIF and conducted background checks on that person in the prior 18 month period, and those prior background checks did not disclose material issues of detriment, and



- (B) received a statutory declaration from that person confirming that there has been no change in the information disclosed in the most recent PIF filed by that person; or
  - (ii) a Vice-President Corporate Finance of CDNX has concluded that it is not necessary to conduct background checks because the person has exhibited:
    - (A) a satisfactory track record with public companies in Canada or the United States, and
    - (B) a positive corporate governance and regulatory history.
- 5. **Trading Surveillance** – CDNX will cause its RSP to advise it if the RSP becomes aware of any materially unusual trading patterns in the shares of a CPC. CDNX or its RSP will conduct such inquiry or investigation as CDNX or its RSP, as the case may be, determines to be reasonably necessary or advisable in the circumstances.
- 6. **Financial Statements** - CDNX will provide the financial statements included in the draft QT Circular to a Qualified Accountant for review and comment. The Qualified Accountant will assess whether it appears that:
  - (a) the financial statements (including any pro forma financial statements) comply with Canadian generally accepted accounting principles;
  - (b) the QT Circular contains all of the financial statements required under the CPC Policy and CDNX's QT Circular Form; and
  - (c) any future oriented financial information has been prepared in accordance with the Canadian Institute of Chartered Accountants Handbook and National Policy Statement No. 48 or any successor instrument.
- 7. **Financial Statement Disclosure** - A Qualified Accountant or a member of the QT Review Staff will review the QT Circular and the financial statements included in the draft QT Circular to assess whether it appears that the disclosure derived from the financial statements (eg. management's discussion and analysis and share capitalization) fairly corresponds to the financial statements. If the review is not conducted by a Qualified Accountant, a Qualified Accountant will be consulted, as necessary.
- 8. **Geological or Engineering Reports** - If the Resulting Issuer will be an oil and gas or mining issuer, CDNX will provide any geological or engineering report to a Qualified Resource Professional for review and comment. The Qualified Resource Professional will assess whether it appears that:
  - (a) there are one or more resource properties which have sufficient merit to meet CDNX's minimum listing requirements;
  - (b) the property reports materially comply with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* and Form 43-101F1 *Technical Report* or National Policy 2B *Guide for engineers and geologists submitting oil and gas reports to Canadian provincial securities administrators* (or, if implemented proposed National Instrument 51-101) or any successor instrument, as applicable; and
  - (c) resource and reserve definitions are substantially in accordance with National Instrument 43-101 or National Policy 2B (or, if implemented, proposed National Instrument 51-101) or any successor instrument, as applicable.
- 9. **Geological or Engineering Disclosure** - CDNX will ensure that a reasonable review of the QT Circular and the geological or engineering reports filed with the QT Circular is conducted to assess whether it appears that:
  - (a) the QT Circular substantially complies with the CPC Policy (including as specified in the QT Circular Form);
  - (b) the funds available to the Resulting Issuer are sufficient to complete any recommended program and the geologist's or engineer's recommendations, conclusions and cost estimates for any recommended program correspond with the details in the "Available Funds" section of the QT Circular; and
  - (c) all material facts contained in the reports are fairly disclosed or summarized in the QT Circular and in this regard, quantities, values and disclosure in the reports are consistent with the disclosure in the QT Circular.

If the Resulting Issuer will be a mining issuer, the review may be conducted by either a Qualified Resource Professional or a member of QT Review Staff, but if the property contains reserves and resources or an economic valuation, such as scoping, pre-feasibility or feasibility studies, the review must be conducted by a Qualified Resource Professional. If the Resulting Issuer will be an oil and gas issuer, the review may be conducted either by a Qualified Resource Professional or a member of the QT Review Staff. In assessing the materiality of information in the reports, the corporate analyst will consider any comments received from the Qualified Resource Professional and, if necessary, will consult with the Qualified Resource Professional.

10. **CDNX Comment Letters** - CDNX will send a comment letter to the CPC which will provide a clear and full explanation of CDNX's material concerns and issues to be resolved, including:
  - (a) any matters arising out of the review conducted in accordance with section 2 of Part V of the Agreement;
  - (b) any material disclosure deficiencies;
  - (c) any material non-compliance with the CPC Policy that if permitted would constitute a Significant Waiver and, unless an application has already been filed, a direction to the CPC to comply with the CPC Policy or make application to CDNX for a Significant Waiver;
  - (d) requests for any additional information reasonably required to assess the filing; and
  - (e) a request that the CPC identify any exemptive relief or waivers required from a securities regulatory authority or regulator in connection with a Qualifying Transaction and confirm that all necessary applications for exemptive relief or waivers have been made.
11. **Geologist/Engineer Comments** - If the Resulting Issuer will be a mining or oil and gas issuer, the CPC will be provided with a comment letter that identifies any material issues or deficiencies identified by a Qualified Resource Professional arising from the review contemplated by section 8, above. The Qualified Resource Professional's comments will be provided to the CPC as soon as reasonably possible. They may be provided with the initial comment letter or as a separate letter.
12. **Written Record of Material Communication** - Material communication between CDNX and the CPC will generally be in writing. Any material verbal communication must be documented in writing, including the nature and outcome of the discussion.
13. **Background Check Comment Letters** - Details of any issues or concerns arising from background checks conducted on any director, officer, Insider, promoter or Control Person of the Resulting Issuer will be addressed as soon as possible after receipt of the information. If confidential inquiries regarding potential information of detriment are necessary, the communication may be made in writing directly with the applicable individual. However, CDNX will maintain a record of that communication.
14. **CPC's Response** - If issues or deficiency comments were initially raised by a Qualified Lawyer, Qualified Accountant or Qualified Resource Professional, that individual (or another similarly qualified individual) will consider the acceptability of the responses.
15. **Conditions to Giving Clearance to File and Sending QT Circular** - CDNX will not advise the CPC that it is clear to file and send the QT Circular unless:
  - (a) all of CDNX's comments on the draft QT Circular have been satisfactorily resolved;
  - (b) CDNX has received either
    - (i) the results of all background checks as carried out in accordance with section A 3 above and any relevant information of detriment revealed by those background checks has been appropriately resolved and, if necessary, disclosed in the QT Circular, or
    - (ii) the results of CDNX background checks, as carried out in accordance with section A 3 above, in relation to at least a majority of all the proposed directors, officers, Insiders, promoters, inclusive of Excluded Persons, and any Control Person of the Resulting Issuer, and any relevant information of detriment revealed by those background checks has been appropriately resolved and, if necessary, disclosed in the QT Circular and in regard to each director, officer, Insider or promoter who is not an Excluded Person in regard to whom background checks have not been received, from such person or company:
      - (A) an undertaking to resign,
      - (B) in the case of an Insider, an undertaking to divest shares, or
      - (C) in the case of a promoter, an undertaking to cease to be involved with the Resulting Issuer,at the request of CDNX, if CDNX in its sole discretion, considers the resignation, divestiture or cessation of involvement appropriate;
  - (c) CDNX is not aware of any other circumstances that would cause it, having regard to section V. 2. of the Agreement, to conclude that there has been a failure to materially comply with the CPC Policy, except where a Significant Waiver waiving such non-compliance has been granted;

- (d) CDNX has granted conditional acceptance of the Qualifying Transaction;
  - (e) any Significant Waivers required to be granted by CDNX have been granted; and
  - (f) to the best of its knowledge, any exemptive relief or waiver required from any securities regulatory authority(ies) or regulator(s) in connection with the Qualifying Transaction has been granted or the relevant securities regulatory authority(ies) or regulator(s) has confirmed that the QT Circular can be mailed to shareholders prior to the granting of such relief or waiver.
16. **CDNX Acceptance Bulletin** - As soon as possible after advising the CPC that it is cleared to file and send the QT Circular to shareholders, CDNX will issue an Exchange Bulletin (as defined in CDNX policies) confirming that CDNX has accepted the QT Circular for filing.
17. **Post Meeting and Closing Material** - A member of the QT Review Staff will promptly review the post-meeting and closing materials to determine whether the materials comply with the CPC Policy. In the event that the materials are acceptable and all conditions to CDNX's acceptance of the Qualifying Transaction have been satisfied (or, subject to the terms of this Agreement, waived), the QT Review Staff member will promptly issue a Final Exchange Bulletin (as defined in the CPC Policy) confirming that the Qualifying Transaction has been completed and that the Resulting Issuer is not a CPC.

### III. **CPC Review Staff and QT Review Staff: Qualifications and Training**

#### A. **General**

1. CPC Review Staff and QT Review Staff must:
- (a) be employed by CDNX on a full-time, part-time or a secondment basis as a corporate analyst or corporate finance manager;
  - (b) have adequate access to and be trained in use of SEDAR so that they are capable of receiving all filings and issuing all comment letters through SEDAR on a timely basis;
  - (c) have adequate access to a Qualified Accountant;
  - (d) have adequate access to a Qualified Lawyer who can provide legal advice relating to securities legislation and securities directions of a CPC Jurisdiction; and
  - (e) report to and be appropriately supervised by an individual who is employed by CDNX on a full-time or part-time basis and who is a lawyer, public accountant (CA, CMA or CGA) or holds an MBA or CFA or is an individual who is otherwise accepted in writing by the Lead Regulator. A manager of the CPC Review Staff or QT Review Staff, as the case may be, must also qualify as a member of the review staff that he or she oversees.
2. CDNX will consider the complexity and significance of each CPC Prospectus filing and each QT Circular filing to ensure that it is assigned to one or more suitably qualified and experienced members of its CPC Review Staff or QT Review Staff, as applicable.

#### B. **CPC Review Staff**

1. A member of the CPC Review Staff that does not meet the qualifications of QT Review Staff must hold a Bachelors of Commerce degree (or have substantially equivalent education and experience) and have at least one year's experience as an Analyst or Corporate Analyst with CDNX or a predecessor of CDNX or have other qualifications accepted by the Lead Regulator.

#### C. **QT Review Staff**

1. Each member of the QT Review Staff must:
- (a) have appropriate professional qualifications as a public accountant in Canada (CA, CMA, CGA) lawyer, MBA, CFA;
  - (b) have other comparable business and financial education or experience and a minimum of three years' full-time supervised experience reviewing prospectuses, QT Circulars (or their predecessors) or information circulars in connection with reverse takeovers and changes of business;
  - (c) be a Qualified Resource Professional; or
  - (d) have such other qualifications as may be accepted in writing by the Lead Regulator.

**IV. Use of SEDAR**

1. Except as permitted by National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* or as otherwise agreed to in writing by the Lead Regulator, CDNX will not, other than through SEDAR:
  - (a) accept the filing of any CPC Prospectus (preliminary, blacklined, final or amendment) or any supporting document required to be filed by the CPC with an Applicable Commission;
  - (b) provide any written correspondence to a CPC (including any correspondence which includes comments of an Applicable Commission); or
  - (c) accept the filing of any response to comments made (including responses to comments of an Applicable Commission) or the filing of any supplementary documents.
2. CDNX will not consider a CPC Prospectus or any supporting document required to be filed with an Applicable Commission, to be "filed" unless it has been properly filed in accordance with National Instrument 13-101.
3. Notwithstanding subsection IV. 1, PIFs, and documents required to be submitted by a Sponsor are not required to be filed via SEDAR.
4. Notwithstanding anything in this Agreement relating to filing or communication to be made or delivered via SEDAR, such filing or communication shall be subject to any exemption permitted by National Instrument 13-101 *System for Electronic Document Analysis and Retrieval*.

**V. File Maintenance**

**A. File Maintenance**

1. CDNX will maintain for a period of eight years, the files or reports referred to in this Part V.A and the following Part V.B.
2. CDNX will maintain a file in paper or electronic format of all material documents filed in connection with a CPC Prospectus filing or QT Circular filing, including:
  - (a) in relation to a CPC Prospectus filing, all versions of the CPC Prospectus filed with CDNX, all supporting documents and correspondence, including correspondence with any Applicable Commission;
  - (b) in relation to a Qualifying Transaction filing, all versions of the QT Circular filed with CDNX, including all supporting documents and correspondence;
  - (c) all internal notes and comments on a CPC Prospectus (preliminary, final or amendment), a QT Circular or the Qualifying Transaction, including comments by the Qualified Accountant, Qualified Resource Professional or any other expert retained by CDNX;
  - (d) each letter recommending to the IPO Regulator to issue a receipt for a CPC Prospectus (or amendment);
  - (e) each letter confirming that CDNX is in a position to accept final materials;
  - (f) a record evidencing that all comments made by CDNX, including those raised by an Applicable Commission have been satisfactorily addressed;
  - (g) the Sponsor report, if applicable;
  - (h) the minutes of the Executive Listing Committee in relation to each conditional approval for listing of a CPC and each conditional acceptance of a Qualifying Transaction; and
  - (i) identification of whether any Significant Waiver was requested or granted in regard to the file.
3. CDNX will maintain a file of all Significant Waivers of the CPC Policy requested and all Significant Waivers granted. The file will:
  - (a) identify the name of the CPC;
  - (b) include the submissions made in support of the Significant Waiver; and
  - (c) CDNX's reasons for accepting or refusing the Significant Waiver.
4. CDNX is not required to maintain its own file of documents that have been filed via SEDAR.

**B. Maintaining a Database**

1. In regard to CPC Prospectus filings, CDNX will create and maintain an Excel spreadsheet or other database which contains the following information:

- (a) the name of each CPC and its trading symbol;
  - (b) the date of filing of the preliminary prospectus;
  - (c) the date the preliminary Receipt was issued;
  - (d) the date the final Receipt was issued;
  - (e) the date of listing;
  - (f) whether a possible Qualifying Transaction was identified in the prospectus;
  - (g) the dollar amount of seed capital;
  - (h) the number of shares being offered under the IPO;
  - (i) the price per IPO share;
  - (j) the IPO Regulator;
  - (k) the CDNX office that reviewed the prospectus;
  - (l) the jurisdictions in which the initial public offering was made; and
  - (m) the date of announcement by the CPC of each proposed Qualifying Transaction.
2. CDNX will also maintain a record of the number of CPC Prospectuses filed, the number that were rejected by the Executive Listing Committee and the number that were withdrawn or abandoned. In regard to any that were rejected by the Executive Listing Committee, the reasons for that rejection will be recorded. If known, the reasons for withdrawal or abandonment will also be recorded.
3. In regard to Qualifying Transaction filings, CDNX will maintain an Excel spreadsheet or other database which contains the following information:
  - (a) the name of each CPC, each Resulting Issuer and each of their respective trading symbols;
  - (b) the date of announcement of the proposed Qualifying Transaction;
  - (c) the date of initial filing of the QT Circular;
  - (d) the dollar amount of any concurrent financing and whether it was conducted by the CPC or a Target Company;
  - (e) the proposed industry sector of the Resulting Issuer;
  - (f) the location of the Resulting Issuer's head office and, if different, the location of its principal business operations;
  - (g) the CDNX office that reviewed the QT Circular;
  - (h) whether the Qualifying Transaction is a Related Party Transaction as defined in CDNX Policy 5.9;
  - (i) escrow requirements or other resale restrictions imposed by CDNX on any person, other than as contemplated by CDNX's Policy 5.4 – *Escrow, Vendor Consideration and Resale Restrictions*;
  - (j) whether CDNX concluded that any person or company was an Excluded Person under sections I B 1 (c) (ii) (B) or II A 4 (b) (ii) of Appendix A and, if so, the name of the person or company, and the reasons for the decision;
  - (k) the date of CDNX's Bulletin confirming acceptance for filing of the QT Circular;
  - (l) if applicable, the name of the Sponsor;
  - (m) whether the Resulting Issuer is a Tier 1 or Tier 2 issuer; and
  - (n) the date of CDNX's Final Exchange Bulletin.
4. CDNX will maintain a record of the number of QT Circulars filed, the number that were rejected by the Executive Listing Committee and the number that were withdrawn or abandoned. In regard to any that were rejected by the Executive Listing Committee, the reasons for that rejection will be maintained. If known, the reasons for the withdrawal or abandonment of any Qualifying Transaction will also be recorded.
5. CDNX will maintain a record of all complaints received in relation to a CPC, a non-arm's length party to a CPC, the Sponsor or other person or company relating to the CPC or a Qualifying Transaction. CDNX will maintain and provide, or may cause any RSP retained by CDNX to maintain and provide, to an Applicable Commission, a report reflecting the following information:
  - (a) the name of the parties against whom the complaint was made or the investigation was started;
  - (b) the date the complaint was received or investigation started;
  - (c) a brief summary of the complaint or the allegations under investigation;

- (d) in regard to any complaint or investigation that has been resolved or concluded, the date of resolution or conclusion and a brief summary of the resolution or conclusion.

## VI Policy Amendments

1. Subject to section 4, CDNX will file any Policy Amendment for review and approval with the Primary Regulators, and CDNX will concurrently provide copies of the Policy Amendment to the other Commissions addressed to the persons identified in Appendix C.
2. Within 10 business days of receipt of the Policy Amendment, the other Commissions will endeavour to provide written notice to the Lead Regulator as to:
  - (a) any comments on the Policy Amendments; or
  - (b) advice that they have no comments on the Policy Amendments.
3. In the event that the Lead Regulator advises CDNX that a Commission objects to a Policy Amendment that would otherwise be approved by the Primary Regulators in accordance with the oversight program, such Policy Amendment will not take effect in the objecting Commission's jurisdiction until such time as the Lead Regulator advises that the objection has been withdrawn.
4. Notwithstanding section 1, CDNX may make a Policy Amendment:
  - (a) if that Policy Amendment involves only
    - (i) the correction of mistakes with regard to spelling, punctuation, grammar, inaccurate cross-references or other similar merely typographical errors;
    - (ii) stylistic reformatting, including in regard to headings and paragraph numbering;
    - (iii) non-material amendments required to ensure consistency between CDNX policies and rules and applicable securities legislation or securities directions; or
    - (iv) other non-material amendments agreed to by the Lead Regulator; or
  - (b) if CDNX determines that the Policy Amendment is of an urgent nature, in which case:
    - (i) prior to publishing the Policy Amendment, CDNX will notify the Lead Regulator,
    - (ii) CDNX may immediately proceed to institute and publish the Policy Amendment, and
    - (iii) CDNX will concurrently send the Policy Amendment to the Primary Regulators advising that the Policy Amendment has been published and requesting the Primary Regulators to review and approve the Policy Amendment. CDNX will also send a copy of the Policy Amendment concurrently to every other Commission addressed to the persons identified in Appendix C.
5. A Policy Amendment that is published in accordance with paragraph 4 (b) will cease to have any force and effect:
  - (a) in all CPC Jurisdictions on the earlier of:
    - (i) the date of receipt by CDNX of a notice of objection from the Lead Regulator on behalf of the Primary Regulators, or
    - (ii) the 60<sup>th</sup> day following publication, if the Primary Regulators have failed to approve the Policy Amendment.
  - (b) in a CPC Jurisdiction on the date of receipt by CDNX of notice from the Lead Regulator that a Commission objects to the implementation of the Policy Amendment in that Commission's Jurisdiction.

In the event the Primary Regulators object or the Lead Regulator fails to provide notice of approval in accordance with section 5 (a) or notifies CDNX of an objection pursuant to section 5 (b), CDNX will promptly publish an Exchange Bulletin (as defined in CDNX Policies) advising that the Policy Amendment has no further force and effect in all or any particular CPC Jurisdiction.

**APPENDIX B**

**Significant Waivers of CPC Policy**

The parties agree that waivers of the following provisions of the CPC Policy will constitute Significant Waivers:

1. distribution requirements (at either the IPO or Qualifying Transaction stage) where the issuer's distribution is, or in the case of a Resulting Issuer, will be less than 80% of any one or more of the applicable distribution requirements;
2. any financial statement requirement in connection with a Qualifying Transaction;
3. financial requirements specified in CDNX's minimum listing requirements, such as net tangible assets, earnings, revenues, expenditures, reserves or working capital if the actual financial circumstances of the Resulting Issuer, will represent, less than 80% of any one or more of the stated financial requirements;
4. the minimum listing requirements applicable to a Resulting Issuer, upon completion of the Qualifying Transaction relating to a holding of at least a 51% interest in the asset, business or property which is the subject of the application, unless this is otherwise permitted by Policy 2.1 – *Minimum Listing Requirements*;
5. the requirement to escrow securities, including any material variation or waiver of the securities to be escrowed, the persons to be escrowed or the terms of release of escrowed securities, provided that any variation resulting in less stringent requirements from that which would be obtained if the guidelines in National Policy 46-201 *Escrow For Initial Public Offerings* were applied, will be considered to be a material variation or waiver unless otherwise permitted by the CPC Policy;
6. the requirement for shareholder approval including the acceptance of consents in lieu of a formal shareholder meeting;
7. minimum listing requirements as to residency requirements for either individual directors, or senior officers of the CPC or the Resulting Issuer;
8. material seed capital or initial public offering financing requirements for CPCs including minimum and maximum price per share and minimum and maximum proceeds;
9. restrictions on private placements or other financings if it allows the CPC to raise, in aggregate in excess of \$825,000 (after including proceeds from the seed capital and IPO);
10. sponsorship requirements, including
  - (a) waiver of sponsorship, other than as may be permitted under CDNX Policy 2.2 – *Sponsorship and Sponsorship Requirements*, or
  - (b) acceptance of a Sponsor report from a person not qualified to act as Sponsor;
11. limits on agent's compensation or options;
12. restrictions on material payments prohibited under the CPC Policy;
13. material requirements of National Policy 2B (or on implementation, proposed National Instrument 51-101) or any other successor instrument;
14. restrictions on pro group involvement;
15. the time period within which the initial submission of the draft QT Circular and other related documents must be made or trading in shares of the CPC will be halted, unless the waiver is for no more than two weeks;
16. prohibitions on the issuance of securities;
17. the prohibition on the exercise of incentive stock options prior to issuance of the Final Exchange Bulletin, unless the shares issued on the exercise of such options are escrowed until issuance of the Final Exchange Bulletin;
18. the prohibition against the Resulting Issuer being a finance company, financial institution, finance issuer or mutual fund as defined under applicable securities legislation; or

19. the prohibition on the acquisition pursuant to a Qualifying Transaction, of Significant Assets, as defined in the CPC Policy, which are located other than in Canada or the United States, unless the Resulting Issuer will be either an oil and gas issuer or a mining issuer.

The parties agree that the failure of CDNX to:

- (a) suspend a CPC for failure to complete a Qualifying Transaction within 24 months from the date of listing;
- (b) delist, a CPC that has been suspended for a period of more than 18 months; or
- (c) follow the procedures in the CPC Policy for lifting a halt on announcement of an Agreement in Principle

will constitute a Significant Waiver.



APPENDIX C

**Addressees for CPC Policy and Form Amendments  
and Amendments to the Agreement**

Director, Corporate Finance  
British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, B.C. V7Y 1L2

Director, Legal Services & Policy Development  
Alberta Securities Commission  
400, 300 - 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3C4

Deputy Director, Corporate Finance  
Saskatchewan Securities Commission  
800, 1920 Broad Street  
Regina, Saskatchewan S4P 3V7

Director, Corporate Finance  
Manitoba Securities Commission  
1130 - 405 Broadway  
Winnipeg MB R3C 3L6

Manager, Market Regulation  
Capital Markets Branch  
copy to: Director, Corporate Finance  
Ontario Securities Commission  
20 Queen Street West  
Suite 1903, Box 55  
Toronto, Ontario M5H 3S8

APPENDIX D

**Parties Required to Approve Amendments to the Agreement**

Executive Director,  
British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, B.C. V7Y 1L2

Executive Director,  
Alberta Securities Commission  
400, 300 - 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3C4

Director  
Saskatchewan Securities Commission  
800, 1920 Broad Street  
Regina, Saskatchewan S4P 3V7

Chair  
Manitoba Securities Commission  
1130 - 405 Broadway  
Winnipeg MB R3C 3L6

Chair and a Vice-Chair  
Ontario Securities Commission  
20 Queen Street West  
Suite 1903, Box 55  
Toronto, Ontario M5H 3S8

**APPENDIX E**

**Addressees for Notification of Securities  
Legislation Contraventions**

Manager Case Assessment Team  
copy to: Director, Corporate Finance  
British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, B.C. V7Y 1L2

Director, Enforcement  
Alberta Securities Commission  
400, 300 - 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3C4

Deputy Director, Corporate Finance  
Saskatchewan Securities Commission  
800, 1920 Broad Street  
Regina, Saskatchewan S4P 3V7

Director, Legal and Enforcement  
Manitoba Securities Commission  
1130 - 405 Broadway  
Winnipeg MB R3C 3L6

Manager, Market Regulation  
Capital Markets Branch  
copy to: Director of Enforcement  
Ontario Securities Commission  
20 Queen Street West  
Suite 1903, Box 55  
Toronto, Ontario M5H 3S8

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## Chapter 6

# Request for Comments

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IN THIS ISSUE

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## Chapter 7

# Insider Reporting

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

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

To obtain Insider Reporting information, please visit the SEDI website ([www.sedi.ca](http://www.sedi.ca)).

## Chapter 8

# Notice of Exempt Financings

### 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 27 of the *Securities Act* and OSC Rule 45-501 ("Exempt Distributions").

#### REPORTS OF TRADES SUBMITTED ON FORM 45-501F1

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount num</u>
12-Mar-2002	Unigistix Inc.	516134 N.B. Ltd. (Unigistix Inc. ) - Common Shares	2,281,870.00	211,640.00
12-Mar-2002	RoyNat Capital Inc.	516134 N.B. Ltd. (Unigistix Inc.) - Common Shares	1,000,000.00	1,000,000.00
12-Mar-2002	Unigistix Inc.	516134 N.B. Ltd. (Unigistix Inc.) - Common Shares	25,572,795.00	27,572,795.00
18-Mar-2002	Morag Baker	Acuity Pooled Conservative Asset Allocation - Trust Units	192,293.00	158,350.00
19-Mar-2002	Carole Gillen	Acuity Pooled Conservative Asset Allocation - Trust Units	194,887.00	16,000.00
20-Mar-2002	Richard Zaltz	Acuity Pooled High Income Fund - Trust Units	100,000.00	67,590.00
20-Mar-2002	6 Purchasers	Alcon, Inc. - Common Shares	8,834,752.00	169,400.00
20-Mar-2002	Trimark Investment	Alcon, Inc. - Common Shares Management Inc.	740,575.00	14,200.00
28-Feb-2002	Alternum Capital	Alternum Capital - Global Health Sciences Hedge Fund - Limited Partnership Units	1,528.00	3.00
28-Feb-2002	7 Purchasers	Alternum Capital - North American Value Hedge Fund - Limited Partnership Units	300,655.00	1,935.00
15-Mar-2002	3 Purchasers	Arrow Ascendant Fund - Trust Units	79,625.00	7,906.00
15-Mar-2002	D. Lam and Hans Kunov	Arrow Global Multi-Strategy Fund - Trust Units	25,000.00	2,502.00
15-Mar-2002	Robert R. Weir	Arrow Global Multimanager II Fund - Trust Units	25,000.00	250.00



**Notice of Exempt Financings**

15-Mar-2002	4 Purchasers	Arrow Goodwood Fund - Trust Units	105,000.00	9,971.00
15-Mar-2002	Naresh Bangia	Arrow WF Asia Fund - Trust Units	124,409.00	10,315.00
18-Mar-2002	Shield Geophysics Limited	Aurado Exploration Ltd. - Common Shares	50,000.00	1,000,000.00
28-Feb-2002	Ontario Municipal Employees Retirement Board and Ontario Teachers' Pension Plan Board	CanFund VE Investors II, L.P. - Units	2,500,000.00	200.00
12-Mar-2002	United Investments Management Inc.	CGX Energy Inc. - Common Shares	50,000.00	152,000.00
19-Mar-2002	Microforum Inc.	Cognicase Inc. - Common Shares	2,000,000.00	2,000,000.00
27-Nov-2001	N/A	Commercial Consolidators Corp. - Common Shares	479,463.00	84,507.00
21-Mar-2002	Eugene Karadjian	Communicorp Corporation - Common Shares	700,000.00	1,000,000.00
01-Mar-2002	Ontario Teacher's Pension	CTC Offshore, Ltd. - Shares Plan Board	10,000,000.00	10,000,000.00
15-Jan-2002	Lois Cairns and Linda Ellis	Currie Rose Resources Inc. - Units	200,000.00	400,000.00
31-Dec-2001	Canadian Dominion Resources LP VIII	Deer Creek Energy Limited - Special Warrants	1,300,000.00	1,040,000.00
19-Mar-2002	Dundee Precious Metals Inc.	Diagem International Resource Corp. - Units	425,000.00	2,125,000.00
20-Mar-2002	12 Purchasers	Dynamic Fuel Systems Inc. - Common Shares	119,625.00	159,500.00
20-Mar-2002	12 Purchasers	Dynamic Fuel Systems Inc. - Common Shares	119,625.00	159,500.00
13-Mar-2002	6 Purchasers	E-Scotia Limited Partnership - Units	18,700.00	18,700.00
02-Apr-2002	Honey Crossley	East West Resource Corporation - Common Shares	35,200.00	320,000.00
14-Mar-2002	5 Purchasers	Energy Visions Inc. - Units	105,975.00	192,682.00
20-Mar-2002	3 Purchasers	Foamex International Inc. - Notes	4,741,200.00	4,741,200.00
21-Mar-2002	6 Purchasers	FSC Internet Corporation - Common Shares	256.00	6,123,962.00
20-Mar-2002	16 Purchasers	Gauntlet Energy Corporation - Common Shares	12,655,500.00	2,500,000.00
25-Mar-2002	3 Purchasers	Genterra Investment Corporation - Shares	239,400.00	855,000.00
15-Mar-2002	HSBC Capital (USA) Inc.	GEDR Acquisition Corp. - Notes	7,966,000.00	7,966,000.00

**Notice of Exempt Financings**

28-Feb-2002	Sylvia Bastianon	Gladiator Limited Partnership - Limited Partnership Units	150,000.00	142.00
22-Mar-2002	6 Purchasers	IAT Air Cargo Facilities Income Fund - Trust Units	7,100,730.00	642,600.00
13-Feb-2002	MCAP Mortgage Corporation	Invis Inc. - Common Shares	650,000.00	722,222.00
26-Mar-2002	Shell Overseas Investments B.V.	Iogen Energy Corporation - Common Shares	100.00	290,323.00
28-Feb-2002	12 Purchasers	Jefferson Partners Fund IV, L.P. - Limited Partnership Units	36,384,616.00	36,384,616.00
12-Mar-2002	Sprott Asset Management Inc.	Jenosys Enterprises Inc. - Debentures	300,000.00	300,000.00
15-Mar-2002	Lloyd Maclean	J!ve Media Technologies Inc. - Common Shares	25,000.00	30,864.00
15-Mar-2002	3 Purchasers	J!ve Media Technologies Inc. - Warrants	55,000.00	86,000.00
30-Jan-2002	6 Purchasers	Mitec Telecom Inc. - Common Shares	6,776,019.00	1,613,338.00
20-Mar-2002	11 Purchasers	Mobile Knowledge Inc. - Debentures	7,000,000.00	7,000,000.00
01-Jan-2002	10 Purchasers	Montrachet Investments Limited Partnership - Limited Partnership Units	2,850,000.00	285,000.00
28-Feb-2002	Community Foundation for Greater Toronto	Morgan Stanley Investment Management Inc. - Units	346,296.00	32,904.00
02-Jan-2001	116 Purchasers	Morneau D.C. Services - Units	17,314,597.00	1,741,739.00
27-Dec-2001	96 Purchasers	Morneau D.C. Services - Units	5,894,757.00	599,370.00
02-Jan-2002	93 Purchasers	Morneau D.C. Services - Units	4,468,581.00	445,886.00
27-Dec-2001				
02-Feb-2001				
27-Dec-2001				
28-Mar-2002	1515358 Ontario Inc.	Negociar Investments Limited Partnership - Units	250,000.00	25.00
07-Mar-2002	Richard Kennedy and Bernie Kafka	Nexus Group International Inc. - Common Shares	1,000,000.00	9,090,910.00
19-Feb-2002	Manchester Institutional Fund and Manchester Offshore Ltd.	NHC Communications Inc. - Common Shares	2,321,150.00	2,021,000.00
21-Mar-2002	3 Purchasers	NovaDaq Technologies Inc. - Units	12,015,048.00	5,082,508.00
05-Mar-2002	12 Purchasers	Opawica Explorations Inc. - Units	600,000.00	4,000,001.00
25-Mar-2002	3992918 Canada Limited and Frederick Meredith	Outlook Resources Inc. - Debentures	50,000.00	50,000.00
21-Mar-2002	Bank of Montreal	Penton Media, Inc. - Notes	2,356,430.00	2,356,430.00

**Notice of Exempt Financings**

15-Mar-2002	Jon Hagan	Plazacorp Retail Properties Ltd. - Debentures	150,000.00	150,000.00
01-Apr-2002	Innovium Capital Corp .	Rx-Rite.Com Inc. - Units	75,000.00	37,500.00
15-Mar-2002	SHAAE (2001) Master Limited Partnership	Sentinel Hill No. 128 Limited Partnership - Units	17,187.00	17.00
15-Mar-2002	SHAAE (2001) Master Limited Partnership	Sentinel Hill No. 203 Limited Partnership - Units	17,941.00	17.00
09-Aug-2002	8 Purchasers	SEAMARK Pooled Canadian Balanced Fund - Units	865,166.00	865,166.00
30-Oct-2001 26-Mar-2002	Sonia Potoczny	Shelton Canada Corporation - Flow-Through Shares	50,000.00	238,095.00
20-Dec-2001	4 Purchasers	Spectra Inc. - Common Shares	522,500.00	3,483,333.00
13-Mar-2002	Bank of Montreal	Tembec Industries Inc. - Notes	7,966,000.00	7,966,000.00
25-Feb-2002	3 Purchasers	TrueSpectra Inc. - Preferred Shares	1,616,142.00	1,256,017.00
14-Mar-2002	Altamira Management Ltd.	United Microelectronics Corporation - Shares	368,427.00	368,427.00
19-Mar-2002	De Novo Capital	United Rentals, Inc. - Common Shares	435,710.00	10,000.00
13-Mar-2002	e-Scotia Acquisition Inc. and e-Scotia Limited Partnership	Veratium Software Ltd. - Preferred Shares	999,744.00	2,553,626.00
13-Mar-2002	e-Scotia Acquisition Inc. and e-Scotia Limited Partnership	Veratium Software Ltd. - Warrants	172.00	1,727,210.00
28-Jan-2002	CMP 2001 11 Resource Limited and Robert Pollack	Watch Resources Ltd. - Flow-Through Shares	240,000.00	600,000.00
20-Mar-2002	MacDougal Consultants	Western Copper Holdings Limited - Stock Option	80,000.00	80,000.00
22-Feb-2002	12 Purchasers	Western Copper Holdings Limited - Units	1,811,575.00	2,787,038.00
20-Mar-2002	Bank of Montreal	Wolverine Tube, Inc. - Notes	3,117,156.00	3,117,156.00
28-Feb-2002	Mary Kay	YMG Institutional Fixed Income Fund - Units	288,000.00	29,466.00
28-Feb-2002	Bryna Steiner	YMG Institutional Fixed Income Fund - Units	100,000.00	10,231.00

**NOTICE OF INTENTION TO DISTRIBUTE SECURITIES AND ACCOMPANYING DECLARATION UNDER SECTION 2.8 OF MULTILATERAL INSTRUMENT 45-102 RESALE OF SECURITIES - FORM 45-102F3**

<u>Seller</u>	<u>Security</u>	<u>Amount num</u>
Paros Enterprises Limited	Acktion Corporation - Common Shares	2,000,000.00
Aldo Baiocchi	Aludra Inc. - Common Shares	4,850,000.00
Beva Holdings Inc.	Brampton Brick Limited - Common Shares	10,000.00
Glenn J. Mullan	Canadian Royalties Inc. - Common Shares	400,000.00
Michael Zhang	Canadian Spooner Industries Corporation - Common Shares	5,271,000.00
IoSolutions Inc.	Candor Ventures Corp. - Common Shares	753,635.00
Discovery Capital Corporation	CardioComm Solutions Inc. - Common Shares	1,500,000.00
Larry Melnick	Champion Natural Health.com Inc. - Shares	119,765.00
Larry Melnick	Champion Natural Health.com Inc. - Shares	29,100.00
Philvest Inc.	Cinram International Inc. - Common Shares	700,000.00
John Alexander van Arem	Digital Rooster.com Inc. - Common Shares	50,000.00
Southern Gold Resources Ltd.	Doublestar Resources Ltd. - Common Shares	200,000.00
Southern Gold Resources Ltd.	Doublestar Resources Ltd. - Common Shares	250,000.00
Southern Gold Resources Ltd.	Doublestar Resources Ltd. - N/A	150,000.00
Estill Holdings Limited	EMJ Data Systems Ltd. - Common Shares	1,244,500.00
N/A	Gendis Inc. - Common Shares	88,376.00
N/A	GLR Resources Inc. - Shares	1,000,000.00
Kalimantan Investment Corporation	Kalimantan Gold Corporation Limited - Common Shares	500,000.00
Agnico_Eagle Mines Limited	Langis Silver & Cobalt Mining Company Limited - Common Shares	2,380,700.00
Nextra Holdings Inc.	Neatt Corporation - Common Shares	900,000.00
J.D. Hill Investments	Pason Systems Inc. - Common Shares	100,000.00
Bradstone Equity Partners Inc.	Peruvain Gold Limited - Common Shares	4,552,500.00

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Chapter 9  
**Legislation**

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## Chapter 11

# IPOs, New Issues and Secondary Financings

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**Issuer Name:**

CHC Helicopter Corporation  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Short Form Prospectus dated April 10th, 2002  
Mutual Reliance Review System Receipt dated April 10th, 2002

**Offering Price and Description:**

\$135,524,800 - 4,772,000 Class A Subordinate Voting  
Shares @ \$28.40 per Class A Voting Share

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

Scotia Capital Inc.  
CIBC World Markets Inc.  
Sprott Securities Inc.  
National Bank Financial Inc.  
Griffiths McBurney & Partners  
Octagon Capital Corporation  
Yorkton Securities Inc.  
Beacon Securities Limited

**Promoter(s):**

-

**Project #435439**

**Issuer Name:**

Franklin Templeton Growth Portfolio  
Franklin Templeton Maximum Growth Portfolio  
Franklin Templeton Balanced Growth Portfolio  
Franklin Templeton Balanced Income Portfolio  
Templeton International Stock Fund  
Templeton Canadian Asset Allocation Fund  
Bissett Dividend Income Fund  
Bissett Retirement Fund

Principal Regulator - Ontario

**Type and Date:**

Preliminary Simplified Prospectuses dated April 10th, 2002  
Mutual Reliance Review System Receipt dated April 11th, 2002

**Offering Price and Description:**

Series A, F, I, O and T Units)

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

Franklin Templeton Investments Corp.

**Promoter(s):**

**Project #435468**

**Issuer Name:**

Environmental Management Solutions Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated April 4th, 2002  
Mutual Reliance Review System Receipt dated April 5th, 2002

**Offering Price and Description:**

\$3,000,000 to \$6,000,000 - \* Common Shares @ \$ \* per  
Common Share

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

Canaccord Capital Corporation

**Promoter(s):**

Frank D' Addario  
Martin K. Payne  
Eli D. Turk  
Jean-Pierre Soubliere

**Project #434077**

**Issuer Name:**

Gloucester Credit Card Trust  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Short Form Prospectus dated April 5th, 2002  
Mutual Reliance Review System Receipt dated April 5th, 2002

**Offering Price and Description:**

\*\* % Series 2002-1 Class A Notes,  
Expected Final Payment Date of \*, 200 \*  
\*\* % Series 2002-1 Collateral Notes.  
Expected Final Payment Date of \*, 200 \*

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

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

**Promoter(s):**

MBNA Canada Bank  
**Project #434125**



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**Issuer Name:**

Koch Pipelines Canada, L.P.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated April 9th, 2001  
Mutual Reliance Review System Receipt dated April 9th, 2002

**Offering Price and Description:**

\$245,824,920 - 35,626,800 Class A Units

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

Scotia Capital Inc.  
RBC Dominion Securities Inc.  
BMO Nesbitt Burns Inc.  
CIBC World Markets Inc.  
TD Securities Inc.  
National Bank Financial Inc.  
Canaccord Capital Corporation  
Peters & Co. Limited

**Promoter(s):**

-

**Project #435232**

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**Issuer Name:**

Swiss Water Decaffeinated Coffee Income Fund  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Prospectus dated April 4th, 2002  
Mutual Reliance Review System Receipt dated April 5th, 2002

**Offering Price and Description:**

\$ \* - \* Units @ \$ \* per Unit

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

CIBC World Markets Inc.  
Scotia Capital Inc.  
Raymond James Ltd.

**Promoter(s):**

Tri Guys Decaffeinated Coffee Inc.

**Project #434098**

---

**Issuer Name:**

Counsel International Managed RSP Portfolio  
Principal Regulator - Ontario

**Type and Date:**

Amendment #1 dated March 20th, 2002 to Simplified  
Prospectus and Annual Information Form  
dated August 3rd, 2001  
Mutual Reliance Review System Receipt dated 5<sup>th</sup> day of  
April, 2002

**Offering Price and Description:**

Mutual Fund Securities Net Asset Value

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

-

**Promoter(s):**

-

**Project #371292**

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**Issuer Name:**

ENERGY CONVERSION TECHNOLOGIES INC.

**Type and Date:**

Amendment #2 dated April 5th, 2002 to Prospectus dated  
February 25th, 2002  
Receipt dated 10<sup>th</sup> day of April, 2002

**Offering Price and Description:**

\$1,000,000 to \$1,540,000 - 1,428,571 to 2,200,000 Units  
(Each Unit Consists of one Common Share and one-half  
Class A warrant)

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

Standard Securities Capital Corporation

**Promoter(s):**

Energy Conversion Technology Inc.

**Project #403285**

---

**Issuer Name:**

Frontiers Global Bond Pool  
Frontiers Canadian Short Term Income Pool  
Principal Regulator - Ontario

**Type and Date:**

Amended and Restated Simplified Prospectus and Annual  
Information Form dated February 28<sup>th</sup>, 2002, amending and  
restating the Amended and Restated Simplified Prospectus  
and Annual Information Form dated March 28<sup>th</sup>, 2002  
Mutual Reliance Review System Receipt dated 9<sup>th</sup> day of  
April, 2002

**Offering Price and Description:**

-

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

CIBC Securities Inc.

**Promoter(s):**

CM Investment Management Inc.

**Project #394370**

---

**Issuer Name:**

Harmony RSP North American Small Cap Pool  
Harmony RSP Overseas Equity Pool  
Harmony RSP U.S. Equity Pool  
Principal Regulator - Ontario

**Type and Date:**

Amendment #1 dated April 3rd, 2002 to Final Simplified  
Prospectus and Annual Information Form  
dated 27<sup>th</sup> day of December, 2001  
Mutual Reliance Review System Receipt dated 10<sup>th</sup> day of  
April, 2002

**Offering Price and Description:**

Mutual Fund Securities Net Asset Value

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

AGF Fund Inc.

**Promoter(s):**

-

**Project #404692**

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**Issuer Name:**

HSBC Canadian Money Market Pooled Fund  
HSBC International Bond Pooled Fund  
HSBC U.S. Equity Pooled Fund  
Principal Regulator - British Columbia

**Type and Date:**

Amendment #1 dated April 3,rd 2002 to Simplified Prospectus and Annual Information Form dated 9<sup>th</sup> day of November, 2001  
Mutual Reliance Review System Receipt dated 5<sup>th</sup> day of April, 2002

**Offering Price and Description:**

Mutual Fund Securities Net Asset Value

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

HSBC Investment Funds (Canada) Inc.

**Promoter(s):**

-

**Project #389216**

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**Issuer Name:**

Renaissance Canadian Money Market Fund  
Renaissance Canadian T-Bill Fund  
Renaissance U.S. Money Market Fund  
Renaissance Canadian Balanced Fund  
(Formerly Renaissance Select Canadian Balanced Fund)  
Renaissance Canadian Balanced Value Fund  
Renaissance Canadian Bond Fund  
Renaissance Canadian Growth Fund  
Renaissance Canadian High Yield Bond Fund  
Renaissance U.S. RSP Index Fund  
Renaissance Global Value Fund  
(Formerly Renaissance Select Global Value Fund)  
Renaissance Global Value RSP Fund  
(Formerly Renaissance Select Global Value RSP Fund)  
Renaissance International Growth Fund  
(Formerly Renaissance Select International Growth Fund)  
Renaissance International Growth RSP Fund  
(Formerly Renaissance Select International Growth RSP Fund)  
Renaissance International RSP Index Fund  
Renaissance Tactical Allocation Fund  
Renaissance Tactical Allocation RSP Fund  
Renaissance Global Technology Fund  
Renaissance Global Technology RSP Fund  
Principal Regulator - Ontario

**Type and Date:**

Amended and Restated Simplified Prospectus and Annual Information Form dated February 28<sup>th</sup>, 2002 amending and restating the Amended and Restated Simplified Prospectus and Annual Information Form dated March 28<sup>th</sup>, 2002  
Mutual Reliance Review System Receipt dated 9<sup>th</sup> day of April, 2002

**Offering Price and Description:**

Class A and F Units

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

CIBC Securities Inc.

**Promoter(s):**

CM Investment Management Inc.

**Project #390176**

---

**Issuer Name:**

Shore Gold Inc.  
Principal Regulator - Saskatchewan

**Type and Date:**

Amendment dated April 5th, 2002 to Prospectus dated November 27th, 2001  
Mutual Reliance Review System Receipt dated 10<sup>th</sup> day of April, 2002

**Offering Price and Description:**

\$500,000 to \$3,000,000 - 714,286 to 4051517 Units  
(Maximum \$2,000,000 Series B Units  
@\$0.85 per Series A Unit  
@\$1.00 per Series B Unit

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

Wellington West Capital Inc.

**Promoter(s):**

Kenneth E. MacNeill

**Project #391184**

---

**Issuer Name:**

Bell Nordiq Income Fund  
Principal Regulator - Quebec

**Type and Date:**

Final Prospectus dated April 9th, 2002  
Mutual Reliance Review System Receipt dated 9<sup>th</sup> day of April, 2002

**Offering Price and Description:**

-

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

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

**Promoter(s):**

Bell Canada

**Project #426444**

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**Issuer Name:**

CMP 2002 Resource Limited Partnership  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated April 5th, 2002  
Mutual Reliance Review System Receipt dated 10<sup>th</sup> day of April, 2002

**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.  
Wellington West Capital Inc.  
Raymond James Ltd.

**Promoter(s):**

Dynamic CMP Funds V Management Inc.

**Project #427769**

---

**Issuer Name:**

iUnits S&P 500 Index RSP Fund  
iUnits MSCI International Equity Index RSP Fund

Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated April 3rd, 2002  
Mutual Reliance Review System Receipt dated 4<sup>th</sup> day of April, 2002

**Offering Price and Description:**

(Units)

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

Barclays Global Investors Canada Limited

**Promoter(s):**

Barclays Global Investors Canada Limited

**Project #426388**

---

**Issuer Name:**

Imperial Oil Limited  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Shelf Prospectus dated April 8th, 2002  
Mutual Reliance Review System Receipt dated 8<sup>th</sup> day of April, 2002

**Offering Price and Description:**

-

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

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

**Promoter(s):**

-

**Project #432140**

---

**Issuer Name:**

Magna Entertainment Corp.  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated April 3rd, 2002  
Mutual Reliance Review System Receipt dated 4<sup>th</sup> day of April, 2002

**Offering Price and Description:**

-

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

BMO Nesbitt Burns Inc.  
CIBC World Markets Inc.

**Promoter(s):**

-

**Project #427073**

---

**Issuer Name:**

Provident Energy Trust  
Principal Regulator - Alberta

**Type and Date:**

Final Short Form Prospectus dated April 8th, 2002  
Mutual Reliance Review System Receipt dated 8<sup>th</sup> day of April, 2002

**Offering Price and Description:**

-

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

Scotia Capital Inc.  
National Bank Financial Inc.  
BMO Nesbitt Burns Inc.  
CIBC World Markets Inc.  
Canaccord Capital Corporation  
Yorkton Securities Inc.

**Promoter(s):**

-

**Project #432454**

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**Issuer Name:**

TVX GOLD INC.  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated April 5th, 2002  
Mutual Reliance Review System Receipt dated 5<sup>th</sup> day of April, 2002

**Offering Price and Description:**

-

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

BMO Nesbitt Burns Inc.  
Griffiths McBurney & Partners  
Canaccord Capital Corporation  
Scotia Capital Inc.  
TD Securities Inc.  
Sprott Securities inc.

**Promoter(s):**

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**Project #431667**

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**Issuer Name:**

Orbit Canadian Equity Fund  
ORBIT NORTH AMERICAN EQUITY FUND  
ORBIT WORLD FUND  
Principal Regulator - Quebec

**Type and Date:**

Final Simplified Prospectus and Annual Information Form dated March 28th, 2002  
Mutual Reliance Review System Receipt dated 5<sup>th</sup> day of April, 2002

**Offering Price and Description:**

Mutual Fund Securities Net Asset Value

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

-

**Promoter(s):**

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**Project #423145**

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**Issuer Name:**

Royal Tax Managed Return Fund

Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectus and Annual Information Form  
dated April 4th, 2002

Mutual Reliance Review System Receipt dated 5<sup>th</sup> day of  
April, 2002

**Offering Price and Description:**

Mutual Fund Securities Net Asset Value

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

Royal Mutual Funds Inc.

**Promoter(s):**

RBC Funds Inc.

**Project #423963**

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## Chapter 12

# Registrations

### 12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Phillips, Hager & North Investment Funds Ltd. Attention: David Patrick Keeley 200 Bay Street Royal Bank Plaza, South Tower, PO Box 14 Toronto ON M5J 2J1	Mutual Fund Dealer	Apr 01/02
New Registration	Iridian Asset Management LLC c/o Christopher J. Bardsley 40 King Street West Suite 5800, Scotia Plaza Toronto ON M5H 3Z7	International Adviser Investment Counsel & Portfolio Manager	Apr 03/02
New Registration	AXA Financial Services Inc. Attention: Dennis Chun Wai Yik 7030 Woodbine Avenue Suite 200 Markham ON L3R 6G2	Mutual Fund Dealer	Apr 08/02
Change of Name	Deutsche Bank Securities Inc. Attention: Scott Raeburn Cruickshank Deutsche Morgan Grenfell Canada Limited 222 Bay Street, Suite 1100 PO Box 64 Toronto ON M5K 1E7	From: Deutsche Banc Alex Brown Inc.  To: Deutsche Bank Securities Inc.	Apr 04/02

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## Chapter 13

# SRO Notices and Disciplinary Proceedings

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### 13.1.1 Approved Person Disciplined - TSE/CDNX Notice to Participating Organizations 2002-094

April 9, 2002, 2002-094

*Should additional information be required, please direct your enquiries to Marie Oswald, Vice President, Investigations and Enforcement, Market Regulation Services Inc. at 416-947-4376.*

#### APPROVED PERSON DISCIPLINED

##### Person Disciplined

On March 15, 2002, following a contested hearing, a Panel of the Hearing Committee of the Toronto Stock Exchange (the "Exchange") rendered a decision concerning Laudalino Da Costa. Mr. Da Costa was at all material times an Approved Person employed with Research Capital Corporation, a Participating Organization of the Exchange.

##### Rules Contravened

Mr. Da Costa was found to have contravened Section 16.03(3) of the General By-law of the Toronto Stock Exchange (the "General By-law") which requires that orders be time-stamped before they are entered on the Exchange.

Mr. Da Costa was also alleged to have contravened Section 11.26(1) of the General By-law and Part XIV of the Rulings and Directions of the Board relating to manipulative or deceptive trading. The Panel dismissed this charge.

##### Penalty Assessed

On April 5, 2002, the Panel imposed a fine of \$14,000 against Mr. Da Costa.

##### Summary of Facts

Between November 23, 1998 and March 4, 1999, Mr. Da Costa executed 53 trades in 12 different listed securities for the account of one customer. None of the trade tickets for the 53 trades were time-stamped before the time of order entry. All but one of the 53 trade tickets were time-stamped after the close of trading.

It was also alleged that Mr. Da Costa executed these trades when there was reason to believe that the intended purpose of the trades was to establish an artificial price or a high closing price. The Panel was of the opinion that there was not clear and convincing proof on cogent evidence sufficient for a conviction on this charge.

LEONARD PETRILLO  
VICE PRESIDENT  
GENERAL COUNSEL & SECRETARY



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## Chapter 25

# Other Information

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