The Ontario Securities Commission

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May 24, 2002

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

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

MAY 24, 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
Suite 1700, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

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SCHEDULED OSC HEARINGS

May 28/02 2:00 p.m. May 29/02 9 a.m. - 12:00 p.m. June 3, 5, 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.	YBM Magnex International Inc., Harry W. Antes, Jacob G. Bogatin, Kenneth E. Davies, Igor Fisherman, Daniel E. Gatti, Frank S. Greenwald, R. Owen Mitchell, David R. Peterson, Michael D. Schmidt, Lawrence D. Wilder, Griffiths McBurney & Partners, National Bank Financial Corp., (formerly known as First Marathon Securities Limited) s.127 K. Daniels/M. Code/J. Naster/I. Smith in attendance for staff. Panel: HIW / DB / RWD

May 30/02 10:00 a.m.	Michael Goselin, Irvine Dyck, Donald McCrory and Roger Chaisson s. 127 T. Pratt in attendance for Staff Panel: PMM / HLM
June 4/02 11:00 a.m.	Arlington Securities Inc. and Samuel A.B. Milne s. 127 and s. 127.1 J. Superina in attendance for Staff Panel: HIW / HLM / RWD
June 12/02 9:30 a.m.	Livent Inc., Garth H. Drabinsky, Myron I. Gottlieb, Gordon Eckstein and Robert Topol s. 127 J. Superina in attendance for Staff Panel: HIW
June 17, 18, 19, 20, 21, 24 & 26/02 10:00 a.m. June 25 2:00 - 4:00 p.m. July 8 - 12/02 July 15 - 19/02 10:00 a.m. -	Brian K. Costello s. 127 H. Corbett in attendance for Staff Panel: PMM
August 20/02 2:00 p.m. August 21 to 31/02 9:30 a.m.	**Mark Bonham and Bonham & Co. Inc.** s. 127 M. Kennedy in attendance for staff Panel: PMM / KDA / HPH

ADJOURNED SINE DIE

Buckingham Securities Corporation, Lloyd Bruce, David Bromberg, Harold Seidel, Rampart Securities Inc., W.D. Latimer Co. Limited, Canaccord Capital Corporation, BMO Nesbitt Burns Inc., Bear, Stearns & Co. Inc., Dundee Securities Corporation, Caldwell Securities Limited and B2B Trust

DJL Capital Corp. and Dennis John Little

Dual Capital Management Limited, Warren Lawrence Wall, Shirley Joan Wall, DJL Capital Corp., Dennis John Little and Benjamin Emile Poirier

First Federal Capital (Canada) Corporation and Monter Morris Friesner

Global Privacy Management Trust and Robert Cranston

Irvine James Dyck

Ricardo Molinari, Ashley Cooper, Thomas Stevenson, Marshall Sone, Fred Elliott, Elliott Management Inc. and Amber Coast Resort Corporation

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

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

1.3 News Releases

1.3.1 OSC Proceeding in Respect of Lydia Diamond et al. Adjourned to June 28, 2002

FOR IMMEDIATE RELEASE
May 17, 2002

OSC PROCEEDING IN RESPECT OF
LYDIA DIAMOND ET AL.
ADJOURNED TO JUNE 28, 2002

Toronto - The hearing before the Ontario Securities Commission in respect of Lydia Diamond Exploration of Canada Ltd., Jurgen von Anhalt, Emilia von Anhalt and Fran Harvie scheduled for May 21 is adjourned to June 28, 2002 at 10:00 A.M.

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

For Media Inquiries: Eric Pelletier
Manager, Media Relations
416-595-8913

For Investor Inquiries: OSC Contact Centre:
416-593-8314
1-877-785-1555 (Toll Free)

1.3.2 CARP and OSC Present: Protect Yourself Against Fraud: FREE Seminar

For Immediate Release
May 23, 2002

CARP AND THE ONTARIO SECURITIES COMMISSION PRESENT:

PROTECT YOURSELF AGAINST FRAUD: FREE SEMINAR

Wednesday, May 29, 2002 - Erin Meadows Community Centre
2800 Erin Centre Blvd, Mississauga
1:30pm - 3:30 pm

Toronto, ON May 23, 2002 - CARP, Canada's Association for the Fifty-Plus, is working in partnership with the Ontario Securities Commission and the Ontario Provincial Police Anti-Rackets team to educate seniors about fraud. Speakers will discuss the latest frauds and scams targeting seniors, including investment fraud, telemarketing fraud, home improvement fraud and identity theft. Admission is free, and light refreshments will be served.

Perry Quinton, an Investor Education Officer with the Ontario Securities Commission, will speak about the role of the OSC in investor protection and securities regulation, and common investment scams. Learn the red flags to watch for to safeguard your money. OSC Investor Education Kits will be available at the seminar.

Carol Gilmour and Ormond Carnegie, with the Ontario Provincial Police Anti-Rackets PhoneBusters program, will discuss identity theft and other types of scams and frauds relevant to seniors, and how you can prevent them. Identity theft affects people of all ages, all educational levels, and all professions. Learn how to minimize your risk of becoming a victim.

For reservations, please call 1-866-544-5554 Toll Free. For more information please contact:

CARP, Canada's Association for the Fifty-Plus
(416) 363-8748
Ontario Securities Commission (416) 593-8314
PhoneBusters 1-888-495-8501

For media inquiries please contact Terri Williams, Manager, Investor Education (416) 593-2350 or Judy Cutler, Director of Communications, CARP at (416) 363-8748 x 241.

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Tonko Development Corp. - 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, s. 153.

**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
TONKO DEVELOPMENT CORP.**

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in Alberta, Ontario, and Québec (the "Jurisdictions") has received an application from Tonko Development Corp. (“Tonko") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that Tonko 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 Tonko has represented to the Decision Makers that:

   3.1 Tonko was incorporated under the laws of Alberta in 1995, amalgamated with certain wholly-owned subsidiaries in 1999, and amalgamated with 970385 Alberta Ltd. (the “Offeror”), a wholly-owned subsidiary of Pyxis Real Estate Equities Inc. (“Pyxis”), on March 15, 2002;

   3.2 Tonko is a reporting issuer in the Jurisdictions and is not in default of any of the requirements of the Legislation;

   3.3 Tonko became a reporting issuer in Alberta on June 30, 1995, upon receipt of a final prospectus;

   3.4 Tonko’s head office is located in Calgary, Alberta;

   3.5 Tonko is authorized to issue an unlimited number of common shares (the “Common Shares”) and an unlimited number of preferred shares of which there is currently one Common Share outstanding;

   3.6 on February 4, 2002, a formal offer (the “Offer”) was made by the Offeror to purchase all of the outstanding Common Shares for $4.10 cash for each Common Share deposited under the Offer;

   3.7 on February 4, 2002, there were 12,549,375 Common Shares outstanding;

   3.8 the Offer expired on March 12, 2002 and on March 15, 2002 the Offeror took-up and paid for 12,267,590 Common Shares, representing approximately 97.75% of the outstanding Common Shares;

   3.9 on March 15, 2002, the Offeror initiated its statutory right of compulsory acquisition, in accordance with Part 16 of the *Business Corporations Act* (Alberta), (the “ABCA”), to acquire the remainder of the Common Shares not deposited under the Offer on the same terms on which the Offeror acquired the Common Shares pursuant to the Offer. In initiating this statutory right and complying with the ABCA, the Offeror became the sole shareholder of Tonko on March 15, 2002;

   3.10 Tonko and the Offeror amalgamated (the “Amalgamation”) on March 15, 2002 under section 184(1) of the ABCA;

   3.11 on Amalgamation:

      3.11.1 the 12,549,375 Common Shares issued and outstanding,

all of which were held by the Offeror, were cancelled;

3.11.2 the one common share in the capital of the Offeror, which share was issued and outstanding before amalgamation and which share was held by Pyxis, was converted into one Common Share of Tonko; and

3.11.3 Pyxis became, and is now, the sole shareholder of Tonko.

3.12 the Common Shares were delisted from The Toronto Stock Exchange on March 21, 2002 and there are no securities of Tonko listed or quoted on any exchange or market;

3.13 other than the outstanding Common Share, Tonko has no securities, including debt securities, outstanding; and

3.14 Tonko 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 Maker under the Legislation is that Tonko is deemed to have ceased to be a reporting issuer under the Legislation.

May 8, 2002.

“Patricia M. Johnston”

2.1.2 394351 Alberta Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - corporation deemed to no longer be a reporting issuer following an arrangement whereby another corporation acquired all of the issued and outstanding securities of the corporation.

Applicable Alberta Statutory Provisions

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

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ALBERTA AND ONTARIO

AND

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

AND

IN THE MATTER OF
394351 ALBERTA LTD.

MRRS DECISION DOCUMENT

1. WHERAS the local securities regulatory authority or regulator (the “Decision Maker) in each of Alberta and Ontario (the “Jurisdictions”) has received an application from 394351 Alberta Ltd., formerly The Apex Corporation (the “Filer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) deeming the Filer to have ceased to be a reporting issuer under the Legislation;

2. AND WHEREAS under to 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 Filer has represented to the Decision Makers that:

3.1 on January 11, 2002 the Filer changed its name from The Apex Corporation to 394351 Alberta Ltd.;

3.2 the Filer was incorporated on December 7, 1988 under the Business Corporations Act (Alberta) (the “ABCA”);

3.3 the Filer is a reporting issuer in the Jurisdictions and has its head office in Calgary, Alberta;

3.4 the Filer became a reporting issuer in Alberta on November 22, 1989 by virtue of obtaining a receipt for a prospectus;

3.5 the filer became a reporting issuer in Ontario on November 21, 1994 by virtue of its shares being listed on the Toronto Stock Exchange (the "TSE");

3.6 the authorized share capital of the Filer consists of an unlimited number of Class A voting common shares (the "Common Shares"), an unlimited number of Class B common voting shares, an unlimited number of Class C common non-voting shares, an unlimited number of Class D common non-voting shares, an unlimited number of Class C redeemable first preferred shares, an unlimited number of Class E redeemable voting preferred shares and an unlimited number of Class F 8.75% redeemable non-voting, non-cumulative preferred shares;

3.7 there were 21,383,382 Common Shares issued and outstanding as at October 30, 2001;

3.8 to the best of the Filers knowledge the Filer is not in default of any requirements of the Legislation other than the failure to file interim financial statements for the periods ended October 31, 2001 and January 31, 2002;

3.9 on October 29, 2001, Bentall Corporation ("Bentall") acquired all of the issued and outstanding Common Shares and all of the outstanding options (the "Options") to acquire Common Shares by way of a plan of arrangement under the ABCA (the "Arrangement");

3.10 under the Arrangement, shareholders of the Filer received a cash payment of $2.60 for each Common Share held. Holders of Options received a cash payment equal to the amount by which $2.60 exceeded the exercise price of each Option held;

3.11 as a result of the Arrangement, Bentall is the sole registered and beneficial owner of all of the issued and outstanding securities of the Filer;

3.12 other than the Common Shares and the Options there are no other securities of the Filer, including debt securities, outstanding;

3.13 the Common Shares were delisted from the TSE on November 13, 2002 and no securities of the Filer are listed or traded on any exchange or market in Canada or elsewhere; and

3.14 the Filer does not intend to seek public financing by way of an issuance of 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 the Filer is deemed to have ceased to be a reporting issuer under the Legislation.

April 30, 2002.

"Patricia M. Johnston"

2.1.3 Mackenzie Financial Capital Corporation - MRRS Decision

Headnote

Investment by mutual funds in another specified mutual fund under common management exempted from the self-dealing prohibition in clause 111(2)(b) and subsection 111(3), and from the reporting requirements of clauses 117(1)(a) and 117(1)(d).

Statutes Cited

Securities Act (Ontario), R.S.O. 1990, c. S.5, as am., 111(2)(b), 111(3), 117(1)(a) and 117(1)(d).

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

AND

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

AND

**IN THE MATTER OF
MACKENZIE UNIVERSAL SELECT MANAGERS USA CAPITAL CLASS
("USA Fund")
MACKENZIE UNIVERSAL SELECT MANAGERS JAPAN CAPITAL CLASS
("Select Managers Japan Fund")
MACKENZIE UNIVERSAL GLOBAL ETHICS CAPITAL CLASS
("Global Ethics Capital Class")
MACKENZIE UNIVERSAL INTERNET TECHNOLOGIES CAPITAL CLASS
("Internet Technologies Capital Class")
MACKENZIE UNIVERSAL DIVERSIFIED EQUITY CAPITAL CLASS
("Diversified Equity Fund")
MACKENZIE UNIVERSAL WORLD SCIENCE & TECHNOLOGY CAPITAL CLASS
("SciTech Capital Class")
MACKENZIE UNIVERSAL WORLD REAL ESTATE CAPITAL CLASS
("Real Estate Capital Class")
MACKENZIE UNIVERSAL WORLD RESOURCE CAPITAL CLASS
("Resource Capital Class")**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland (the "Participating Jurisdictions") has received an application (the "Application") from Mackenzie Financial Corporation (the "Mackenzie"), as manager of USA Fund, Select Managers Japan Fund, Global Ethics Capital Class, Internet Technologies Capital Class, Diversified Equity Fund, SciTech Capital Class, Real Estate Capital Class and Resource Capital Class (each a "Top Fund" and collectively, the "Top Funds") of Mackenzie Financial Capital Corporation ("Capitalcorp") for a decision pursuant to the securities legislation of the Participating Jurisdictions (the "Legislation") that the following requirements and restrictions contained in the Legislation (the "Requirements") shall not apply in respect of certain investments to be made by the Top Funds in Mackenzie Universal Americas Fund ("Americas Fund"), Mackenzie Universal Japan Fund ("Japan Fund"), Mackenzie Universal Global Ethics Fund ("Global Ethics Fund"), Mackenzie Universal Internet Technologies Fund ("Internet Technologies Fund"), Mackenzie Universal World Value Fund ("Value Fund"), Mackenzie Universal Communications Fund ("Communications Fund"), Mackenzie Universal World Science & Technology Fund ("SciTech Fund"), Mackenzie Universal World Real Estate Fund ("Real Estate Fund") and Mackenzie Universal World Resource Fund ("Resource Fund") (each and "Underlying Fund" and collectively, the "Underlying Funds"):

1. the Requirements prohibiting a mutual fund from knowingly making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial unitholder; and

2. the Requirements requiring the management company or, in British Columbia, a mutual fund manager, to file a report relating to a purchase or sale of securities between the mutual fund and any related person or company, or any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, the mutual fund is a joint participant with one or more of its related persons or companies;

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

AND WHEREAS Mackenzie has represented to the Decision Makers that:

(a) Mackenzie is a corporation governed by the laws of the province of Ontario with its head office in Toronto, Ontario. Mackenzie is the manager of the Top Funds and the manager and trustee of the Underlying Funds.

(b) Each of the Underlying Funds is a mutual fund trust established by a declaration of trust governed by the laws of the Province of Ontario.

(c) Each of the Top Funds and the Underlying Funds are reporting issuers in each of the Participating Jurisdictions and are not in default of any requirements of the Legislation.

(d) Series A, F, I and O shares of each of the Top Funds, as well as Series R shares of USA Fund and Select Managers Japan Fund, are offered for sale under a simplified prospectus and annual information form dated October 25, 2001. The shares are offered in all provinces and territories of Canada.

(e) Series A, F, I and O units of each of the Underlying Funds are offered for sale under an Amended and Restated Simplified Prospectus and Annual Information Form dated February 15, 2002. The funds are offered in all provinces and territories of Canada.

(f) The following table reflects the proposed mergers (the “Proposed Mergers”, and individually, as a "Proposed Merger") of each Underlying Fund and the Top Fund with which it will be merged:

Underlying Fund	**Top Fund**
Americas Fund	USA Fund
Japan Fund	Select Managers Japan Fund
Global Ethics Fund	Global Ethics Capital Class
Internet Technologies Fund	Internet Technologies Capital Class
Value Fund	Diversified Equity Fund
Communications Fund and SciTech Fund (together with Mackenzie Universal Communications Capital Class)	SciTech Capital Class
Real Estate Fund	Real Estate Capital Class
Resource Fund	Resource Capital Class

(g) The Proposed Mergers are being approved by securityholders of the Top Funds and Underlying Funds at meetings of securityholders scheduled to be held on May 6 and 7, 2002. Securityholders would have received full disclosure of all relevant facts concerning the Proposed Mergers in advance of the above meetings. The costs associated with holding the meetings were borne by Mackenzie.

(h) Mackenzie will carry out the following steps to complete the Proposed Mergers:

(i) the declaration of trust of each Underlying Fund will be amended to create the right of its corresponding Top Fund to purchase all the units held by each securityholder of the Underlying Fund;

(ii) each Top Fund will purchase all of the units of securityholders of its corresponding Underlying Fund and it will thereby be a “fund-of-funds” (the “Investments”) of the Underlying Fund;

(iii) in exchange for purchasing their units, each Top Fund will issue to each securityholder of the Underlying Fund shares of a series of the Top Fund equal in value to the units it previously owned in the Underlying Fund.

(iv) If securityholders of the Underlying Fund have an accrued gain on the units which the previously held in the Underlying Fund, then they will be given the opportunity to authorize Mackenzie to file a joint election with Mackenzie pursuant to Section 85 of the *Income Tax Act* (Canada), and pursuant to applicable tax legislation in the Province of Quebec for a unitholder who is resident in such province, to treat the disposition of their

securities to the Top Fund as a tax deferred rollover. Mackenzie will mail election forms for tax purposes to certain securityholders of the Underlying Funds.

(v) Each of the Underlying Funds will be terminated on or before December 31, 2002.

(i) The portfolio and other assets of each Underlying Fund to be acquired by its corresponding Top Fund arising from the Proposed Mergers may be acquired by the Top Fund and are acceptable to the portfolio advisors of each Top Fund and consistent with the investment objectives of each Top Fund. No sales charges will be payable in connection with the acquisition by each Top Fund of the investment portfolio and other assets of its Underlying Fund.

(j) The portfolio of each Underlying Fund will continue to be managed by Mackenzie on the same basis as the portfolio of the corresponding Top Fund until they are merged into a single portfolio. There will be no duplication of management fees, advisor fees or operating expenses in connection with the management of the portfolios.

(k) During the period until the Underlying Fund is terminated, conditional upon regulatory approval, each Top Fund will produce financial statements on a consolidated basis, meaning that it will combine the results of the Top Fund and its Underlying Fund with its financial statements as if the portfolio investments were held by the same legal entity.

(l) Following implementation of the Proposed Mergers, the simplified prospectus and annual information form of the Top Funds will be amended to the extent necessary to reflect the Proposed Mergers.

(m) In order to obtain the regulatory approvals necessary to implement the Proposed Mergers, an application under National Instrument 81-102 has been filed with applicable securities regulatory authorities.

(n) In the absence of this Decision, pursuant to the Legislation, each Top Fund is prohibited from making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial unitholder. As a result, in the absence of this Decision, each Top Fund would be required to divest itself of the units of its corresponding Underlying Fund acquired pursuant to the Proposed Mergers.

(o) In the absence of this Decision, pursuant to the Legislation, Mackenzie would be required to file a report on every purchase or sale of units of a Underlying Fund by its corresponding Top Fund.

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

AND WHEREAS each of the Decision Makers are 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 Requirements shall not apply to each Top Fund or the Manager, as the case may be, in respect of the Investments;

PROVIDED IN EACH CASE THAT :

1. The Decision as it relates to the jurisdiction of a Decision Maker, will terminate on December 31, 2002; and

2. the foregoing Decision shall only apply in respect of the Investments made by a Top Fund in compliance with the following conditions:

   (a) the securities of both the Top Fund and the Underlying Fund are eligible for sale in the jurisdiction of the Decision Maker pursuant to a simplified prospectus and annual information form which has been filed with and accepted by the Decision Maker;

   (b) the investment by the Top Fund in the Underlying Fund is compatible with the fundamental investment objectives of the Top Fund;

   (c) the Underlying Fund is not a mutual fund whose investment objective includes investing directly or indirectly in other mutual funds;

   (d) subsequent to each Proposed Merger, each respective Underlying Fund will not issue additional units, other than investments as a result of the reinvestment of distributions of the Underlying Fund;

   (e) the simplified prospectus of each Top Fund is amended to disclose details of the Proposed Merger;

(f) no sales charges are payable by the Top Funds in relation to their purchase of units of the Underlying Funds;

(g) no fees or charges of any sort are paid by the Top Fund and the Underlying Funds, by their respective managers or principal distributors, or by any affiliate or associate of any of the foregoing entities, to anyone in respect of the purchase, holding or redemption by the Top Fund of the units of the Underlying Funds;

(h) the arrangements between or in respect of the Top Funds and the Underlying Funds are such as to avoid the duplication of management fees;

(i) each of the Top Fund will consolidate its interests in the corresponding Underlying Fund for preparing financial statements; and

(j) the respective securityholders' approval for each Proposed Mergers.

May 14, 2002.

“Theresa McLeod” “Robert Shirriff”

2.1.4 AGF Funds Inc. - MRRS Decision

Headnote

Investment by RSP "clone" fund in another mutual fund for specified purpose exempted from the reporting requirements and self-dealing provisions of subsection 111(2)(b), 111(3), 117(1)(a) and 117(1)(d). Specific relief from subsection 118(2)(b) to permit inter-fund trading between one of the Top Pools and the corresponding Underlying Pool.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990 c. S.5., as am., 111(2)(b), 111(3), 117(1)(a), 117(1)(d) and 118(2)(b).

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

AND

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

AND

IN THE MATTER OF
AGF FUNDS INC.

AND

HARMONY RSP NORTH AMERICAN SMALL CAP POOL
HARMONY RSP OVERSEAS EQUITY POOL
HARMONY RSP U.S. EQUITY POOL

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application (the "Application") from AGF Funds Inc. ("AGF") in its own capacity and on behalf of Harmony RSP North American Small Cap Pool (to be renamed Harmony RSP Americas Small Cap Equity Pool), Harmony RSP Overseas Equity Pool and Harmony RSP U.S. Equity Pool (the "Existing Top Pools") and other mutual funds managed by AGF having an investment objective or strategy that is linked to the returns or portfolio of another specified AGF managed mutual fund while remaining 100% eligible for registered plans (together with the Existing Top Pools, the "Top Pools") and Harmony Americas Small Cap Equity Pool, Harmony Overseas Equity Pool and Harmony U.S. Active Equity Pool (to be renamed Harmony U.S. Equity Pool) (the "Existing Underlying Pools") or other corresponding AGF managed mutual funds from time to time (the funds, including the "Existing Underlying Pools", in which such investments are to be made being collectively referred to as the "Underlying Pools") for a decision by each decision maker (the "Decision") pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following provisions in the Legislation (the "Applicable Requirements") shall not apply:

A. the provision prohibiting a mutual fund from knowingly making and holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder;

B. the provision requiring the management company of a mutual fund, or in British Columbia a mutual fund manager, to file a report relating to the purchase or sale of securities between the mutual fund and any related person or company, or any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, the mutual fund is a joint participant with one or more of its related persons or companies;

C. the provision prohibiting a portfolio manager or in British Columbia, the mutual fund, from knowingly causing an investment portfolio managed by it or in British Columbia the mutual fund, to purchase or sell the securities of any issuer from or to the account of a "responsible person" (as that term is defined in the Legislation), any associate of a responsible person or the portfolio manager; and

D. the provision prohibiting the purchase or sale of any security in which an investment counsel or any partner, officer or associate of an investment counsel has a direct or indirect beneficial interest, from or to any portfolio managed or supervised by the investment counsel.

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 AGF has represented to the Decision Makers that:

1. AGF is a corporation established under the laws of the Province of Ontario with its head office in Toronto, Ontario. AGF is the manager and trustee of the Top Pools and the Underlying Pools. AGF holds various registrations including registration as an investment counsel and portfolio manager in

the Northwest Territories and in every province other than Quebec.

2. Each of the Top Pools is, or will be, a trust established under the laws of the Province of Ontario.

3. Each of the Existing Underlying Pools is a trust established under the laws of Ontario and each of the future Underlying Pools will be either a trust or a corporation.

4. The securities of the Top Pools and the Underlying Pools are or will be qualified for distribution pursuant to a simplified prospectus and annual information form (the “Prospectus”).

5. The Top Pools and the Underlying Pools are or will be reporting issuers in the Jurisdictions and are not or will not be in default of any requirements of the Legislation.

6. AGF currently manages the Existing Top Pools and the Existing Underlying Pools and AGF is one of the portfolio managers of Harmony RSP North American Small Cap Pool (“NA RSP”).

7. At a meeting to be held on May 16, 2002, the holders of the Existing Top Pools will be requested to approve a change in investment objective such that the investment objective will be to provide long-term growth of capital while maintaining 100% eligibility for registered plans, by entering into forward contracts and other derivatives instruments that are linked to the performance of the applicable Underlying Pool or to the performance of portfolio securities of the applicable Underlying Pool. Each Top Pool may also invest directly in the applicable Underlying Pool up to the amount prescribed from time to time as the maximum permitted amount which may be invested in foreign property under the Income Tax Act (Canada) (the “Tax Act”) without the imposition of tax (the “Permitted Limit”).

8. If the change in investment objective is approved, the change of the Existing Top Pools to an ‘RSP clone fund’ is expected to occur in June, 2002 or such other date as determined solely by AGF (the “Effective Date”).

9. The Prospectus discloses or will disclose the investment objectives, investment strategies, risks and restrictions of the Top Pools and the Underlying Pools. In particular, the Prospectus of the Existing Top Pools will be amended to reflect the changes described in paragraph 7 above.

10. The investment objectives of the Underlying Pools are, or will be, achieved through investment primarily in foreign securities. As a result, securities of the Underlying Pools are only eligible as “foreign property” under the Tax Act for certain types of registered plans.

11. NA RSP currently holds securities in small-cap Canadian companies, some of which are not traded in significant volumes. As a consequence of the linking of NA RSP to Harmony Americas Small Cap Equity Pool (“Americas”), Americas will be required to purchase additional portfolio securities. Due to the fact that the investment objective of Americas encompasses small cap stocks and due to the fact that trading in small cap securities may not be significant in volume, it could take considerable time for Americas to buy a small cap portfolio to reflect the linking of NA RSP to Americas. As a result, it is proposed that in connection with converting NA RSP to an ‘RSP clone fund’, NA RSP will sell all of its portfolio securities, excluding derivative instruments, to Americas immediately prior to the Effective Date, in return for units of Americas.

12. The portfolio securities described in paragraph 11 above will be sold without any brokerage commissions or fees of any kind and Americas will pay NA RSP as consideration units of Americas.

13. The direct investment by the Top Pools in the Underlying Pools will be within the Permitted Limit. The amount of direct investment by each Top Pool in its corresponding Underlying Pool will be adjusted from time to time so that, except for transitional cash, the aggregate of derivative exposure to, and direct investment in, the Underlying Pool will equal 100% of the net assets of the Top Pool.

14. Except to the extent evidenced by this Decision and specific approvals granted by the Canadian securities administrators pursuant to National Instrument 81-102 Mutual Fund (“NI 81-102”), the investments by the Top Pools in the Underlying Pools have been, or will be, structured to comply with the investment restrictions of the Legislation and NI 81-102.

15. In the absence of this Decision, pursuant to the Legislation, each Top Pool is prohibited from knowingly making and holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder.

16. In the absence of this Decision, the Legislation requires AGF to file a report on every purchase or sale of securities of an Underlying Pool by a Top Pool and on the transfer of securities from NA RSP to Americas.

17. In the absence of this Decision, the Legislation, in respect of certain Top Pools, prohibits AGF or, in British Columbia, the Top Pool, from knowingly causing an investment portfolio managed by it to

purchase or sell the securities of any issuer from or to the account of a "responsible person" (as that term is defined in the Legislation), any associate of a responsible person or AGF.

18. The Top Pools' investment in or redemption of securities of their corresponding Underlying Pools represents the business judgment of responsible persons, uninfluenced by considerations other than the best interests of the Top Pools.

AND WHEREAS pursuant to the System this Decision Document evidences the Decision of each Decision Maker;

AND WHEREAS each Decision Maker is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the Applicable Requirements shall not apply to the Top Pools or AGF, as the case may be, to the purchase and sale by the Top Pools in securities of the Underlying Pools;

AND THE DECISION of the Decision Makers pursuant to the Legislation is that the Applicable Requirements shall not apply to the one-time sale of securities from NA RSP to Americas;

PROVIDED IN EACH CASE THAT :

1. the Decision, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation or rule of that Decision Maker dealing with the matters in section 2.5 of NI 81-102; and

2. the Decision shall only apply if, at the time a Top Pool makes or holds an investment in an Underlying Pool, the following conditions are satisfied:

    (a) the securities of both the Top Pool and the Underlying Pool are being offered for sale in the jurisdiction of the Decision Maker pursuant to a simplified prospectus and annual information form which has been filed with and accepted by the Decision Maker;

    (b) the Underlying Pool is not a mutual fund whose investment objective includes investing directly or indirectly in other mutual funds;

    (c) the investment by the Top Pool in the Underlying Pool is compatible with the fundamental investment objectives of the Top Pool;

    (d) the simplified prospectus of the Top Pool discloses the intent of the Top Pool to invest directly and indirectly (through derivative exposure) in the Underlying Pool, and the name of the Underlying Pool;

    (e) the Top Pool restricts its aggregate direct investment in the Underlying Pool to a percentage of its assets that is within the Permitted Limit;

    (f) there are compatible dates for the calculation of the net asset value of the Top Pool and the Underlying Pool for the purpose of the issue and redemption of the securities of such mutual fund;

    (g) no sales charges are payable by the Top Pool in relation to its purchases of securities of the Underlying Pool;

    (h) no redemption fees or other charges are charged by the Underlying Pool in respect of the redemption by the Top Pool of securities of the Underlying Pool owned by the Top Pool;

    (i) no fees and charges of any sort are paid by the Top Pool and the Underlying Pool, by their respective managers or principal distributors, or by any affiliate or associate of any of the foregoing entities, to anyone in respect of the Top Pool's purchase, holding or redemption of the securities of the Underlying Pool;

    (j) the arrangements between or in respect of the Top Pool and the Underlying Pool are such as to avoid the duplication of management fees;

    (k) any notice provided to securityholders of the Underlying Pool, as required by applicable laws or the constating documents of the Underlying Pool, has been delivered by the Top Pool to its securityholders and all voting rights attached to the securities of the Underlying Pool that are owned by the Top Pool will be passed through to securityholders of the Top Pool;

    (l) all of the disclosure and notice material prepared in connection with a meeting of securityholders of the Underlying Pool and received by the Top Pool will be provided to its securityholders and the securityholders will be permitted to direct a representative of the Top Pool to vote its holdings in the Underlying Pool in accordance with their direction, and the representative of the Top Pool will not

vote its holdings in the Underlying Pools except to the extent the securityholders of the Top Pool have directed;

(m) to the extent that the Top Pool and the Underlying Pool do not use a combined simplified prospectus and annual information form containing disclosure about the Top Pool and the Underlying Pool, copies of the simplified prospectus and annual information of the Underlying Pool will be provided upon request to securityholders of the Top Pool and this right will be disclosed in the simplified prospectus of the Top Pool; and

(n) in addition to receiving the annual and, upon request, the semi-annual financial statements of the Top Pool, securityholders of the Top Pool have received the annual and, upon request, the semi-annual financial statements of the Underlying Pool in either a combined report, containing financial statements of the Top Pool and the Underlying Pool, or in a separate report containing the financial statements of the Underlying Pool.

May 14, 2002.

“Theresa McLeod” “Robert Shirriff”

2.1.5 Canada Life Financial Corporation et al. - MRRS Decision

Headnote

Exemptions from most continuous disclosure requirements granted to a Trust on specified conditions, including the conditions that both the parent company and its holding company remain a reporting issuer and security holders of the Trust receive the continuous disclosure documents of the parent company. Because of the terms of the Trust, a security holder’s return depends upon the financial condition of the parent company and the holding company and not that of the Trust. Trust offered Trust units to the public in order to provide the parent company with a cost effective means of raising capital for Canadian insurance regulatory purposes. No distributions are payable on the Trust units, if the holding company fails to pay certain dividends and if distributions are not paid the parent company and its holding company are prevented from paying dividends on certain of their shares. Trust units are redeemable by the Trust and are exchangeable at the option of the holder for shares of the holding company. Holders of Trust units have no claim or entitlement to the income of the Trust or the assets held by the Trust.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 77, 78,79, 80(b)(iii), 81.

Applicable Ontario Rules Cited

OSC Rule 51-501- AIF and MD&A.
OSC Rule 52-501- Financial Statements.

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

AND

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

AND

**IN THE MATTER OF
CANADA LIFE FINANCIAL CORPORATION,
THE CANADA LIFE ASSURANCE COMPANY AND
CANADA LIFE CAPITAL TRUST**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”, and collectively the “Decision Makers”) in each of the provinces of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia and Newfoundland and Labrador (the

"Jurisdictions") has received an application (the "Application") from Canada Life Financial Corporation ("CLF"), The Canada Life Assurance Company ("CLA") and Canada Life Capital Trust (the "Trust") for a decision, pursuant to the securities legislation of the Jurisdictions (the "Legislation"), that the requirements contained in the Legislation to:

(a) file interim financial statements and audited annual financial statements (collectively, "Financial Statements") with the Decision Makers and deliver such statements to the security holders of the Trust;

(b) make an annual filing ("Annual Filing") with the Decision Makers in lieu of filing an information circular, where applicable;

(c) file an annual report ("Annual Report") and an information circular with the Decision Maker in Quebec and deliver such report or information circular to the security holders of the Trust resident in Quebec; and

(d) file under Ontario Securities Commission ("OSC") Rule 51-501 AIF and MD&A, section 159 of the Regulation to the *Securities Act* (Quebec) and the Sasakatchewan Instrument 51-501, an annual information form ("AIF"), including an annual and interim management's discussion and analysis ("MD&A") of the financial condition and results of operation of the Trust and send such MD&A to security holders of the Trust (collectively "the AIF and MD&A Requirements");

shall not apply to the Trust, subject to certain terms and conditions;

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

AND WHEREAS CLF, CLA and the Trust have represented to the Decision Makers that:

CLF

1. CLF was incorporated under the *Insurance Companies Act* (Canada) (the 'ICA") on June 21, 1999. CLF carries on no active business operations and is the holding company for all of the outstanding CLA common shares.

2. The authorized share capital of CLF consists of an unlimited number of: (i) common shares; and (ii) Preferred Shares issuable in series, of which approximately 164,400,000 common shares and 6,000,000 Preferred Shares Series B were issued and outstanding as at December 31, 2001. The CLF common shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE") and The New York Stock Exchange. The CLF Preferred Shares Series B are listed and posted for trading on the TSE.

3. CLF is a reporting issuer (or the equivalent) in each of the provinces and territories of Canada and is not, to its knowledge, in default of any requirement of the Legislation.

4. CLF has no material assets or liabilities other than the common shares of CLA.

CLA

5. CLA was established on August 21, 1847 and incorporated on April 15, 1849. On November 4, 1999 CLA demutualized and became a stock life insurance company under Letters Patent of Conversion issued under the ICA.

6. CLA is a reporting issuer (or the equivalent) in each of the provinces and territories of Canada and is not, to its knowledge, in default of any requirement of the Legislation.

7. The authorized share capital of CLA consists of an unlimited number of: (i) common shares; (ii) Class A Shares; (iii) Class B Shares; (iv) Class C Shares; (v) Class D Shares; (vi) Class E Shares; and (vii) Class F Shares (the Class A Shares through the Class F Shares being collectively referred to as the "CLA Preferred Shares"). CLF holds all of the outstanding common shares of CLA.

8. CLA obtained decision documents dated July 8, 1999, June 14, 2001, September 8, 2000 and June 13, 2001 ("CLA Decision Documents") under which the requirements to file and deliver interim and annual financial statements and MD&A, and file an AIF, an annual filing in lieu of a management information circular and an annual report in Quebec, shall no apply to CLA, subject to certain conditions, including that CLF makes all applicable continuous disclosure filings, that CLA remains a direct or indirect wholly-owned subsidiary of CLF and that CLF have no material assets or liabilities other than its holding of shares in CLF.

The Trust

9. The Trust is an open-end trust established under the laws of the Province of Ontario by The Canada Trust Company ("Trustee"), as trustee, under a declaration of trust made as of February 6, 2002, (the "Declaration of Trust").

10. The outstanding securities of the Trust consist of: (i) Special Trust Securities (the "Special Trust Securities"); (ii) Canada Life Capital Securities - Series A ("CliCS-Series A"); and (iii) Canada Life Capital Securities - Series B ("CliCS-Series B" and, collectively with the CLiCS-Series A, the "CLiCS"). The Special Trust Securities and the CLiCS are collectively referred to herein as the "Trust Securities". The CliCS and the Special Trust Securities are not quoted or listed on any exchange or organized market.

11. The Trust was established solely for the purpose of effecting a public offering of CLiCS (the "Offering") and possible future offerings of securities in order to provide CLA (and indirectly, CLF) with a cost effective means of raising capital for Canadian insurance company regulatory purposes by means of: (i) creating and selling the Trust Securities; and (ii) acquiring and holding assets, which consist primarily of two debentures issued by CLA (the "CLA Debentures"). The CLA Debentures will generate income for distribution to holders of the Trust Securities. The Trust does not and will not carry on any operating activity other than in connection with the Offering and any future offerings.

12. The Trust is a reporting issuer, or the equivalent, in each of the Jurisdictions as a result of the filing of a final prospectus in connection with the Offering dated March 7, 2002 (the "Prospectus") and the issuance of a final MRRS Decision Document in relation to the Prospectus.

CLiCS

13. The Trust distributed CliCS in the Jurisdictions under the Prospectus. The Trust also issued and sold 1,000 Special Trust Securities, which are voting securities of the Trust, to CLA in connection with the Offering.

14. Holders of CLiCS are entitled to receive fixed, semi-annual non-cumulative distributions (each, an "Indicated Yield") on the basis described below ("Distributions"). Each semi-annual payment date for the Indicated Yield in respect of the CLiCS (a "Distribution Date") will be either a "Regular Distribution Date" or a "Distribution Diversion Date". A Distribution Date will be a Distribution Diversion Date, with the result that the Indicated Yield will not be paid in respect of the CLiCS but, instead, the Trust will pay the net distributable funds of the Trust to the holder of Special Trust Securities, if: (i) CLA has failed in the period described in the Prospectus to declare regular quarterly dividends ("Dividends") on its Class A Shares Series 1 in accordance with their terms; or (ii) if "Public Preferred Shares" of CLA are then outstanding, CLA has failed to declare Dividends on such Public Preferred Shares. In all other cases, a Distribution Date will be a Regular Distribution Date, in which case holders of CLiCS will be entitled to receive the Indicated Yield. "Public Preferred Shares" of CLA means CLA Preferred Shares which: (i) have been issued to the public (excluding any CLA Preferred shares held beneficially by affiliates of CLA); (ii) are listed on a recognized stock exchange; and (iii) have an aggregate liquidation entitlement of at least $100 million provided, however, that if there is more than one class of Public Preferred Shares outstanding, then the most senior class or classes of outstanding Public Preferred Shares shall, for all purposes, be the Public Preferred Shares.

15. Under Share Exchange Agreements entered into among CLF, CLA, the Trust and a party acting as Exchange Trustee (the "Share Exchange Agreements"), CLF and CLA have agreed, for the benefit of the holders of CLiCS, that in the event that the Trust fails on any Regular Distribution Date to pay the Indicated Yield on the CLiCS in full: (i) CLA will not declare or pay Dividends on the Public Preferred Shares; or (ii) if no Public Preferred Shares are then outstanding, CLF will not declare or pay Dividends on any of its preferred shares or on its common shares, in each case, until a specified period of time has elapsed, unless the Trust first pays such Indicated Yield (or the unpaid portion thereof) to holders of CLiCS. Accordingly, it is in the interest of CLA and CLF to ensure, to the extent within their control, that the Trust complies with its obligation to pay the Indicated Yield on each Regular Distribution Date.

16. Under the terms of the CLiCS and the Share Exchange Agreement, the CLiCS may be exchanged, at the option of the holders of CLiCS, for newly issued CLA Class A Shares Series 2 (in the case of the CLiCS-Series A) and newly issued CLA Class A Shares Series 4 (in the case of the CLiCS-Series B). The CLiCS will be automatically exchanged, without the consent of the holder, for CLA Class A Shares Series 3 (in the case of the CLiCS-Series A) or CLA Class A Shares Series 5 (in the case of the CLiCS-Series B) upon the occurrence of certain stated events relating to the solvency of CLA or actions taken by the Superintendent of Financial Institutions (the "Superintendent") in respect of CLA (the "Automatic Exchange").

17. The terms of the CLA Class A Shares Series 2, Series 3, Series 4 and Series 5 each provide, among other things, that such shares are exchangeable at the option of the holder for Common Shares of CLF at certain times and in certain circumstances, but in any event the CLA Class A Shares Series 2 and Series 3 are not exchangeable into CLF common shares until December 31, 2012 and the CLA Class A Shares Series 4 and Series 5 are not exchangeable into CLF common shares until December 31, 2032. These exchange rights are not operative at any time that an event giving rise to the Automatic Exchange in respect of the CLiCS has occurred and is continuing.

18. The Trust may, subject to regulatory approval, on June 30, 2007 and on any Distribution Date thereafter, redeem the CLiCS. The price payable in respect of any such redemption will include an early redemption compensation component (such price being the "Early Redemption Price") in the event of a redemption of CLiCS-Series A prior to June 30, 2012 or a redemption of CLiCS-Series B prior to June 30, 2032 (in either case, the "Early Redemption Date"). The price payable in all other cases will be $1,000 per CLiCS together with any unpaid Indicated Yield thereon (the "Redemption Price").

19. Upon the occurrence of certain regulatory or tax events affecting CLA or the Trust, the Trust may, subject to regulatory approval, redeem at any time all but not less than all of the CLiCS at the Early Redemption Price (if the CLiCS are redeemed prior to the applicable Early Redemption Date) and at the Redemption Price (if the CLiCS are redeemed on or after the applicable Early Redemption Date).

20. CLA and CLF have covenanted, under the Share Exchange Agreements, that CLA or its affiliates will maintain ownership, directly or indirectly, of 100% of the outstanding Special Trust Securities. As a result, the financial results of the Trust will be consolidated with those of CLA. Since all of the outstanding common shares of CLA are held by CLF, the financial results of CLA are consolidated with those of CLF. Subject to regulatory approval, the CLiCS will constitute Tier 1 Capital of CLA.

21. As long as any CLiCS are outstanding, the Trust may only be terminated with the approval of the holder of Special Trust Securities and with the approval of the Superintendent: (i) upon the occurrence of a Special Event prior to June 30, 2007; or (ii) for any reason on June 30, 2007 or any Distribution Date thereafter. Holders of Trust Securities rank pari passu in the distribution of the property of the Trust in the event of a termination of the Trust, after the discharge of any creditor claims. As long as any CLiCS are outstanding, neither CLA nor CLF will approve the termination of the Trust unless the Trust has sufficient funds to pay the Early Redemption Price in the case of a termination prior to the applicable Early Redemption Date, or the Redemption Price in the case of any other termination.

22. As set forth in the Declaration of Trust, the CLiCS are non voting except in limited circumstances and Special Trust Securities entitle the holders to vote.

23. Except to the extent that the Distributions are payable to CLiCS holders and, other than in the event of termination of the Trust (as set forth in the Declaration of Trust), CLiCS holders have no claim or entitlement to the income of the Trust or the assets held by the Trust.

24. Under an Administration Agreement entered into between the Trustee and CLA, the Trustee will delegate to CLA certain of its obligations in relation to the administration of the Trust. CLA, as administrative agent, will provide advice and counsel with respect to the administration of the day-to-day operations of the Trust and other matters

as may be requested by the Trustee from time to time.

25. The Trust has not requested relief for the purposes of filing a short form prospectus pursuant to National Instrument 44-101 - Short Form Prospectus Distributions ("NI 44-101") (including, without limitation, any relief which would allow the Trust to use CLF's AIF as a current AIF of the Trust) and no such relief is provided by this Decision Document from any of the requirements of NI 44-101.

26. The Trust may, from time to time, issue further series of Canada Life Capital Securities, the proceeds of which would be used to acquire additional debentures from CLA.

27. Because of the terms of the CLiCS, the Share Exchange Agreements and the various covenants CLA and CLF, information about the affairs and financial performance of CLA and CLF, as opposed to that of the Trust, is meaningful to holders of CLiCS. Under the CLA Decision Documents, CLA does not have to file and deliver interim and annual financial statements and MD&A nor file an AIF, an annual filing in lieu of a management information circular or an annual report as long as CLF makes its continuous disclosure filings on behalf of CLA on the basis that holders of CLA securities receive adequate disclosure from the CLF filings. CLF's filings and the delivery of the same material delivered to shareholders of CLF will provide holders of CLiCS and the general investing public with all information required in order to make an informed decision relating to an investment in CLiCS. Information regarding CLF is relevant both to an investor's expectation of being paid the Indicated Yield on the CLiCS as well as the return of the investor's principal.

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

AND WHEREAS the Decision Makers are satisfied that the tests 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:

(a) to file Financial Statements with the Decision Makers and deliver such statements to holders of Trust Securities;

(b) to make an Annual Filing, where applicable, with the Decision Makers in lieu of filing an information circular; and

(c) to file an Annual Report and an information circular with the Decision Maker in Quebec and deliver such report or information circular to holders of Trust Securities resident in Quebec;

shall not apply to the Trust for so long as:

(i) CLF remains a reporting issuer under the Legislation;

(ii) CLA remains a reporting issuer under the Legislation;

(iii) CLF files with the Decision Makers, in electronic format under the Trust's SEDAR profile, the documents listed in clauses (a) to (c) above of this Decision, at the same time as they are required under the Legislation to filed by CLF;

(iv) the Trust pays all filing fees that would otherwise be payable by the Trust in connection with the filing of the documents referred to in clauses (a) to (c) above of this Decision;

(v) CLF sends its Financial Statements and Annual Filing, where applicable, to holders of Trust Securities and its Annual Report to holders of Trust Securities resident in the Province of Quebec at the same time and in the same manner as if the holders of Trust Securities were holders of CLF common shares;

(vi) all outstanding securities of the Trust are either CLiCS or Special Trust Securities or are additional series of Canada Life Capital Trust Securities where the rights and obligations (other than the economic terms) of the holders of such additional securities are the same in all material respects as the rights and obligations of the holders of the CLiCS at the date hereof;

(vii) the rights and obligations (other than the economic terms thereof) of holders of additional series of Canada Life Capital Trust Securities are the same in all material respects as the rights and obligations of the holders of CLiCS at the date hereof; and

(viii) CLA or its affiliates are the beneficial owners of all Special Trust Securities and CFL or its affliates are the beneficial owners of all the issued and outstanding voting shares of CLA.

and provided that this Decision shall expire 30 days after:

(A) the date that CLA can no longer rely on the CLA Decision Documents; or

(B) the date a material adverse change occurs in the affairs of the Trust.

May 14, 2002.

"Thresa McLeod" "Robert L. Shirriff"

AND THE FURTHER DECISION of the Decision Makers in Ontario, Quebec and Saskatchewan is that the AIF and MD&A Requirements shall not apply to the Trust for so long as:

(i) the conditions set out in clauses (i), (ii), (vi), (vii) and (viii) of the Decision above are complied with;

(ii) CLF files the AIF and the annual and interim MD&A with the Decision Makers, in electronic format under the Trust's SEDAR profile at the same time as they are required under the Legislation to be filed by CLF;

(iii) the Trust pays all filing fees that would otherwise be payable by the Trust in connection with the filing of the documents referred to in clauses (a) to (c) above of this Decision;

(iv) CLF sends its annual and interim MD&A and its AIF, as applicable, to holders of Trust Securities at the same time and in the same manner as if the holders of Trust Securities were holders of CLF Common Shares;

and provided that this Decision shall expire 30 days after:

(A) the date that CLA can no longer rely on the CLA Decision Documents; or

(B) the date a material adverse change occurs in the affairs of the Trust.

May 14, 2002.

"John Hughes"

2.1.6 Hardwood Properties Ltd. - s. 9.1

Headnote

Rule 61-501 - Related party transaction - Relief from valuation requirements granted in connection with proposed sale of real estate assets to related party - Related party sale will occur only after assets have been listed for sale for 60 day period - Related party sale will only involve assets that remain at the end of 60 day period - Related party sale will occur at price fixed at start of 60 day period which is same price as list price to arm's length market subject to reduction for sales commissions avoided - Related party sale subject to minority approval.

Rule Cited

Rule 61-501 - Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions, ss. 5.5 and 9.1.

IN THE MATTER OF
ONTARIO SECURITIES COMMISSION RULE 61-501

AND

IN THE MATTER OF
HARDWOOD PROPERTIES LTD.

RULE 61-501
(Section 9.1)

UPON the application (the "Application") of Hardwood Properties Ltd. ("Hardwood") to the Director for a decision pursuant to section 9.1 of Rule 61-501 that the proposed sale of all of its inventory of condominium and apartment units ("Units") to Wako Holdings Ltd. (the "Related Party Sale"), a corporation that is wholly owned by insiders of Hardwood, be exempt from the valuation requirements contained in section 5.5 of Rule 61-501;

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

AND UPON Hardwood having represented to the Director as follows:

1. Hardwood is a corporation governed by the *Business Corporations Act* (Alberta) (the "ABCA").

2. Hardwood is a Calgary-based real estate company engaged in the re-construction, management and sale of multi-family residential properties.

3. Hardwood is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

4. Wako Holdings Ltd. ("Wako") is a Calgary-based corporation governed by the ABCA.

5. Wako is a private holding corporation, 50% of the voting shares of which are owned by Mr.

Konstantinos (Gus) Kolias, the President, Chief Executive Officer and a director of Hardwood, and the remaining 50% of which are owned by Mrs. Erin Kolias, a director of Hardwood and spouse of Mr. Gus Kolias.

6. Each of Wako, Mr. Gus Kolias and Mrs. Kolias is a "related party" (collectively, the "Related Party"), as such term is defined in Rule 61-501, and the Related Party Sale is a "related party transaction", as such term is defined in Rule 61-501.

7. The authorized share capital of Hardwood consists of an unlimited number of common shares ("Common Shares") and an unlimited number of preferred shares, issuable in one or more series ("Preferred Shares").

8. As at April 19, 2002, there were approximately 12,847,581 Common Shares issued and outstanding and no Preferred Shares issued and outstanding.

9. In addition, as at April 19, 2002, approximately 1,307,000 options ("Options") to purchase Common Shares were outstanding, each of which entitles the holder thereof to purchase one Common Share upon payment of the applicable exercise price.

10. The Common Shares are listed on the TSX Venture Exchange (the "TSX").

11. Mr. Gus Kolias is the holder of 459,780 Common Shares, Mrs. Kolias is the holder of 143,000 Common Shares and Wako is the holder of 1,151,668 Common Shares.

12. Hardwood owns up to 89 residential and 3 commercial Units in 4 projects, excluding units that are subject to conditional or unconditional contracts of purchase and sale.

13. The Units have been listed for sale pursuant to standard industry terms for varying periods of time. The Units will continue to be listed for sale until June 30, 2002, the effective date of the Related Party Sale.

14. The directors of Hardwood have scheduled an annual and special meeting of shareholders for Tuesday, June 11, 2002 (the "Special Meeting"). Hardwood is in the process of preparing a management information circular and proxy statement (the "Circular") to solicit proxies for the Special Meeting. Hardwood anticipates that the Circular will be mailed to shareholders on or about May 8, 2002.

15. On May 19, 2000, Hardwood announced that its board of directors had approved a proposal for the implementation of strategic initiatives with a view to maximizing shareholder value. The proposal called for the re-construction and orderly sale of Hardwood's remaining real estate assets. During this process, the board of directors was to consider the current state of the real estate sector and the public markets in general to determine a future course of direction for Hardwood. The sale of the remaining real estate assets was approved by the shareholders of Hardwood at their annual meeting held on June 27, 2000. Hardwood has continuously sold down its inventory of Units since that time. Hardwood continues to list the remaining Units for sale through real estate agents.

16. In March 2002, the directors of Hardwood reviewed the status of sales of all of Hardwood's remaining projects and determined that it would be in the best interests of Hardwood to reduce the current list prices of its Units in an attempt to complete the sale of Hardwood's real estate assets in a more timely fashion. The directors also considered alternatives for the bulk sale of Hardwood's remaining Units to avoid the costs and time associated with the sale of the last of such Units on an individual basis.

17. At a meeting held on April 25, 2002, the directors of Hardwood considered the current state of the real estate sector and the public markets in general and, subject to shareholder and regulatory approval, approved the liquidation and dissolution of Hardwood, pursuant to which Hardwood will first complete the sale of its remaining real estate assets, terminate all of its employees, satisfy all of its outstanding liabilities, and otherwise wind down and liquidate its business (the "Wind-Down Plan"). Under the Wind-Down Plan, the board of directors has specifically approved the reduction of the price per Unit, on both an individual sale and a bulk sale basis, on or before May 1, 2002.

18. Hardwood will then distribute to its shareholders all of its cash on hand (less a reserve that the directors determine to be sufficient to satisfy any unknown and unaccounted for liabilities). In connection with the Wind-Down Plan, Hardwood will be delisted from the TSX and dissolved.

19. Mr. Gus Kolias has indicated that he would be willing to make a bulk purchase of Hardwood's remaining Units through Wako. Mr. Gus Kolias indicated that Wako would pay the bulk Unit sale price (where one existed) or reduced individual Unit list price less any avoided real estate commission, such that Hardwood would receive the same net proceeds whether such Units were sold to an arm's-length purchaser (on a bulk Unit basis, where so listed) in the open market (with real estate commissions payable) or to Wako (with no real estate commissions payable).

20. As Hardwood would receive no less in a sale to Wako than it would in a sale to an arm's-length

purchaser in an open market sale, Mr. Williams, as the sole non-interested director, approved an agreement of purchase and sale between Hardwood and Wako effective May 1, 2002 (the "Sale Agreement"). The Sale Agreement will be a standard form Calgary Real Estate Board purchase and sale agreement and will provide that Hardwood will, for a period of no less than 60 days, list for sale in the open market all of its condominium and apartment units at certain prices as defined in the Sale Agreement. Where Units are listed for sale on both an individual and bulk sale basis, Hardwood may, over such 60 day period, reduce the list prices of individual Units, provided that the aggregate list price of such Units on an individual basis shall never be less than the list price of such Units on a bulk basis. As individual Units are sold, the related bulk sale list price shall be reduced in proportion to the number of Units sold (the foregoing individual and bulk list prices, as may be adjusted as provided for above being hereinafter referred to as the "List Prices"). The Sale Agreement will unconditionally obligate Wako to purchase, and Hardwood to sell, all of Hardwood's Units that either have not been sold by June 30, 2002, or are not subject to an agreement of purchase and sale with an arm's-length purchaser on June 30, 2002, that subsequently becomes unconditional and closes. The Sale Agreement will further provide that the purchase of Units by Wako will be completed for the List Prices of the Units, less any real estate commissions that would have been payable by Hardwood had such Units been sold to an arm's-length purchaser in the open market but that will not be payable upon a sale of such Units to Wako.

21. The structure of the transaction is such that any Unit sold to the Related Party will only be sold thereto if arm's length third party purchasers are not found to purchase the Units at the List Prices.

22. The Circular will provide shareholders with full disclosure of the proposed transaction and the Special Meeting will afford them the opportunity to cast a vote in respect of the transaction. Any votes cast by Mr. Gus Kolias, Mrs. Kolias, Wako, or any of their associates or affiliates will not be counted in respect of the proposed resolution approving the Related Party Sale.

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

IT IS DECIDED pursuant to section 9.1 of Rule 61-501 that Hardwood shall be exempt from the valuation requirements contained in section 5.5 of Rule 61-501 in connection with the Related Party Sale provided that:

(1) the Related Party Sale occurs at the List Prices (subject to reduction for any avoided real estate commissions as described in paragraph 20 above);

(2) the Related Party Sale occurs only after the Units have been listed for sale at the List Prices by real estate agents for at least 60 days and in the manner described in paragraphs 20 and 21 above; and

(3) Hardwood complies with the other applicable provisions of Rule 61-501.

May 8, 2002.

"Ralph Shay"

2.1.7 CIBC Mellon Trust Company - MRRS Decision

Headnote

MRRS - relief allowing the delivery of certain proxy materials to registered and non-registered security holders by electronic means.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 85, 86(1)(a), 147.

Rules Cited

In the Matter of Certain Reporting Issuers (1997) 20 O.S.C.B. 1219 (March 1, 1997), as amended (including National Policy Statement No. 41 Shareholder Communication).

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NOVA SCOTIA, PRINCE EDWARD ISLAND, NEW BRUNSWICK, NEWFOUNDLAND, 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
CIBC MELLON TRUST COMPANY

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities regulatory authority or regulator (the “Decision Maker”), in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, Prince Edward Island, New Brunswick, Newfoundland, the Northwest Territories, Nunavut and the Yukon Territory (collectively, the “Jurisdictions”) has received an application from CIBC Mellon Trust Company (“CIBC Mellon”), as an interested company, for a decision pursuant to the securities legislation of the Jurisdictions (the “Legislation”) that: (i) Participating Issuers (as defined below), and (ii) Participating Intermediaries (as defined below), on whose behalf CIBC Mellon delivers Proxy-Related Materials (as defined below) using the CIBC Mellon Electronic Delivery Procedures (as defined below), be exempt from requirements of the Legislation that delivery of such Proxy-Related Materials be made by prepaid mail, postage-paid first class mail, personal delivery, or similar forms of delivery as applicable (the “Paper Delivery Requirements”);

2. **AND WHEREAS** pursuant to 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** CIBC Mellon has represented to the Decision Makers that:

3.1 CIBC Mellon is a trust company organized under the laws of Canada and is fifty per cent owned by each of Canadian Imperial Bank of Commerce and Mellon Bank Canada. It is not a reporting issuer, or its equivalent, in any province or territory of Canada;

3.2 CIBC Mellon is a “service company” for the purposes of National Policy Statement No. 41 (“NP 41”) that provides shareholder communication services as agent for issuers or other persons and companies required by law to communicate with security holders;

3.3 in connection with a meeting (the “Meeting”) of security holders of a reporting issuer or the equivalent, CIBC Mellon proposes to deliver proxy-related materials, as defined in NP 41, and where applicable, a request for voting instructions in lieu of a form of proxy (collectively, the “Proxy-Related Materials”), to (i) the registered holders, as defined in NP 41, on behalf of such reporting issuer or equivalent (the “Participating Issuer”) and, (ii) the non-registered holders, as defined in NP 41, on behalf of certain intermediaries (the “Participating Intermediaries”), using CIBC Mellon electronic delivery procedures as described in paragraph 3.4 below (the “CIBC Mellon Electronic Delivery Procedures”);

3.4 The material features of the CIBC Mellon Electronic Delivery procedures are as follows:

3.4.1 CIBC Mellon Electronic Delivery Procedures will be offered as an alternative to the Paper Delivery Requirements, and registered and non-registered holders (collectively, the “Security Holders”) of a Participating Issuer may choose to receive Proxy-Related Materials in paper form delivered in accordance with the applicable Paper Delivery Requirements;

3.4.2 Participating Issuers will obtain advance consent of Security

Holders, either in written paper format or electronically, for delivery of Proxy-Related Materials pursuant to the CIBC Mellon Electronic Delivery Procedures. Security Holders will be eligible to use the CIBC Mellon Electronic Delivery Procedures only if they provide consent;

3.4.3 CIBC Mellon will, on behalf of a Participating Issuer, send to Security Holders of such issuer, a consent in the form prepared by a Participating Issuer (the "Consent"). The form of Consent will provide a detailed explanation of the CIBC Mellon Electronic Delivery Procedures including the specific Proxy-Related Materials that will be available electronically, technical requirements for viewing such Proxy-Related Materials, the period of time that such Proxy-Related Materials will be available and the steps that the Participating Issuer will take or cause CIBC Mellon to take to give future notice that a document is being delivered by way of the CIBC Mellon Electronic Delivery Procedures. Security Holders of Participating Issuers whose completed Consents are received by CIBC Mellon will be registered by CIBC Mellon for the CIBC Mellon Electronic Delivery Procedures;

3.4.4 CIBC Mellon anticipates delivering written paper format Consents to all new Security Holders of a Participating Issuer and to existing Security Holders of a Participating Issuer (other than those Security Holders that have previously registered for the CIBC Mellon Electronic Delivery Procedures) in connection with the delivery of Proxy-Related Materials;

3.4.5 Additionally, once CIBC Mellon has completed certain system enhancements, Security Holders of a Participating Issuer will have the option of delivering a Consent electronically, either through the CIBC Mellon Web site or Participating Issuer's Web site. In order to provide an electronic Consent, a Security Holder must use the unique, confidential personal identifier number assigned to such Security Holder by CIBC Mellon;

3.4.6 On the date that Proxy-Related Materials are to be mailed to a Participating Issuer's Security Holders in accordance with the requirements of the Legislation, CIBC Mellon will send notice either in writing or electronically (the "Delivery Notice") to a Security Holder registered under the CIBC Mellon Electronic Delivery Procedures that such Proxy-Related Materials are available electronically at the Participating Issuer's Web site;

3.4.7 A Security Holder will be able to access, view and download the relevant Proxy-Related Materials at a Participating Issuer's Web site by following the detailed instructions contained in the Delivery Notice;

3.4.8 Security Holders may choose not to participate in the CIBC Mellon Electronic Delivery Procedures at any time by revoking their Consent, either in writing or electronically. If in connection with the sending of any Delivery Notice CIBC Mellon receives notice that delivery to a Security Holder was not successful, CIBC Mellon will deliver the relevant Proxy-Related Materials to such Security Holder in accordance with the applicable Paper Delivery Requirements;

3.5 The CIBC Mellon Electronic Delivery Procedures do not meet the Paper Delivery Requirements applicable to certain Proxy-Related Materials which must be delivered to Security Holders; however, the CIBC Mellon Electronic Delivery Procedures will comply with the principles set out in National Policy 11-201—*Delivery of Documents by Electronic Means*, and with the delivery requirements for applicable Proxy-Related Materials under proposed National Instrument 54-101—*Communication with Beneficial Owners of Securities of a Reporting Issuer*;

3.6 The CIBC Mellon Electronic Delivery Procedures are functionally equivalent to delivering the Proxy-Related Materials in accordance with the Paper Delivery Requirements, because they appropriately address the elements of notice, access, evidence of delivery and non-corruption or alteration of documents in the delivery process;

3.7 The CIBC Mellon Electronic Delivery Procedures improve the efficiency and competitiveness of the Canadian system for shareholder communications;

3.8 Canadian and U.S. markets are increasingly interdependent and electronic delivery and voting is already available to Canadian security holders of U.S. issuers;

3.9 The proposed CIBC Mellon Electronic Delivery Procedures are well accepted and field-tested in the U.S. market;

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 pursuant to the Legislation is that, with respect to a Meeting:

6.1 a Participating Issuer be exempt from the requirements of the Legislation to send Proxy-Related Materials to its registered holders in accordance with the Paper Delivery Requirements where CIBC Mellon, on behalf of the Participating Issuer, delivers such Proxy-Related Materials to the Security Holders of the Participating Issuer pursuant to the CIBC Mellon Electronic Delivery Procedures; and

6.2 A Participating Intermediary be exempt from the requirement of the Legislation to send Proxy-Related Materials to non-registered holders of a Participating Issuer in accordance with the Paper Delivery Requirements where CIBC Mellon on behalf of the Participating Intermediary, sends such Proxy-Related Materials to such non-registered holders pursuant to the CIBC Mellon Electronic Delivery Procedures;

provided that this MRRS Decision Document shall terminate on the day that is three years after the date hereof.

April 2, 2001.

“Stephen P. Sibold” “John W. Cranston”

2.1.8 CM Investment Management Inc. - MRRS Decision

Headnote

Investment by the RSP Funds in forward contracts issued by related counterparties exempted from the requirements of s. 113, s. 117 & ss. 121(2)(a)(ii).

Statutes Cited

Securities Act (Ontario), R.S.O. 1990, c. S.5., as am., 111(2)(a), 111(2)(c)(ii), 117(1)(a), 117(1)(d) and 118(2)(a).

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

AND

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

AND

IN THE MATTER OF
FRONTIERS INTERNATIONAL EQUITY RSP POOL
FRONTIERS U.S. EQUITY RSP POOL
RENAISSANCE GLOBAL GROWTH RSP FUND
RENAISSANCE GLOBAL SECTORS RSP FUND
RENAISSANCE GLOBAL TECHNOLOGY RSP FUND
RENAISSANCE GLOBAL VALUE RSP FUND
RENAISSANCE INTERNATIONAL GROWTH RSP FUND
RENAISSANCE TACTICAL ALLOCATION RSP FUND

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application from CM Investment Management Inc. ("CM"), as manager and trustee of the Frontiers International Equity RSP Pool, Frontiers U.S. Equity RSP Pool (collectively the "Frontiers RSP Pools"), Renaissance Global Growth RSP Fund, Renaissance Global Sectors RSP Fund, Renaissance Global Technology RSP Fund, Renaissance Global Value RSP Fund, Renaissance International Growth RSP Fund and Renaissance Tactical Allocation RSP Fund and other mutual funds managed by CM having an investment objective or strategy that is linked to the returns or portfolio of another specified CM mutual fund while remaining 100% eligible for registered plans (all, including the Frontiers RSP Pools, collectively referred to as the "RSP Funds"), for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the following prohibitions or requirements in the Legislation (the "Applicable Requirements") shall not apply to CM or the RSP Funds, as the case may be, in respect of certain investments to be made by the RSP Funds in forward contracts and other derivative instruments of Canadian Imperial Bank of Commerce ("CIBC") and its affiliates:

1. the provision requiring the management company of a mutual fund to file a report relating to the purchase or sale of securities between the mutual fund and any related person or company, or any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, the mutual fund is a joint participant with one or more of its related persons or companies;

2. the provision prohibiting a mutual fund from knowingly making and holding an investment in a person or company who is a substantial securityholder of the mutual fund, its management company or distribution company;

3. the provision prohibiting a mutual fund from knowingly making and holding an investment in an issuer in which any person or company who is a substantial securityholder of the mutual fund, its management company or distribution company has a significant interest;

4. the provision prohibiting a portfolio manager or, in British Columbia, the mutual fund, from knowingly causing an investment portfolio managed by it to invest in any issuer in which a "responsible person" (as that term is defined in the Legislation) or an associate of a responsible person is an officer or director, unless the specific fact is disclosed to the client and, if applicable, the written consent of the client to the investment is obtained before the purchase.

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 CM has represented to the Decision Makers that:

1. CM is a corporation amalgamated under the laws of Canada with its registered office located in Ontario. CM is the manager, trustee, promoter and portfolio manager of the existing RSP Funds.

2. The existing RSP Funds are open-end mutual funds established under the laws of Ontario. Units of the Frontiers RSP Pools are qualified for distribution pursuant to an amended and restated simplified prospectus dated March 28, 2002 in each Jurisdiction. Units of the other existing RSP Funds are qualified for distribution pursuant to a separate amended and restated simplified prospectus dated March 28, 2002 in each Jurisdiction.

3. Each of the existing RSP Funds is a reporting issuer under the securities laws of each of the provinces and territories of Canada. None of the existing RSP Funds is in default of the Legislation.

4. The RSP Funds enter into forward contracts or other derivative instruments with one or more institutions to link the return of the RSP Fund to the return of the corresponding underlying fund or to the portfolio securities of the corresponding underlying fund.

5. CIBC is a bank listed in Schedule I to the *Bank Act* (Canada). CIBC owns all of the outstanding shares of CM.

6. There may be directors or officers of CIBC and its affiliates that are also directors or officers of CM.

7. The RSP Funds intend to enter into forward contracts and other specified derivatives (collectively the "Forward Contracts") with CIBC and its affiliates (collectively the "Related Counterparties") so long as the pricing terms of the forward contracts or other specified derivatives are comparable to those offered by the Related Counterparty to other third parties of similar size to the RSP Fund.

8. The independent auditors of the RSP Funds (the "Independent Auditors"), none of whom are themselves directors, officers or employees of CM or any affilliate of CM, will review all the pricing terms of the Forward Contracts to ensure that the RSP Funds will receive terms and pricing that are at least as favourable as those available to the RSP Funds with arm's length Counterparties from time to time.

9. The Prospectus, and any renewal thereof, will disclose the involvement of the Related Counterparty in the Forward Contracts with the Related Counterparty

10. In the absence of this Decision, each RSP Fund is prohibited from knowingly making or holding an investment in securities of the Related Counterparies.

11. In the absence of this Decision CM is required to file a report on every purchase or sale of securities of the Related Conterparties.

12. In the absence of this Decision, the portfolio manager, or mututal fund, is prohibited from causing each RSP Fund to invest its assets in securities of the Related Counterparties unless the specific fact is disclosed to investors and, if applicable, the written consent of investors is obtained before the purchase.

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 Applicable Requirements shall not apply to the RSP Funds or CM, as the case may be, in respect of investments by the RSP Funds in the Forward Contracts with a Related Counterparty, that are made in compliance with the following conditions:

1. the pricing terms offered by the Related Counterparties to the RSP Fund under the Forward Contracts or other specified derivatives are at least as favourable as the terms committed by the Related Counterparties to other third parties, which are of similar size as the RSP Fund;

2. prior to the RSP Fund entering into a Forward Contract with a Related Counterparty, the Independent Auditors of the RSP Fund will review the pricing offered by the Related Counterparty to the RSP Fund against the pricing offered by the Related Counterparty to other fund groups offering RSP funds of similar size, to ensure the pricing is at least as favourable;

3. the review by the Independent Auditors will be undertaken not less frequently than on a quarterly basis and, in addition, on every renewal or pricing amendment to each Forward Contract, during the term of such contract;

4. the RSP Fund's simplified prospectus discloses the Independent Auditors' role and their review of the Forward Contract, as well as the involvement of the Related Counterparties; and

5. the RSP Fund will enter into Forward Contracts with the Related Counterparties only once confirmation of favourable pricing is received from the independent auditors of the RSP Fund.

May 15, 2002.

"Theresa McLeod" "Robert L. Shirriff"

2.1.9 Scotia Securities Inc. - MRRS Decision

Headnote

MRRS for Exemptive Relief Applications - applicant manages mutual fund which tracks the performance of a specified target index; portfolio advisor is a wholly owned subsidiary of a company whose shares form part of target index; exemption granted from the mutual fund conflict of interest investment restrictions in clause 111(2)(a) and 111(3) of the Act in respect of proposed investments by the mutual fund in securities of a substantial security holder of mutual fund's portfolio advisor.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., clause 111(2)(a), subsection 111(3) and section 113.

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

AND

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

AND

**IN THE MATTER OF
SCOTIA AMERICAN STOCK INDEX FUND**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Makers") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland and Labrador (collectively, the "Jurisdictions") have received an application (the "Application") from Scotia Securities Inc. ("SSI"), in its capacity as trustee and manager of the Scotia American Stock Index Fund (the "Index Fund"), for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the restrictions contained in the Legislation prohibiting a mutual fund from knowingly making or holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company (together, the "Restrictions"), shall not apply in respect of investments made by the Index Fund;

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

AND WHEREAS SSI has represented to the Decision Makers that:

1. SSI is a corporation incorporated under the laws of the Province of Ontario. SSI is the trustee and manager of the Index Fund.

2. The Index Fund is an open-end mutual fund trust established under the laws of the Province of Ontario. The Index Fund is a reporting issuer under the securities legislation of each Jurisdiction and units of the Index Fund are qualified for distribution under a simplified prospectus and annual information form dated December 3, 2001, as amended, and accepted by the Decision Makers in each of the Jurisdictions.

3. The portfolio advisor of the Index Fund is State Street Global Advisors, Ltd. ("SSGA"). SSGA was appointed portfolio advisor of the Fund effective March 1, 2002. SSGA is an indirect wholly-owned subsidiary of State Street Corporation ("State Street").

4. The investment objective of the Index Fund is long-term capital growth by tracking the performance of a generally recognized U.S. equity index, currently the Standard & Poor's 500 Total Return Index (the "Target Index"). In order to achieve its investment objective, the Index Fund's primary investment strategy is to invest all of its assets directly in the securities of companies included in the Target Index in substantially the same proportion as such securities are weighted in the Target Index.

5. The Fund is an index mutual fund as defined in National Instrument 81-102 Mutual Funds.

6. Among the securities comprising the Target Index are common shares of State Street.

7. Due to the Restrictions, the Index Fund has not, while under the portfolio management of SSGA, invested in common shares of State Street. It has instead invested in alternate securities to attempt to match the performance and risk composition of the Target Index.

8. The portfolio of the Index Fund is not actively managed. The portfolio is passive and is comprised of securities comprising the Target Index. Purchases and sales of portfolio securities of the Fund are determined by the composition of the Target Index and the weightings therein of the constituent securities.

9. The deviation from the Restrictions will not be the result of any active decision of SSGA to increase the investment of the Index Fund in any particular issuer, but rather an indirect consequence of carrying out the investment objective of the Index Fund to match the performance of the Target Index.

10. The investments by the Index Fund in common shares of State Street represent the business judgement of responsible persons uninfluenced by considerations other than the best interests of the Index Fund.

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

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the Restrictions do not apply to the investment by the Index Fund in securities of State Street;

PROVIDED THAT the proportion of the Index Fund's assets to be invested in common shares of State Street is determined in accordance with the Index Fund's stated investment strategy of investing in the constituent securities of the Target Index in substantially the same proportion as such securities are weighted in that index, and not pursuant to the discretion of SSI or SSGA.

May 16, 2002.

"Paul M. Moore" "Harold P. Hands"

2.1.10 Fidelity Investments Canada Limited and Dow AgroSciences Canada Inc. - MRRS Decision

Headnote

Variation of previous MRRS Decision extending the duration and extending the time within which the applicant must transfer its group retirement business to an entity that is appropriately registered.

Director's Decision

Variation of the duration of the original director's decision and extending the specified time within which the applicant must transfer its group retirement business to an entity that is properly registered.

Applicable Ontario Statute

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

Applicable Ontario Securities Commission Rule

Rule 31-505 "Conditions of Registration" (1999) 22 O.S.C.B. 731, ss. 1.5 and 4.1.

**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
FIDELITY INVESTMENTS CANADA LIMITED AND
DOW AGROSCIENCES CANADA INC.**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, and Ontario (the "Jurisdictions") has received an application (the "Application") from Fidelity Investments Canada Limited ("Fidelity") to vary the MRRS Decision Document dated August 1, 2001 IN THE MATTER OF FIDELITY INVESTMENTS CANADA LIMITED AND DOW AGROSCIENCES INC. (the "Original MRRS Decision") which provided, subject to terms and conditions, relief from the Dealer Registration Requirement (as defined in the Original MRRS Decision) for certain trades in shares of common stock of The Dow Chemical Company ("Common Shares") made by Fidelity on behalf of the Group Retirement Clients (as defined below) in the employer-sponsored savings plan (the "Program") of Dow AgroSciences Canada Inc. ("DowAgro");

AND WHEREAS Fidelity wishes to vary the duration of the Original MRRS Decision and extend the specified time within which it must transfer its Group Retirement Business (as defined below) to an entity that is appropriately registered under the securities legislation of the Jurisdictions (the "Legislation") to trade in securities;

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 Fidelity has represented to the Decision Makers that:

1. Fidelity is registered in all Jurisdictions as a dealer in the category of mutual fund dealer and is, or will be, registered as an adviser in the categories of "investment counsel" and "portfolio manager" in all Jurisdictions.

2. Fidelity's registration under the legislation of the Jurisdictions (other than Quebec) as a "mutual fund dealer" has been, or is expected to be, restricted to certain activities that are incidental to its principal business. The restricted trading activity includes trades by Fidelity to a participant in an employer-sponsored plan until the earlier of:

   (i) the assumption of such trading activity by Fidelity Intermediary Securities Company Limited, a wholly-owned subsidiary of Fidelity, and

   (ii) December 31, 2002.

3. Currently, Fidelity sells Common Shares to certain participants ("Group Retirement Clients") in the Program.

4. Fidelity Retirement Services Company of Canada Limited ("New Fidelity"), a wholly-owned subsidiary of Fidelity, has applied for registration under the Legislation as a mutual fund dealer and has applied for membership in the Mutual Fund Dealers Association (the "MFDA").

5. The Original MRRS Decision, a decision of the Director of the Ontario Securities Commission dated August 1, 2001 (the "Original Director's Decision") and an Order of the Alberta Securities Commission dated July 31, 2001 (collectively, the "Relief") was granted to Fidelity and allows it to trade in securities of Common Shares where the trade is made to a Group Retirement Client until the earlier of:

   (i) the assumption of such trading activity by New Fidelity; and

   (ii) July 2, 2002 (the "Deadline").

6. The facts set out in the Relief are accurate, except as otherwise stated herein.

7. At the time when Fidelity received the Relief, Fidelity intended to transfer the Group Retirement Clients to New Fidelity, once New Fidelity was registered as a mutual fund dealer in each jurisdiction and was accepted as a member of the MFDA.

8. To service its Group Retirement Clients, Fidelity has determined that the business needs of the Group Retirement Clients (the "Group Retirement Business") requires greater flexibility in terms of the product offering that would be permitted under a mutual fund dealer registration.

9. Fidelity has determined that the Group Retirement Clients will be more appropriately serviced by an investment dealer that is a member of the Investment Dealers Association of Canada (the "IDA").

10. Fidelity has incorporated another wholly-owned subsidiary under the Business Corporations Act (Ontario), Fidelity Intermediary Securities Company Limited (the "IDA Company"), which has submitted an application for registration as an investment dealer in each Canadian jurisdiction. The IDA Company is a member of the IDA.

11. Fidelity intends on transferring its Group Retirement Clients to the IDA Company no later than December 31, 2002. Fidelity proposes to run its Group Retirement Business as a division of the IDA Company once the IDA Company has become registered in each Canadian jurisdiction and once certain systems and other changes have been made to ensure that the business can be conducted in a manner that is compliant with the IDA By-laws and Rules.

12. Fidelity is unable to transfer the Group Retirement Clients to the IDA Company by the Deadline due to a number of operational and systems reasons.

13. Fidelity is attempting to ensure that the transfer of the Group Retirement Clients will be completed as soon as possible.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "MRRS 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 MRRS DECISION of the Decision Makers, pursuant to the Legislation of each Jurisdiction, is that:

1. the representation in paragraphs 3 and 4 of the Original MRRS Decision are replaced with paragraphs 2 and 10, respectively, of this MRRS Decision; and

2. proviso number 3 of the Original MRRS Decision is replaced with the following:

   "3. this MRRS Decision will terminate upon the earlier of:

      (1) the assumption of the activity referred to in paragraph 17 by Fidelity Intermediary Securities Company Limited; and

      (2) December 31, 2002;"

PROVIDED THAT Fidelity complies with all other terms and conditions of the Original MRRS Decision.

May 14, 2002.

"Mary Theresa McLeod" "Robert L. Shirriff"

DECISION OF THE DIRECTOR UNDER THE SECURITIES LEGISLATION OF ONTARIO

WHEREAS the Director of the Ontario Securities Commission (the "Director") has received an application from Fidelity to vary a decision of the Director that was granted pursuant to section 4.1 of Rule 31-505 - Conditions of Registration (the "Registration Rule") on August 1, 2001 (the "Original Director's Decision"), which provided relief from the requirements in paragraph 1.5(1)(b) of the Registration Rule to make enquiries of each participant in the Program, when Fidelity makes certain trades in Common Shares on behalf of the participants in the employer-sponsored savings plan of DowAgro;

AND WHEREAS Fidelity wishes to vary the duration of the Original Director's Decision and extend the specified time within which it must transfer its Group Retirement Business to an entity that is appropriately registered under the Legislation to trade in securities;

AND WHEREAS Fidelity has made to the Director the same representations referred to in the above MRRS Decision;

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

IT IS THE DECISION of the Director, pursuant to section 4.1 of the Registration Rule, that, effective on the effective date of the above MRRS Decision, that the proviso in the Original Director's Decision stipulating that the Original Director's Decision will terminate upon the earlier of:

(1) the assumption of the activity referred to in paragraph 17 of the above MRRS decision by New Fidelity; and

(2) July 2, 2002;

is replaced with the following:

(1) the assumption of the activity referred to in paragraph 17 by Fidelity Intermediary Securities Company Limited; and

(2) December 31, 2002;

PROVIDED THAT Fidelity complies with all other terms and conditions of the Original MRRS Decision.

May 14, 2002.

"David M. Gilkes"

2.1.11 Trilon Securities Corporation - ss. 5.1(2) of NI 33-105

Headnote

National Instrument 33-105 - Issuer proposing to make public offering of units - filer proposing to underwrite approximately 4.1% of the offering - filer prohibited from acting as direct underwriter in the distribution since the issuer is a related issuer of the filer - filer unable to rely on exemption in subsection 2.1(3) of NI 33-105 since the proportionate share of the offering to be underwritten by the largest independent underwriter is 14.2% - independent underwriters in the aggregate will collectively underwrite approximately 42.1% of the offering - relief granted from subsection 2.1 of NI 33-105 in connection with the offering.

Applicable Rules

National Instrument 33-105 Underwriting Conflicts.

IN THE MATTER OF
NATIONAL INSTRUMENT 33-105
UNDERWRITING CONFLICTS ("NI 33-105")

AND

IN THE MATTER OF
TRILON SECURITIES CORPORATION

AND

GREAT LAKES HYDRO INCOME FUND

DECISION
(SUBSECTION 5.1(2) OF NI 33-105)

UPON the application of Trilon Securities Corporation (the "Filer") to the Director of the Ontario Securities Commission (the "Commission") for a decision pursuant to subsection 5.1(2) of NI 33-105 that the Filer be exempt from the prohibition contained in subsection 2.1 of NI 33-105 of registrants making a distribution under a prospectus as a direct underwriter if a related issuer of the registrant is the issuer in the distribution;

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

AND UPON the Filer representing to the Commission and the Director as follows:

1. Great Lakes Hydro Income Fund (the "Issuer") is an unincorporated open-ended trust created by a trust agreement dated September 14, 1999, as amended and restated October 27, 1999, under the laws of the Province of Québec.

2. The Issuer's head office and registered office is located in Masson-Angers, Québec.

3. The current primary business of the Issuer is owning and operating electricity generating facilities in Canada.

4. The Issuer is not in financial difficulty. The Issuer is not under any immediate financial pressure to proceed with a proposed offering (the "Offering") of units ("Units") of the Issuer.

5. The Units are listed on The Toronto Stock Exchange.

6. The Issuer is currently a "reporting issuer" in each of the Provinces of Canada. The Offering will be made under a short form prospectus (the "Prospectus"). The preliminary Prospectus relating to the Offering was filed on May 10, 2002.

7. The underwriters of the Offering (the "Underwriters") are CIBC World Markets Inc. ("CIBCWM"), RBC Dominion Securities Inc. ("RBCDS"), Scotia Capital Inc. ("Scotia"), TD Securities Inc. ("TDSI"), BMO Nesbitt Burns Inc. ("Nesbitt"), National Bank Financial Inc. ("NBF"), Trilon Securities Corporation ("Trilon"), FirstEnergy Capital Corp. ("FEC") and HSBC Securities Canada Inc. ("HSBC").

8. The proportionate share of the Offering underwritten by each of the Underwriters is expected to be as follows:

CIBCWM	27.4%
RBCDS	16.2%
Scotia	14.2%
TDSI	14.2%
Nesbitt	10.2%
NBF	10.2%
Trilon	4.1%
FEC	2.0%
HSBC	1.5%

9. The preliminary Prospectus contains and the final Prospectus will contain a certificate signed by each of the Underwriters.

10. Canadian Imperial Bank of Commerce ("CIBC") and Royal Bank of Canada ("Royal") have extended to Great Lakes Power Trust ("GLPT"), a trust wholly owned by the Issuer, a secured credit facility in the amount of $50 million (the "CIBC/Royal Loan"). As of March 31, 2002, approximately $7.3 million was outstanding under the CIBC/Royal Loan and GLPT is in compliance with the terms of such loan.

11. National Bank of Canada ("National"), CIBC and Canadian Western Bank have extended to Powell River Energy Inc. ("PREI"), an indirect subsidiary of the Issuer, a secured credit facility in the amount of $70 million (the "National/CIBC/CW Loan"). As of March 31, 2002 approximately $70 million was outstanding under the

National/CIBC/CW Loan and PREI is in compliance with the terms of such loan. The CIBC/Royal Loan and the National/CIBC/CW Loan are hereinafter collectively referred to as the "Bank Loans" and CIBC, National and Royal are hereinafter collectively referred to as the "Banks".

12. Each of CIBCWM, RBCCM and NBF (the "Connected Registrants") is a direct subsidiary of one of the Banks.

13. Trilon Bancorp Inc. ("Trilon Bancorp") has extended to PREI a secured credit facility in the amount of $35 million (the "Trilon PREI Loan"). As of March 31, 2002 approximately $3 million was outstanding under the Trilon PREI Loan and PREI is in compliance with the terms of such loan.

14. In connection with the funding of the acquisition of four hydroelectric generating stations on the Mississagi River, east of Sault Ste. Marie, Ontario for $340 million (the "Acquisition"), the Issuer will be entering into two bridge credit facilities which will be provided in whole or in part by Trilon Bancorp (the "Mississagi Credit Facilities"). The first bridge credit facility will mature one year after the closing of the Acquisition (the "Mississagi Closing") and will be secured. Interest on amounts drawn and outstanding under this facility will be charged at the 30 day CIBC Bankers Acceptance rate plus 150 basis points and all interest payments are due and payable on the 28th day of each month. The second bridge credit facility will mature 60 days after the Mississagi Closing. Interest on amounts drawn and outstanding under this facility will be charged at the 30 day CIBC Bankers Acceptance rate plus 350 basis points. The second bridge credit facility is subordinate to the terms of the first secured bridge credit facility. The Mississagi Credit Facilities are subject to usual conditions precedent to be satisfied prior to drawdown. The Trilon PREI Loan and the Mississagi Credit Facilities are hereinafter collectively referred to as the "Trilon Loans".

15. Trilon Bancorp and Trilon are both subsidiaries of Trilon Financial Corporation ("Trilon Financial"), and both Trilon Financial and the Issuer are indirect subsidiaries of Brascan Corporation ("Brascan").

16. In light of the Bank Loans, the Issuer may be considered a "connected issuer" of the Connected Registrants pursuant to subsection 1.1 of NI 33-105.

17. In light of the Trilon Loans and the common indirect ownership of both the Issuer and Trilon by Brascan, the Issuer may be considered to be both a "connected issuer" and a "related issuer" of Trilon pursuant to subsection 1.1 and 1.2(2) of NI 33-105, respectively.

18. Each of Scotia, TDSI, Nesbitt, HSBC and FEC (the "Independent Underwriters") is unrelated to the Banks, to Trilon Bancorp and to the Issuer, and the Independent Underwriters are collectively underwriting 42.1% of the Offering.

19. Subsection 2.1(3)(a) of NI 33-105 provides for an exemption for registrants to whom subsection 2.1(2) applies, whereby at least one registrant acting as direct underwriter acts as principal, so long as an independent underwriter underwrites not less than the lesser of (A) 20% of the dollar value of the distribution, and (B) the largest portion of the distribution underwritten by a registrant that is not an independent underwriter. However, under the Offering, no independent underwriter within the meaning of NI 33-105 will underwrite 20% or more of the dollar value of the distribution, and the largest portion of the distribution is not being underwritten by a registrant that is an independent underwriter.

20. The Prospectus will contain the information required in Appendix C to NI 33-105.

21. The Banks, Trilon Bancorp and Brascan did not participate in the decision to make the Offering or in the determination of the terms of the distribution or the use of proceeds thereof.

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

IT IS HEREBY DECIDED pursuant to subsection 5.1(2) of NI 33-105 that the Filer is exempt from subsection 2.1 of NI 33-105 in connection with the Offering.

May 17, 2002.

"Margo Paul"

2.2 Orders

2.2.1 Andaurex Industries Inc. - ss. 83.1(1)

Headnote

Subsection 83.1(1) - issuer deemed to be a reporting issuer in Ontario - issuer has been a reporting issuer in British Columbia since February 13, 1981 and in Alberta since November 29, 1999 - issuer listed and posted for trading on the Canadian Venture Exchange - continuous disclosure requirements of British Columbia and Alberta substantially identical to those of Ontario.

Statutes Cited

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

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

AND

IN THE MATTER OF
ANDAUREX INDUSTRIES INC.

ORDER
(Subsection 83.1(1))

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

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

AND UPON the Company representing to the Commission as follows:

1. The Company was incorporated pursuant to the laws of British Columbia on January 22, 1980.

2. The head office of the Company is located 913 Quarry Road, Carleton Place, Ontario, K7C 3P1.

3. The authorized capital of the Company consists of 100,000,000 common shares without par value. As at March 25, 2002, 6,780,800 common shares had been issued and 770,000 common shares had been reserved for stock options.

4. The Company has been a reporting issuer under the *Securities Act* (British Columbia) (the "B.C. Act") since February 13, 1981 and a reporting issuer under the *Securities Act* (Alberta) (the "Alberta Act") since November 29, 1999.

5. The Company is not in default of any requirements of the B.C. Act or the Alberta Act.

6. The common shares of the Company are listed on the TSX Venture Exchange (formerly, the Canadian Venture Exchange), and the Company is in compliance with all requirements of the TSX Venture Exchange.

7. The Company is not a reporting issuer in Ontario, and is not a reporting issuer, or equivalent, in any other jurisdiction, except British Columbia and Alberta.

8. The Company has a significant connection to Ontario for the reasons that significantly greater than 10 per cent of the beneficial and registered shareholders of the Company had, as at March 25, 2002, residence in Ontario, and the mind and management of the Company are located in Ontario.

9. The continuous disclosure requirements of the B.C. Act and the Alberta Act are substantially the same as the requirements under the Act.

10. The continuous disclosure materials filed by the Company under the B.C. Act since February 13, 1997 and under the Alberta Act since November 29, 1999 are available on the System for Electronic Document Analysis and Retrieval.

11. The Company has not been subject to any penalties or sanctions imposed against the Company by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, and has not entered into any settlement agreement with any Canadian securities regulatory authority.

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

13. Neither the Company nor any of its officers, directors, nor to the knowledge of the Company, its officers and directors, any of its controlling shareholders, is or has been subject to: () any known ongoing or concluded investigations by: (a) a Canadian securities regulatory authority, or (b) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or (ii) any bankruptcy or insolvency proceedings, or other

proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

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

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

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

May 15, 2002.

"Margo Paul"

2.2.2 AGF Funds Inc. - ss. 59(1) of Sched. I of Reg. 1015

Headnote

Exemption from certain duplicate fees otherwise due under subsection 14(1) of Schedule I of the Regulation made under the Securities Act on the distribution of units made by an underlying fund arising in the context of RSP "clone" fund structures and fund-on-fund structures.

Regulations Cited

Regulation made under the Securities Act, R.S.O. 1990, Reg. 1015, as am., Schedule I, ss. 14(1) and 59(1).

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

AND

IN THE MATTER OF
AGF FUNDS INC.

AND

HARMONY RSP NORTH AMERICAN SMALL CAP POOL
HARMONY RSP OVERSEAS EQUITY POOL
HARMONY RSP U.S. EQUITY POOL

ORDER
(Subsection 59(1) of Schedule I of the Regulation made under the Act (the "Regulation"))

UPON the application (the "Application") of AGF Funds Inc. ("AGF") in its own capacity and on behalf of Harmony RSP North American Small Cap Pool (to be renamed Harmony RSP Americas Small Cap Equity Pool), Harmony RSP Overseas Equity Pool and Harmony RSP U.S. Equity Pool and other mutual funds managed by AGF having an investment objective or strategy that is linked to the returns or portfolio of another specified AGF managed mutual fund while remaining 100% eligible for registered plans (collectively, the "Top Pools") and Harmony Americas Small Cap Equity Pool, Harmony Overseas Equity Pool and Harmony U.S. Active Equity Pool (to be renamed Harmony U.S. Equity Pool) or other corresponding AGF managed mutual funds from time to time (collectively, the "Underlying Pools") to the Ontario Securities Commission (the "Commission") for an order pursuant to subsection 59(1) of Schedule I of the Regulation exempting the Underlying Pools from paying duplicate filing fees to the Commission in respect of the distribution of securities of the Underlying Pools to the Top Pools and the distribution of securities of the Underlying Pools on the reinvestment of distributions on such securities;

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

AND UPON AGF having represented to the Commission as follows:

1. AGF is a corporation established under the laws of the Province of Ontario with its head office in Toronto, Ontario. AGF is the manager and trustee of the Top Pools and the Underlying Pools.

2. Each of the Top Pools is, or will be, an open-end mutual fund trust established under the laws of the Province of Ontario.

3. Each of the Underlying Pools is, or will be, a trust established under the laws of Ontario and each of the future Underlying Pools will be either a trust or a corporation.

4. The securities of the Top Pools and the Underlying Pools are or will be qualified for distribution pursuant to a simplified prospectus and annual information form.

5. The Top Pools and the Underlying Pools are or will be reporting issuers in Ontario and are not in default of any requirements of the Securities Act (Ontario).

6. At a meeting to be held on May 16, 2002, the holders of the Existing Top Pools will be requested to approve a change in investment objective such that the investment objective will be to provide long-term growth of capital while maintaining 100% eligibility for registered plans, by entering into forward contracts and other derivatives instruments that are linked to the performance of the applicable Underlying Pool or to the performance of portfolio securities of the applicable Underlying Pool. Each Top Pool may also invest directly in the applicable Underlying Pool up to the amount prescribed from time to time as the maximum permitted amount which may be invested in foreign property under the Income Tax Act (Canada) without the imposition of tax.

7. If the change in investment objective is approved, the change of the Existing Top Pools to an 'RSP clone fund' is expected to occur in June, 2002 or such other date as determined solely by AGF.

8. Applicable securities regulatory approvals and related exemptive relief for the RSP clone fund structure have been requested by application dated March 12, 2002 (MRRS Application Nos. 192/02 and 193/02).

9. In the absence of this Order, annually, each Top Pool is required to pay filing fees to the Commission in respect of the distribution of its units in Ontario pursuant to Section 14 of Schedule I of the Regulation and is similarly 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.

10. In the absence of this Order, annually, each Underlying Pool is required to pay filing fees to the Commission in respect of the distribution of its securities in Ontario (including securities issued to the Top Pool or counterparty) pursuant to Section 14 of Schedule I of the Regulation and is similarly required to pay fees based on the distribution of its securities in other relevant Canadian jurisdictions pursuant to the applicable securities legislation in each of those jurisdictions.

11. A duplication of filing fees pursuant to Section 14 of Schedule I of the Regulation may result when: (a) assets of the Top Pools are invested in an Underlying Pool; and (b) a distribution is paid by an Underlying Pool on securities of the Underlying Pool held by a Top Pool which are reinvested in additional securities of the Underlying Pool ("Reinvested Securities").

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 Schedule I of the Regulation that the Underlying Pools are exempt from the payment duplicate filing fees on an annual basis pursuant to section 14 of Schedule I of the Regulation in respect of the distribution of securities of the Underlying Pools to the Top Pools and the distribution of Reinvested Securities, provided that each Underlying Pool shall include in its notice filed under subsection 14(4) of Schedule I to the Regulation a statement of the aggregate gross proceeds realized in Ontario as a result of the issuance by the Underlying Pools of: (1) securities distributed to the Top Pools; and (2) Reinvested Securities; together with a calculation of the fees that would have been payable in the absence of this Order.

May 14, 2002.

"Theresa McLeod" "Robert Shirriff"

2.2.3 Bimcor Inc.

Headnote

Issuance of units of a mutual fund to pension plans of a related party, as beneficial owners, exempted from the requirements of s. 111(2)(a), (b) and (c), 111(3) of the Securities Act and sections 7.3 and 7.5 of Rule 45-501.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990, c. S.5., as am., 111(2)(a),(b) and (c), 111(3), 113 and 147 and sections 7.3 and 7.5 of Rule 45-501.

IN THE MATTER OF
THE SECURITIES ACT R.S.O. 1990, c.S.5, as amended

AND

IN THE MATTER OF
BIMCOR INC.

ORDER

WHEREAS the Ontario Securities Commission (the "Commission") has received an application from Bimcor Inc. ("Bimcor" or the "Applicant") for a decision pursuant to:

(i) section 113 of the Securities Act (Ontario) (the "Act") that the provisions of section 111(2)(a), 111(2)(c) and 111(3) do not apply to a mutual fund (the "New Fund"), to be established by Bimcor, in respect of investments by the New Fund in the publicly traded securities of BCE Inc. or the publicly traded securities of any issuer in which BCE Inc. has a significant interest (a "BCE Affiliate");

(ii) section 113 of the Act that the provisions of section 111(2)(b) do not apply to the BCE Master Trust Fund (the "Master Trust") in respect of the investment in the New Fund; and

(iii) under section 147 of the Act that the provisions of section 7.3 and 7.5 of Rule 45-501 of the Commission ("Rule 45-501") do not apply in respect of the issue of units by the New Fund;

AND WHEREAS the Applicant has represented to the Commission that:

1. Bimcor is a Canadian corporation which is an indirectly wholly-owned subsidiary of BCE Inc.

2. Bimcor is registered under the Act as an adviser in the category of investment counsel and portfolio manager.

3. The New Fund will be established as an investment trust fund and will be a mutual fund in Ontario. It will be called the Bimcor Balanced Pooled Fund. The New Fund will issue only one series of one class of units. The trustee of the New Fund will be Royal Trust. Bimcor will be the investment manager of the New Fund.

4. Within the meaning of section 110(2) of the Act, BCE Inc., indirectly, is a substantial security holder, of Bimcor which will be the management company of the New Fund, within the meaning of section 1 of the Act, and within the meaning of section 110(2) of the Act , BCE Inc. holds a significant interest in a number of reporting issuers (each, a "BCE Affiliate") directly or indirectly.

5. Bimcor acts as investment manager of a number of investment vehicles for pension funds of the BCE group, including the Master Trust.

6. The Master Trust is a mutual fund in Ontario, within the meaning of the Act. The Royal Trust Company ("Royal Trust") is the trustee of the Master Trust. The units of the Master Trust are held only by the Bell Canada Pension Fund, the BCE Pension Fund and other registered pension plans, the participants in which are employees of one or more corporations in the BCE group.

7. Initially, units in the New Fund will be acquired by the Master Trust. The amount paid by the Master Trust for its units in the New Fund will represent seed capital for the New Fund.

8. At the time the Master Trust acquires units of the New Fund it will be a substantial security holder of the New Fund, within the meaning of section 110(2) of the Act.

9. Shortly after the establishment of the New Fund and from time to time thereafter, units in the New Fund will be acquired by a Canadian insurance corporation (the "Insurance Co"). The Insurance Co will hold its investment in the New Fund in a segregated fund (the "Segregated Fund") established in respect of the issuance by the Insurance Co of variable annuity contracts to several plans (the "DC Pension Plans") each of which is a registered pension plan subject to the requirements of the Pension Benefits Standards Act (Canada) (the "PBSA") and/or applicable provincial pension benefits legislation.

10. The participants in the DC Pension Plans are employees of one or more corporations in the BCE group. The Segregated Fund may also support the issuance by the Insurance Co. of variable annuity contracts to Group RRSPs established for the benefit of employees of one or more corporations in the BCE Group.

11. It is not currently anticipated that any persons other than the Master Trust and the Insurance Co (the "Investors") will acquire units in the New Fund.

12. The issue of units of the New Fund to the Master Trust will be pursuant to the prospectus and registration exemptions in sections 1.1 and 1.2 of Rule 32-503 of the Commission ("Rule 32-503"). The issue of units of the New Fund to the Insurance Co will be pursuant to the prospectus and registration exemption requirements of section 2.3 of Rule 45-501.

13. The participants in the DC Pension Plans and the Group RRSPs will receive an information document relating to the Segregated Fund from the Insurance Co. This document will contain information about the New Fund pursuant to the rules relating to the distribution of segregated funds.

14. The New Fund will establish a portfolio of investments by acquiring securities including publicly traded securities issued by BCE Inc. or a BCE Affiliate. At all relevant times, the New Fund will restrict the amount of foreign property acquired by it to the limit prescribed by the Regulations under the Income Tax Act (Canada). At all times, the New Fund will restrict its investments in BCE Inc. or in a BCE Affiliate to not more than 10% of the book value of the assets of the New Fund and will comply with the other investment requirements of the PBSA. As a result the DC Pension Plans will be permitted to invest more than 10% of the book value of their assets in the New Fund.

15. The DC Pension Plans are permitted under the PBSA to acquire publicly traded securities issued by BCE Inc. or a BCE Affiliate.

16. The New Fund is being established as an investment vehicle through which the funds of the DC Pension Plans may be invested. The Master Trust will acquire units of the New Fund solely to provide seed capital for the New Fund.

17. The DC Pension Plans and the Master Trust are regulated by the PBSA and are permitted under the PBSA to invest directly in the publicly traded securities of BCE Inc. and BCE Affiliates, subject to the provisions of the PBSA. The DC Pension Plans and the Master Trust are also permitted under the PBSA to invest more than 10% of their net assets in a mutual, pooled or segregated fund provided that the mutual, pooled or segregated fund complies with the investment requirements of the PBSA.

18. In the absence of the relief requested, sections 111(2)(a), 111(2)(c) and 111(3) of the Act will prevent the New Fund from investing in and holding publicly traded securities issued by BCE Inc. or a BCE Affiliate.

19. In the absence of the relief requested, section 111(2)(b) of the Act will prevent the Master Trust from investing in units issued by the New Fund if such investment would result in the Master Trust owning more than 20% of the units of the New Fund.

20. In the absence of the relief requested, the New Fund will be required to file Form 45-501F1 and pay the corresponding fees with respect to the issuance of units to the Insurance Co.

AND WHEREAS pursuant to the Act, this Order evidences the decision of the Commission;

AND WHEREAS the Commission is of the opinion that it is the best interests of the New Fund and that it would not be prejudicial to the public interest to make this Order;

IT IS ORDERED pursuant to the Act that:

1. the provisions of section 111(2)(a), 111(2)(c) and 111(3) do not apply to the New Fund in respect of investments by the New Fund in the publicly traded securities of BCE Inc. or a BCE Affiliate;

2. the provisions of section 111(2)(b) do not apply to the Master Trust in respect of the investment in the New Fund; and

3. the provisions of section 7.3 and 7.5 of Rule 45-501 do not apply in respect of the issue of units by the New Fund;

PROVIDED THAT IN RESPECT OF:

1. investments by the New Fund in publicly traded securities of BCE Inc. or a BCE Affiliate, the New Fund complies with the PBSA and/or applicable provincial pension benefits legislation; and

2. investments by the Master Trust in the New Fund, the Master Trust complies with the PBSA and/or applicable provincial pension benefits legislation.

May 17, 2002.

"Paul M. Moore" "Robert W. Korthals"

2.3 Rulings

2.3.1 Sahelian Goldfields Inc. - ss. 74(1)

Headnote

Subsection 74(1) - exemption from prospectus and registration requirements for issuance of securities to creditors of issuer pursuant to proposal made under *Bankruptcy and Insolvency Act* (Canada), subject to certain conditions - first trades by arm's length creditors subject to conditions similar to conditions in subsections (3) or (4) of section 2.6 of Multilateral Instrument 45-102: Resale of Securities - first trades by non-arm's length creditors subject to conditions similar to conditions in subsections (2) or (3) of section 2.5 of Multilateral Instrument 45-102: Resale of Securities.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 25, 53, 72(4), 72(5) and 74(1).
Business Corporations Act, R.S.O. 1990, c. B.16.

Rules Cited

Multilateral Instrument 45-102: Resale of Securities.

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

AND

IN THE MATTER OF
SAHELIAN GOLDFIELDS INC.

RULING
(Subsection 74(1))

UPON the application (the "Application") of Sahelian Goldfields Inc. (the "Applicant"), a reporting issuer in the Provinces of Ontario and British Columbia, to the Ontario Securities Commission (the "Commission") for a ruling pursuant to subsection 74(1) of the *Securities Act* (Ontario) (the "OSA") that the proposed issuance of a maximum of 51,075,745 common shares (the "Common Shares") to the creditors of the Applicant under the Proposal (as hereinafter defined) is not subject to section 25 and section 53 of the OSA;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was created on October 1, 1997 by Articles of Amalgamation under the *Business Corporations Act* (Ontario), by the amalgamation of Sahelian Goldfields Inc. and Sahelian Goldfields Ltd.

2. The Applicant is a reporting issuer under the securities legislation (the "Legislation") of the Provinces of Ontario and British Columbia.

3. The Applicant is a mineral exploration and development company.

4. The securities of the Applicant were quoted on the Canadian Dealing Network and no securities of the Applicant are currently listed or quoted on any exchange or market.

5. The Applicant's authorized capital consists of an unlimited number of Common Shares of which approximately 20,000,000 were issued and outstanding as at the date of the Proposal (as hereunder defined).

6. On July 20, 2001, the Applicant, acting through its trustee, KPMG Inc., Toronto (the "Trustee"), filed a proposal (the "Proposal") to its creditors under the *Bankruptcy and Insolvency Act* (Canada) (the "BIA"). The Proposal, the Trustee's report and overview of the Proposal describing the financial circumstances of the Applicant's financial difficulties was sent to the Applicant's creditors in accordance with the provisions of the BIA. As of the date of filing of the Proposal, the Applicant's creditors have been stayed from taking action against the Applicant. The Applicant has not been placed into receivership or bankruptcy.

7. The Proposal was approved by the majority of the Applicant's creditors at a meeting duly convened and held for such purpose, on August 8, 2001.

8. The Trustee submitted the Proposal to the Superior Court of Ontario (the "Court") which issued an Order dated September 6, 2001, approving the Proposal unconditionally (the "Court Order").

9. The Proposal also provided that, creditors' acceptance of same notwithstanding, additional approvals would be required from the Court, the Applicant's shareholders and the relevant regulatory authorities.

10. Under the Proposal, creditors will receive Common Shares (the "Proposal Shares"), upon reorganization, at a price of $0.02 per share and in a number equal to the ratio of $0.10 for each dollar in proven claims. Proven claims will be converted to Canadian dollars, where required, based on foreign exchange rates in effect at the end of the day on July 20, 2001. It is further provided that the distribution of the Proposal Shares will be made by the Trustee pursuant to section 60(3) of the BIA.

11. As a consequence of the Proposal and the proposed issuance of the Proposal Shares, all of

the Applicant's debts to its creditors would be either compromised or settled.

12. The securities of the Applicant are subject to a cease trade order (the "OSC Cease Trade Order") issued by the Commission on June 14, 2000, which extended a temporary cease trade order issued on June 1, 2000, and a cease trade order (the "BCSC Cease Trade Order) issued by the British Columbia Securities Commission (the "BCSC") on May 29, 1999 (the OSC Cease Trade Order and the BCSC Cease Trade Order hereinafter collectively referred to as the "Cease Trade Orders").

13. On April 9, 2002, the Commission granted a partial revocation of the OSC Cease Trade Order (the "OSC Partial Revocation Order") to permit the following trades or acts in furtherance of trades:

    a. to obtain shareholder approval (the "Shareholder Approval") for the Share-for-Debt Exchange (as defined below) and the Private Placements (as defined below);

    b. to issue the number of Common Shares permitted under the Proposal to the creditors who will have filed proofs of claims, at a price of CDN $0.02 per share and in a number equal to the ratio of CDN $0.10 for each Canadian dollar in proven claims, in full settlements of the debts owed to them (the "Share-for-Debt Exchange");

    c. to issue Common Shares or other form of securities which could include without limitation convertible promissory notes, to persons (the "Purchasers") in order to raise total proceeds of up to $300,000 by way of one or more private placements (the "Private Placements").

14. The Proposal Shares will be subject to the OSC Cease Trade Order following the Share-for-Debt Exchange. Following the completion of the Shareholder Approval, the Share-for-Debt Exchange and the Private Placements, the Applicant intends to make a further application for a full revocation of the OSC Cease Trade Order so as to permit trading of the securities generally. At the time of such application, the Applicant will file with the Commission and provide to its shareholders prospectus level disclosure about the Applicant, its business, affairs and future prospects (including disclosure relating to any reverse take-over, merger, amalgamation or other form of combination or transactions similar to any of the foregoing) in the form of a Material Change Report.

15. The Applicant wishes to resume trading activities as a mineral exploration and development company.

16. Pursuant to the Proposal as approved by the Court, the Applicant must complete the Share-for-Debt Exchange no later than June 6, 2002, failing which the Applicant will automatically be put in bankruptcy.

17. The Share-for-Debt Exchange is exempt from the prospectus requirements and the registration requirements under the *Securities Act* (British Columbia); however no such exemptions exist under the OSA. As at April 22, 2002, approximately ten (10) of the Applicant's creditors who have filed proofs of claims with the Trustee are residents in, or otherwise subject to the securities laws of the Province of Ontario (the "Current Ontario Creditors"), and as such are governed by the provisions of the OSA. For the purposes hereof, on the date of issuance of the Proposal Shares, any additional creditors who will have filed proof of claims with the Trustee and who are residents in, or otherwise subject to the securities laws of the Province of Ontario (the "Subsequent Ontario Creditors") (the Current Ontario Creditors and the Subsequent Ontario Creditors hereinafter collectively referred to as the "Ontario Creditors") will be subject to the provisions herein contained.

18. As at April 22, 2002, the Proposal Shares to be issued to the Ontario Creditors would represent 14,001,100 Common Shares or approximately 27% of the issued and outstanding Common Shares following the issuance of such shares, assuming all liabilities of the Applicant would be reflected by duly filed proofs of claims and assuming such liabilities would result in an issuance of 51,075,745 Common Shares.

19. All of the Current Ontario Creditors are at arm's length to the Applicant. The amounts owing to the Ontario Creditors are *bona fide* debts of the Applicant.

20. The Applicant and all of the Applicant's creditors, including the Ontario Creditors, are bound by the provisions of the Proposal as approved by the Court. The Applicant does not have available cash to satisfy the claims of its creditors. The issuance of the Proposal Shares is the only means available to the Applicant to accommodate the claims of the Applicant's creditors, including the claims of the Ontario Creditors.

21. The shareholders will be fully informed of the current status of the Applicant and have the opportunity to approve the Share-for-Debt Exchange at a meeting scheduled for May 21, 2002.

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

IT IS RULED pursuant to subsection 74(1) of the OSA that the issuance by the Applicant of the Proposal Shares to the Ontario Creditors is not subject to section 25 and section 53 of the OSA, provided that:

(a) concurrently with the issuance of the Proposal Shares to the Ontario Creditors, the Applicant provides to each of the Ontario Creditors:

(i) a copy of this Ruling;

(ii) a copy of the OSC Cease Trade Order;

(iii) a copy of the OSC Partial Revocation Order;

(iv) a statement to the effect that all of the Applicant's securities, including any and all Proposal Shares issued to them pursuant to this Ruling, will remain subject to the OSC Cease Trade Order following the Share-for-Debt Exchange; and

(v) a statement to the effect that as a consequence of this Ruling, certain protections, rights and remedies provided by the OSA, including statutory rights of rescission and/or damages, will not be available in respect of the Proposal Shares issued to them pursuant to this Ruling and that certain restrictions are imposed on the disposition of the Proposal Shares.

(b) the first trade in the Proposal Shares acquired pursuant to this Ruling by an Ontario Creditor, other than a non-arm's length Ontario Creditor, will be a distribution unless such first trade is made in accordance with the provisions of subsections (3) or (4) of section 2.6 of Multilateral Instrument 45-102: Resale of Securities; and

(c) the first trade in the Proposal Shares made by a non-arm's length Ontario Creditor shall be a distribution unless such first trade is made in accordance with the provisions of subsections (2) or (3) of section 2.5 of Multilateral Instrument 45-102: Resale of Securities.

May 14, 2002.

"H. Lorne Morpy, Q.C." "Robert L. Shirriff, Q.C."

2.3.2 Citotech Systems Inc. - ss. 74(1)

Headnote

Subsection 74(1) exemption from Sections 25 and 53 of the Act for the grant of non-transferable options to a maximum of two specific members of the Issuer's Advisory Board resident in Ontario, subject to certain conditions.

Statutes Cited

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

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., Schedule 1, ss. 20, 59(2).

Policies Cited

Ontario Securities Commission Rule 45-503 - Trades to Employees, Executives and Consultants.
Multilateral Instrument 45-102 - Resale of Securities.

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

AND

IN THE MATTER OF
CITOTECH SYSTEMS INC.

RULING
(Subsection 74(1))

AND

EXEMPTION
(subsection 59(2) of Schedule 1 to the Regulation made under the Act)

UPON the application of Citotech Systems Inc. ("Citotech") to the Ontario Securities Commission (the "Commission") for a ruling pursuant to subsection 74(1) of the *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "Act"), that certain trades in stock options of Citotech (the "Options") to two members of its Advisory Board that are resident in Ontario are exempt from sections 25 and 53 of the Act, and for a ruling pursuant to subsection 59(2) of Schedule I to the General Regulation made under the Act, R.R.O. 1990, Regulation 1015 (the "Regulation") that Citotech be exempt from the fee applicable under Section 20 of Schedule I to the Regulation;

AND UPON Citotech having represented to the Commission that:

1. Citotech was incorporated under the *Canada Business Corporations Act* and is a reporting issuer in the provinces of British Columbia and Alberta;

2. the authorized capital of Citotech consists of an unlimited number of both common shares and preferred shares, of which 12,821,505 common shares and no preferred shares were issued and outstanding as of April 25, 2002;

3. the common shares of Citotech are listed and posted for trading on the Canadian Venture Exchange (the "CDNX");

4. on February 25, 2002, Citotech completed the acquisition (the "Microstart Acquisition") of all of the assets and intellectual property pertaining to that technology known as the Microstart System, a new technology intended for starting internal combustion gasoline engines in vehicles without requiring a conventional starter motor and automobile battery, and is now in the business of marketing the Microstart System;

5. Citotech grants Options under a share option plan (the "Plan"), which has been accepted by the CDNX, to directors, officers, and employees of Citotech and other persons who provide a service of value to Citotech and contribute to the success of Citotech;

6. Citotech has formed an Advisory Board comprised of consultants (the "Advisors") who are either qualified automotive engineers or experienced in technical or marketing aspects of the automotive industry and who will provide the necessary guidance to enable the Microstart System to reach its full commercial potential;

7. the Advisors are each individuals who will provide ongoing consulting services to Citotech under a written contract, possesses technical or marketing experience and expertise in aspects of the automotive field that are related to the Microstart System and have knowledge of the Microstart System;

8. at the request of Citotech's management, at least once per year, the Advisors will review and provide Citotech's management with advice regarding the development and marketing of products related to the Microstart System;

9. Advisors are not consultants as defined under Commission Rule 45-503 - *Trades to Employees, Executives and Consultants* because, as members of an advisory board, the Advisors do not, in the opinion of the Company, spend a significant amount of time and attention on the business and affairs of Citotech, but rather are consulted by Citotech as needed on an ongoing basis in their area of expertise;

10. Citotech proposes to grant Options under the Plan to two particular Advisors resident in Ontario, Mr. Gary Lukassen and Mr. Gordon Taylor (together the "Ontario Advisors"), who are not directors,

officers or employees of Citotech and are not affiliated, associated or related in any other way to Citotech;

11. the Options are to be granted as an incentive mechanism for the Ontario Advisors to continue to provide *bona fide*, ongoing valuable services to Citotech and not for the purpose of repayment or partial repayment of any debt owed to the Ontario Advisors;

12. the Options will be granted in accordance with the bylaws, rules and policies of the CDNX governing stock options and stock purchase plans at an exercise price determined according to the Plan by reference to the prevailing market price of the common shares of Citotech and without any discount therefrom;

13. the Options are non-transferable and non-assignable, except that on the death of an Ontario Advisor, Options may be transferred to and exercised by the Ontario Advisor's executor or other legal representative, or the beneficiaries of the Ontario Advisor's estate in accordance with the terms of the Option;

14. the Options expire not later than five years from their date of grant; and

15. the Ontario Advisors will not be induced to acquire common shares of Citotech upon the exercise of the Options by expectation of continued membership on the Advisory Board or employment with Citotech;

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

IT IS RULED pursuant to section 74(1) of the Act that trades of Options by Citotech to the Ontario Advisors are exempt from the requirements of sections 25 and 53 of the Act provided that the grant and terms of such Options comply with the rules and policies of the CDNX governing stock options and that Citotech provides each Ontario Advisor with a copy of this Ruling;

IT IS FURTHER RULED pursuant to section 74(1) of the Act that the first trade in the securities acquired on the exercise of the Options are exempt from section 53 of the Act provided that:

(a) the conditions of section 2.6 of Multilateral Instrument 45-102 - *Resale of Securities* are satisfied; and

(b) disclosure of the securities acquired on the exercise of the Options is made in accordance with Part 10 of Commission Rule 45-503 - *Trades to Employees, Executives and Consultants*;

AND IT IS FURTHER RULED pursuant to section 59(2) of Schedule I to the Regulation, that the fees applicable under section 20 of Schedule I to the Regulation to the securities issued on the exercise of the Options in reliance on subsection 72(1)(f)(iii) shall not apply provided that Citotech complies with section 11.1 of Commission Rule 45-503 - *Trades to Employees, Executives and Consultants* and for that purpose, the reference to service providers shall be deemed to include the Ontario Advisors.

April 26th, 2002.

"Paul M. Moore" "Theresa McLeod"

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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
Consolidated Grandview Inc.	06 May 02	17 May 02		17 May 02
Footmaxx Holdings Inc.	22 May 02	03 June 02		
Galaxy Online Inc.	22 May 02	03 June 02		
Greyvest Capital Inc.	22 May 02	03 June 02		
Hucamp Mines Limited	22 May 02	03 June 02		
Image Sculpting International Inc.	22 May 02	03 June 02		
Materials Protection Technologies Inc.	22 May 02	03 June 02		
Neatt Corporation	22 May 02	03 June 02		
St. Anthony Resources Inc.	22 May 02	03 June 02		
Sterling Limited Partnership	22 May 02	03 June 02		
Tagalder (2000) Inc.	22 May 02	03 June 02		
Telum International Corporation	22 May 02	03 June 02		
Zaruma Resources Inc.	22 May 02	03 June 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
Diamond Works Ltd.	25 Apr 02	08 May 02	09 May 02		

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Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

Exempt Financings

The Ontario Securities Commission reminds issuers and other parties relying on exemptions that they are responsible for the completeness, accuracy, and timely filing of Forms 45-501F1 and 45-501F2, and any other relevant form, pursuant to section 27 of the *Securities Act* and OSC Rule 45-501 ("Exempt Distributions").

REPORTS OF TRADES SUBMITTED ON FORM 45-501F1

Transaction Date	Purchaser	Security	Price ($)	Amount_num
03-May-2002	CGI Information Systems; Management Consultants Inc.	4030885 Canada Inc. - Common Shares	26,000,000.00	490.00
06-May-2002	19 Purchasers	Aecon Group Inc. - Special Warrants	27,757,538.00	5,287,150.00
30-Apr-2002	Mrs. Feintuch	AGII RRSP Growth Fund - Units	149,385.00	19,181.00
26-Apr-2002	A. Bell	Arrow Eagle & Dominion Fund - Trust Units	100,000.00	12,299.00
26-Apr-2002 to 03May02	3 Purchasers	Arrow Global Multi-Strategy Fund - Trust Units	362,739.00	35,787.00
26-Apr-2002	Larry Chong	Arrow Global RSP Multimanager Fund - Trust Units	25,000.00	2,520.00
26-Apr-2002	Jambrex Inc.	Arrow Milford Capital Fund - Trust Units	72,674.00	6,836.00
26-Apr-2002	3 Purchasers	Arrow WF Asia Fund - Trust Units	226,083.00	18,217.00
29-Apr-2002	Canadian Imperial Bank of Commerce	ATX Telecom Inc. - Option	0.00	129,000.00
25-Mar-2002	RoyNat Capital Inc.; PNK Holdings Ltd.	Betacom Corporation Inc. - Common Share Purchase Warrant	0.00	300,000.00
08-Mar-2002	Patricia Currie and H. Fuhrmann	BPI Global Opportunites III Fund - Units	25,000.00	2,658.00
02-May-2002	Dundee Bancorp Inc.	Breakwater Resources Ltd. - Warrants	0.00	15,400,705.00
30-Apr-2002	Canada Life Assurance Co.	Cargill, Incorporated - Notes	2,928,685.00	1.00
01-May-2002	Rocket Trust	CDO Collateral Trust - Notes	138,263,625.00	138,263,625.00

03-May-2002	Analogic Corporation Peabody	Cedara Software Corp. - Common Shares	1,365,182.00	580,461.00
01-Apr-2002 to 30-Apr-2002	42	CGOV&V Balanced Fund - Units	392,216.00	29,601.00
01-Apr-2002 to 30-Apr-2002	15 Purchasers	CGO&V Cumberland Fund - Units	182,857.00	12,655.00
01-Apr-2002 to 30-Apr-2002	14 Purchasers	CGO&V Hazelton Fund - Units	1,141,001.00	86,828.00
01-Apr-2002 to 30-Apr-2002	6 Purchasers	CGO&V International Fund - Units	61,887.00	14,345.00
10-May-2002	3 Purchasers	ChondroGene Limited - Common Shares	250,000.00	500,000.00
03-May-2002	Richard M. Thomson	Commercial Markets Holdco, Inc. - Preferred Shares	38,600.00	386.00
30-Apr-2002	3 Purchasers	Cytovax Biotechnologies Inc. - Warrants	3,814,444.00	136,230.00
01-May-2002	Robert Lapham	Digital Fairway Corporation - Preferred Shares	15,000.00	93,750.00
07-May-2002	5 Purchasers	East West Resource Corporation - Units	80,000.00	500,000.00
29-Apr-2002	3 Purchasers	Envoy Communications Group Inc. - Convertible Debentures	1,800,000.00	1,800,000.00
17-Apr-2002	4 Purchasers	ExpressJet Holdings, Inc. - Common Shares	3,760,000.00	235,000.00
15-Apr-2002	Robert Thompson	Farallon Resources Ltd. - Units	150,000.00	500,000.00
01-May-2002	AurionGold (Canada) Limited	Fronteer Development Group Inc. - Common Shares	500,000.00	1,000,000.00
02-May-2002	7 Purchasers	Galvanic Applied Sciences Inc. - Special Warrants	1,487,500.00	1,750,000.00
30-Apr-2002	N/A	GPM Real Property (9) Ltd. - Common Shares	32,109,396.00	32,109,396.00
19-Apr-2002	5 Purchasers	Great Canadian Gaming Corporation - Common Shares	2,065,000.00	350,000.00
01-May-2002	Ann P. G. Rothwell	Highway Partners, L.P. - Limited Partnership Units	312,500.00	2.00
02-May-2002	4 Purchasers	iPerformance Fund Inc. - Common Shares	610,000.00	610,000.00
30-Apr-2002	6 Purchasers	Imperial Tobacco Group PLC - Rights	1,910,425.00	173,999.00

30-Apr-2002	N/A	Imperial Tobacco Group PLC - Rights	20,487,142.00	1,865,860.00
20-May-2002	The Bank of Nova Scotia	Joseph Littlejohn & Levy Fund IV - Capital Commitment	988,595.00	988,595.00
01-May-2002	Ontario Municipal Employees Retirement Board	J.W. Childs Equity Partners III, L.P. - Limited Partnership Interest	54,526,500.00	54,526,500.00
02-May-2002	14 Purchasers	KeyWest Energy Corporation - Common Shares	7,289,800.00	3,556,000.00
08-Mar-2002	19 Purchasers	Landmark Global Opportunities Fund - Units	913,280.00	8,553.00
08-Mar-2002	15 Purchasers	Landmark Global Opportunities RSP Fund - Units	544,041.00	5,489.00
03-May-2002	STF Limited Partnership	MICC Investments Limited - Promissory note	10,000,000.00	1.00
30-Apr-2002	Community Foundation For Greater Toronto	Morgan Stanley Investment Management Inc. - Units	306,386.00	27,486.00
07-May-2002	4 Purchasers	Natural Data Inc. - Common Shares	88,571.00	126,530.00
06-May-2002	8 Purchasers	Payment Services Interactive Gateway Corp. - Units	645,000.00	645.00
07-May-2002	Geoff Iwamoto	Pyng Technologies Corp. - Units	24,999.00	55,555.00
26-Apr-2002	33 Purchasers	Royal Laser Tech Corp. - Subscription Receipt	104,955,400.00	9,541,400.00
01-May-2002	1469377 Ontario Limited	Stacey Investment Limited Partnership - Limited Partnership Units	150,006.00	5,614.00
23-Apr-2002	Greystone Managed Investment Limited	SWIFT Trust - Notes	25,000,000.00	25,000,000.00
03-Apr-2002	3 Purchasers	Tesoro Escrow Corp. - Notes	7,692,500.00	7,692,500.00
03-May-2002	Richard Woolsey	The Kewl Corporation - Units	200,000.00	1,000,000.00
03-May-2002	Price WaterhouseCoopers Securities Inc.	The Prospectus Group Inc. - Common Shares	62,440.00	2,250,000.00
07-May-2002	4 Purchasers	Tiberon Minerals Ltd. - Special Warrants	600,000.00	1,200,000.00
22-Mar-2002	Dundee Precious Metals Inc. and Middlemarch Partners Limited	Titanium Corporation Inc. - Special Warrants	1,500,000.00	1,500,000.00
23-Apr-2002	SWIFT Trust	Torus (IG) II Limited - Notes	25,000,000.00	25,000,000.00
01-May-2002	Canadian Science & Technology Growth Fund Inc.	Trakonic Inc. - Convertible Debentures	390,625.00	1.00

28-Mar-2002	Clearbeach Resources Inc.	Tribute Resources Inc. - Common Shares	82,000.00	820,000.00
4/1/02 08-Mar-2002	6 Purchasers	Trident Global Opportunities Fund - Units	211,458.00	1,976.00
08-Mar-2002	TD Securities Inc.	Trilogy Global Opportunities Fund - Units	39,657.00	394.00
30-Apr-2002	BMO ITF Trevor Thom	Vertex Fund - Trust Units	25,000.00	894.00
23-Apr-2002	Clarica Life Insurance Company	West Windsor Power - Notes	21,150,000.00	21,150,000.00
30-Apr-2002	Thomas Franklin Ltd.	ZTEST Electronics Inc. - Shares	68,520.00	68,250.00

RESALE OF SECURITIES - (FORM 45-501F2)

Transaction Date	Seller	Security	Price	Amount_num
12-May-2002	Pony Heath	Fort Knox Gold Resources Inc. - Common Shares	50,000.00	137,700.00
12-May-22	Franklin L. Davis	Fort Knox Gold Resources Inc. - Common Shares	50,000.00	50,000.00

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

Seller	Security	Amount_num
The Catherine and Maxwell Meighen Foundation	Canadian General Investments, Limited - Common Shares	481,100.00
Taronga Holdings Limited	Extendicare Inc. - Shares	42,900.00
Kingfield Investments Limited	Extendicare Inc. - Shares	42,900.00
Kingfield Holdings Limited	Extendicare Inc. - Shares	63,900.00
Lee Heitman	Partner Jet Corp. - Common Shares	1,000,000.00
Andrew J. Malion	Spectra Inc. - Common Shares	600,000.00
A-Shear Holdings Inc.	Teknion Corporation - Shares	34,800.00
The Catherine and Maxwell Meighen Foundation	Third Canadian General Investment Trust Limited - Common Shares	130,000.00
Ketcham Investments, Inc.	West Fraser Timber Co. Ltd. - Common Shares	100,000.00
Tysa Investments, Inc.	West Fraser Timber Co. Ltd. - Common Shares	98,862.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
AltaGas Services Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated May 14th, 2002
Mutual Reliance Review System Receipt dated May 14th, 2002
Offering Price and Description:
$ * - * Common Shares @$* per Common Share
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Loewen, Ondaatje, McCutcheon Limited
Scotia Capital Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #446314

Issuer Name:
DJ 30 Diversification Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated May 14th, 2002
Mutual Reliance Review System Receipt dated May 16th, 2002
Offering Price and Description:
$ * Maximum - * Class A Shares @$25.00 per Class A Share
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
National Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Yorkton Securities Inc.
Promoter(s):
Mulvihill Capital Management Inc.
Project #447278

Issuer Name:
Fortis Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 21st, 2002
Mutual Reliance Review System Receipt dated May 21st, 2002
Offering Price and Description:
$97,700,000 - 2,000,000 Common Shares @ $48.85 per Common Share
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
Promoter(s):
-
Project #450030

Issuer Name:
IAMGold Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 21st, 2002
Mutual Reliance Review System Receipt dated May 21st, 2002
Offering Price and Description:
$56,000,000 - 8,000,000 Common Shares @$7.00 per Common Share
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
Sprott Securities Inc.
Promoter(s):
-
Project #450098

Issuer Name:
Intrawest Corporation
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated May 16th, 2002
Mutual Reliance Review System Receipt dated May 16th, 2002
Offering Price and Description:
$89,375,000 - 3,250,000 Common Shares @ $27.50 per Common Share
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
HSBC Securities (Canada) Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #447644

Issuer Name:
Middlefield Resource Class

Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated May 15th, 2002
Mutual Reliance Review System Receipt dated May 16th, 2002
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
Middlefield Securities Limited
Promoter(s):
Midddlefield Fund Management Limited
Project #446857

Issuer Name:
NCE Flow-Through (2002-1) Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated May 15th, 2002
Mutual Reliance Review System Receipt dated May 21st, 2002
Offering Price and Description:
$10,000,000 to $75,000,000 - 400,000 to 3,000,000 Limited Partnership Units.
@$25.00 per Unit. Minimum Subscription : 100 Units
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Yorkton Securities Inc.
FirstEnergy Capital Corp.
Griffiths McBurney & Partners
Jory Capital Inc.
Research Capital Corporation
Wellington West Capital Inc.
Promoter(s):
Petro Assets Inc.
Project #448997

Issuer Name:
Pengrowth Energy Trust
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated May 21st, 2002
Mutual Reliance Review System Receipt dated May 21st, 2002
Offering Price and Description:
$92,400,000 - 6,000,000 Trust Units @$15.40 per Trust Unit
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
TD Securities Inc.
National Bank Financial Inc.
Scotia Capital Inc.
HSBC Securities (Canada) Inc.
Canaccord Capital Corporation
Raymond James Ltd.
Dundee Securities Corporation
FirstEnergy Capital Corp.

Promoter(s):
-
Project #450355

Issuer Name:
Skylon Global Capital Yield Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated May 14th, 2002
Mutual Reliance Review System Receipt dated May 16th, 2002
Offering Price and Description:
$ * Maximum - * Series 2012 Units
Underwriter(s) or Distributor(s):
TD Securities Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Canaccord Capital Corporation
Desjardins Securities Inc.
Dundee Securities Corporation
Yorkton Securities Inc.
Promoter(s):
Skylon Advisors Inc.
Skylon Capital Corp.
Project #447034

Issuer Name:
Sparkling Spring Water Holdings Limited
Principal Regulator - Nova Scotia
Type and Date:
Preliminary PREP Prospectus dated May 15th, 2002
Mutual Reliance Review System Receipt dated May 17th, 2002
Offering Price and Description:
US$ * - Common Shares @ US$ per Common Share
Underwriter(s) or Distributor(s):
Goldman Sachs Canada Inc.
J.P. Morgan Securities Canada Inc.
TD Securities Inc.
Promoter(s):
-
Project #448643

Issuer Name:
Sun Life Assurance Company of Canada
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Shelf Prospectus dated May 17th, 2002
Mutual Reliance Review System Receipt dated May 17th, 2002
Offering Price and Description:
$ * - Subordinated Debt Securities (Unsecured) Preferred Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #448359

Issuer Name:
Sun Life Capital Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated May 17th, 2002
Mutual Reliance Review System Receipt dated May 21st, 2002
Offering Price and Description:
$ * - Sun Life ExchangEable Capital Securities - Series B (SLEECS Series B)
@ $1,000 per SLEECS Series B
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Merrill Lynch Canada Inc.
Promoter(s):
-
Project #448523

Issuer Name:
The Thomson Corporation
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Short Form PREP Prospectus dated May 16th, 2002
Mutual Reliance Review System Receipt dated May 17th, 2002
Offering Price and Description:
$ * - 38,000,000 Common Shares @ $ * per Common Share
Underwriter(s) or Distributor(s):
Merrill Lynch Canada Inc.
Morgan Stanley Canada Limited
RBC Dominion Securities Inc.
Credit Suisse First Boston Canada Inc.
Goldman Sachs Canada Inc.
TD Securities Inc.
UBS Bunting Warburg Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
Promoter(s):
-
Project #442514

Issuer Name:
Windsor Trust 2002 - A
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated May 21st, 2002
Mutual Reliance Review System Receipt dated May 21st, 2002
Offering Price and Description:
$ * - *% Auto Loan Receivables-Backed Class A-1 Pay-Through Notes
Scheduled Final Payment date of *
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Promoter(s):
DaimlerChrysler Financial Services (debis) Canada Inc.
Project #449935

Issuer Name:
AIC Total Yield Corporate Class

Principal Regulator - Ontario
Type and Date:
Amended and Restated Simplified Prospectus and Annual Information Form dated May 3rd, 2002,
amending and restating the Simplified Prospectus and Annual Information Form dated April 19th, 2002
Mutual Reliance Review System Receipt dated 15th day of May, 2002
Offering Price and Description:
(Mutual Fund Shares and Series F Shares)
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #413320

Issuer Name:
AIC World Equity Corporate Class
AIC World Advantage Corporate Class
AIC Value Corporate Class
AIC Money Market Corporate Class
AIC Canadian Balanced Corporate Class
AIC Global Technology Corporate Class
AIC Global Science & Technology Corporate Class
AIC Global Medical Science Corporate Class
AIC Global Diversified Corporate Class
AIC Global Developing Technologies Corporate Class
AIC Global Advantage Corporate Class
AIC Diversified Canada Corporate Class
AIC Canadian Focused Corporate Class
AIC American Balanced Corporate Class
AIC American Focused Corporate Class
AIC American Advantage Corporate Class
AIC Advantage II Corporate Class

Principal Regulator - Ontario
Type and Date:
Amended and Restated Simplified Prospectus and Annual Information Form dated May 3rd, 2002,
amending and restating the Simplified Prospectus and Annual Information Form dated March 20th, 2002
Mutual Reliance Review System Receipt dated 15th day of May, 2002
Offering Price and Description:
(Mutual Fund Shares and Series F Shares)
Underwriter(s) or Distributor(s):
-
Promoter(s):
AIC Limited
Project #421065

Issuer Name:
IG Scudder U.S. Allocation Fund
IG Scudder Emerging Markets Growth Fund
IG Scudder European Growth Fund
IG Scudder Canadian All Cap Fund
Principal Regulator - Manitoba
Type and Date:
Amendment #2 dated May 6th, 2002 to Simplified Prospectus and Annual Information Form
dated October 9th, 2001
Mutual Reliance Review System Receipt dated 17th day of May, 2002
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
Investors Group Financial Services Inc.
Investors Groupe Financial Services Inc.
Les Services Investors Limitee
Investors Group Financial Services Inc.
Promoter(s):
-
Project #378758

Issuer Name:
Talvest Global Bond RSP Fund
Tavlest High Yield Bond Fund
Talvest Millennium High Income Fund
Principal Regulator - Quebec
Type and Date:
Amendment #1 dated May 6th, 2002 to Simplified Prospectus for (Talvest Millennium High Income Fund) dated
November 15th, 2001.
Amendment #2 dated May 6th, 2002 to Annual Information Form for (Talvest Global Bond RSP Fund,
Tavlest High Yield Bond Fund and Talvest Millennium High Income Fund) dated November 15th, 2001
Mutual Reliance Review System Receipt dated 9th day of May, 2002
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):

Promoter(s):
-
Project #393037

Issuer Name:
Yes Capital Corp.
Principal Regulator - British Columbia
Type and Date:
Amended Prospectus dated May 16th, 2002
Mutual Reliance Review System Receipt dated 17th day of May, 2002
Offering Price and Description:
$1,200,000 - 4,000,000 Common Shares
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation

Promoter(s):
-
Project #407922

Issuer Name:
Cell-Loc Inc.
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated May 14th, 2002
Mutual Reliance Review System Receipt dated 15th day of May, 2002
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #361553

Issuer Name:
Eldorado Gold Corporation
Principal Regulator - British Columbia
Type and Date:
Final Prospectus dated May 10th, 2002
Mutual Reliance Review System Receipt dated 14th day of May, 2002
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Sprott Securities Inc.
Promoter(s):
-
Project #431389

Issuer Name:
ENERGY CONVERSION TECHNOLOGIES INC.
Type and Date:
Final Prospectus dated May 15th, 2002
Receipt dated 16th day of May, 2002
Offering Price and Description:
$413,000.00 - 826,000 Special Warrants ($0.50 per Special Warrant)
Underwriter(s) or Distributor(s):
-
Promoter(s):
Ervin Weisz
Project #431320

Issuer Name:
FP Newspapers Income Fund
Principal Regulator - Manitoba
Type and Date:
Final Prospectus dated May 16th, 2002
Mutual Reliance Review System Receipt dated 16th day of May, 2002
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
TD Securities Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
Wellington West Capital Inc.

Promoter(s):
Canstar Publications Ltd.
R.I.S. Media Ltd.
Project #431299

Issuer Name:
Menu Foods Income Fund
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated May 10th, 2002
Mutual Reliance Review System Receipt dated 13th day of May, 2002
Offering Price and Description:
$129,000,000.00 - 12,900,000 Units - $10.00 per Unit
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
Promoter(s):
Menu Foods Corporation
Project #432525

Issuer Name:
Qwest Energy Income Development Limited Partnership
Principal Regulator - British Columbia
Type and Date:
Final Prospectus dated May 16th, 2002
Mutual Reliance Review System Receipt dated 17th day of May, 2002
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
TD Securities Inc.
Dundee Securities Corporation
Research Capital Corporation
Altara Securities Inc.
Wellington West Capital Inc.
Leede Financial Markets Inc.
Promoter(s):
Qwest Energy Corp.
Project #437657

Issuer Name:
Rock Creek Resources Ltd.
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated May 13th, 2005
Mutual Reliance Review System Receipt dated 14th day of May, 2002
Offering Price and Description:
8,000 Units (Maximum) - 5,000 Units (Minimum) - $1,000.00 per Unit
Underwriter(s) or Distributor(s):
Griffiths McBurney & Partners
Promoter(s):
Dary H. Connolly
Milford Taylor
Project #431349

Issuer Name:
Technologies of sterilization with ozone TSO3 inc.
Principal Regulator - Quebec
Type and Date:
Final Prospectus dated May 17th, 2002
Mutual Reliance Review System Receipt dated 17th day of May, 2002
Offering Price and Description:
4,651,163 Common Shares & 697,674 Common Shares (Over-Allotment) - $2.15 per Common Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
Promoter(s):
-
Project #437296

Issuer Name:
BASIS100 INC.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated May 15th, 2002
Mutual Reliance Review System Receipt dated 16th day of May, 2002
Offering Price and Description:
Units - common shares and warrants - $3.00 per Unit
Underwriter(s) or Distributor(s):
Griffiths McBurney & Partners
CIBC World Markets Inc.
Haywood Securities Inc.
Promoter(s):
-
Project #443577

Issuer Name:
Norske Skog Canada Limited
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated May 16th, 2002
Mutual Reliance Review System Receipt dated 16th day of May, 2002
Offering Price and Description:
28,600,000 Common Shares & 4,290,000 Common Share (Over-Allotment) - $7.00 per Common Share
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Merrill Lynch Canada Inc.
UBS Bunting Warburg Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Raymond James Ltd.
Scotia Capital Inc.
HSBC Securities (Canada) Inc.
Salman Partners Inc.
Promoter(s):
-
Project #444160

Issuer Name:
Shiningbank Energy Income Fund
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated May 15th, 2002
Mutual Reliance Review System Receipt dated 15th day of May, 2002
Offering Price and Description:
4,025,000 Trust Units @$14.20 per Trust Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
National Bank Financial Inc.
FirstEnergy Capital Corp.
Raymond James Ltd.
Promoter(s):
-
Project #443676

Issuer Name:
Vasogen Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated May 15th, 2002
Mutual Reliance Review System Receipt dated 16th day of May, 2002
Offering Price and Description:
$17,000,220.00 - 3,505,200 Common Shares ($4.85 per Common Shares)
Underwriter(s) or Distributor(s):
Research Capital Corporation
Paradigm Capital Inc.
Promoter(s):
-
Project #444069

Issuer Name:
AltaRex Corp.
Type and Date:
Preliminary Prospectus dated March 5th, 2002
Withdrawn on May 16th, 2002
Offering Price and Description:
Up to 1,000 Units (each Unit Consisting of * Common Shares and 250 Shares Purchase Warrants)
Issuable Upon the Automatic Conversion of up to 1,000 Special Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #426586

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Attention Rachael Ingram Savoy Capital Management Ltd. c/o Blakes Extra-Provincial Services Inc. PO Box 25 Commerce Crt W 199 Bay St Suite 2800 Toronto On M5L 1A9	Extra Provincial Adviser Investment Counsel & Portfolio Manager	May 15/02
Change of Name	Attention Victor Koloshuk Integrated Investment Management Inc. 95 Wellington St W Suite 912 Toronto On M5J 2N7	From Hirsch Asset Management Corp. to Integrated Investment Management Inc.	March 8/02
Change in Category (Categories)	Attention Werner Joller Darier Hentsch (Canada) Inc. 3655 Redpath Montreal Qc H3G 2G9	Broker Investment Counsel & Portfolio Manager to Investment Dealer Equities Managed Accounts	November 8/01
Change in Category (Categories)	Attention John Christopher Webster Queensbury Securities Inc. 69 Yonge Street 2nd Floor Toronto On M5E 1K3	Securities Dealer to Investment Dealer Equities	November 16/02
Change in Category (Categories)	Attention Robert John Foster Capital Canada Limited Pres./Sec. 150 King St West Sunlife Centre Tower Box 58, Suite 2308 Toronto On M5H 1J9	Securities Dealer to Limited Market Dealer	January 31/02

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 Discipline Penalties Imposed on First Delta Securities Inc. et al. - Violations of IDA Regulation 1300.1, 1300.2 and By-Law 29.1

Contact:
Ricardo Codina
Enforcement Counsel
(416) 943-6981
rcodina@ida.ca

BULLETIN # 2996
May 22, 2002

DISCIPLINE

DISCIPLINE PENALTIES IMPOSED ON FIRST DELTA SECURITIES INC., GEORGE (GEORDIE) AUBREY TRUSLER, FREDERICK MEREDITH JR. AND GAIL LOUISE STOPFORTH VIOLATIONS OF REGULATION 1300.1, 1300.2 AND BY-LAW 29.1

Persons Disciplined

The Ontario District Council of the Investment Dealers Association of Canada (the "Association") has imposed discipline penalties on First Delta Securities Inc. ("First Delta"), a Member of the Association, and three of its current or former Directors and Officers: George (Geordie) Aubrey Trusler ("Trusler"), Frederick Meredith Jr. ("Meredith") and Gail Louise Stopforth ("Stopforth").

By-laws, Regulations, Policies Violated

On May 22, 2002, the Ontario District Council considered, reviewed and accepted a settlement agreement negotiated between First Delta, Trusler, Meredith, Stopforth and Association Staff.

Pursuant to the Settlement Agreement, First Delta admitted that it violated Association Regulation 1300.1(a):

- Between August 1998 and June 1999, First Delta did not know several of its clients who used First Delta to facilitate the operation of an unregistered telemarketing operation ("the boiler room") and to manipulate the price of the stock of a Florida Company ("the Florida Company") that was traded on the U.S. Over-the-Counter Bulletin Board.

- Between January 1999 and June 1999, First Delta opened accounts and conducted transactions for several non-resident clients without verifying their identities as required by Association Compliance Bulletin C-123 relating to the Regulations under the *Proceeds of Crime (Money Laundering) Act*.

First Delta also admitted that between January and May 1999, it violated Association By-Law 29.1 by failing to report trading in the Florida Company's stock with Canadian Dealing Network Inc. (now Canadian Unlisted Board Inc.), as required by s. 154, Regulation 1015, Part VI, made under the Ontario *Securities Act*.

Trusler, Meredith and Stopforth admitted to violating Association Regulation 1300.2 by failing to adequately supervise Dimitrios Boulieris ("Boulieris"), one of First Delta's Registered Representatives, who, between approximately November 1998 and June 1999, assisted several of First Delta's clients to operate a boiler room and to manipulate the price of the Florida Company's stock.

Trusler also admitted to violating Association Regulation 1300.2 by failing to maintain effective account supervision procedures for First Delta.

Penalty Assessed

First Delta has agreed to pay a fine in the amount of $ 600,000.00 and to have its Membership in the Association terminated in ninety days. Effective immediately and pending the termination of its Membership, First Delta will, *inter alia*, not be able to purchase securities for client accounts or reduce its capital and will have to report to the Association with respect to its capital position

and account transfer status. First Delta has also agreed to consent to the appointment of a Monitor, Receiver or Trustee should the Association request its consent to effect such an appointment.

Trusler has agreed to pay a fine in the amount of $ 50,000.00 and to be suspended for a period of 6 months from holding any supervisory position. He must also re-write and pass the examination for Partners, Directors and Officers prior to being reinstated in any supervisory position.

Meredith has agreed to pay a fine in the amount of $ 30,000.00 and to be suspended for a period of thirty days from any supervisory position. He must also re-write and pass the examination for Partners, Directors and Officers prior to being reinstated in any supervisory position.

Stopforth has agreed to pay a fine in the amount of $ 30,000.00 and to be suspended for a period of thirty days from any compliance position. She must also re-write and pass the examination for Partners, Directors and Officers prior to being reinstated in any compliance position.

First Delta, Trusler, Meredith and Stopforth must also pay $ 20,000.00 toward the costs of the Investigation.

Facts

Between July 1998 and June 1999, Boulieris was employed at First Delta as a registered representative. While at First Delta, Boulieris opened accounts for domestic and off-shore companies that were directly or indirectly controlled by a client ("the Client") who had a large equity interest in a small Florida company ("the Florida Company"). Through the use of these accounts, and other friendly accounts, the stock price of the Florida Company was manipulated through high volume trading at inflated prices. Between January 1999 and April 1999, the price of the Florida Company's stock increased from $ 4.00 per share to $ 17.00 per share.

Boulieris also facilitated the Client's operation of a boiler room. The boiler room would solicit non-resident investors ("the non-resident investors") to purchase the Florida Company's shares. Boulieris would then open accounts at First Delta for the non-resident investors and would execute the trading instructions received from the boiler room.

The identity of the non-resident investors was not verified as required by the Association's Compliance Bulletin relating to Regulations under the *Proceeds of Crime (Money Laundering) Act*. Also, accounts for some of the non-resident investors were opened without the necessary approvals of Meredith and Stopforth. Boulieris was also able to provide the Client with unassigned First Delta account numbers which were then assigned by the boiler room to the non-resident investors in advance of them opening accounts at First Delta.

First Delta and Boulieris' supervisors failed to make reasonable inquiries to ascertain:

(a) the Client's position and involvement in the Florida Company;

(b) the relationship between the Client, the Florida Company and other accounts at First Delta that were trading in the Florida Company's stock; and

(c) the source and circumstances relating to the purported referrals of the non-resident investors to Boulieris by the boiler room.

Trusler, Mereidth and Stopforth were responsible for supervising Boulieris. An adequate supervisory review of Boulieris' trading should have alerted First Delta to the following trading irregularities:

(a) The Client held a large position in the Florida Company through his corporate accounts at First Delta and elsewhere.

(b) A large number of non-resident investors were opening accounts at First Delta for the sole purpose of purchasing the Florida Company's shares.

(c) Boulieris was identifying all of the purchase orders for the Florida Company's shares by the non-resident investors as being "unsolicited".

(d) Almost all of the purchases of the Florida Company's shares by the non-resident investors were filled with shares that were owned by the Client through his corporations.

(e) The price of the Florida Company's shares paid by the non-resident investors was frequently not within the reported price range for that stock.

(f) During March and April 1999, the account of a Bahamian Company at First Delta, whose principal was an acquaintance of the Client, was excessively and almost exclusively buying and selling the Florida Company's shares.

(g) The unreported trading by Boulieris in the Florida Company's shares often exceeded the volume of the reported trading in that stock.

First Delta's carrying broker also alerted First Delta of its concerns about Boulieris' trading. Notwithstanding these warnings, First Delta continued to employ Boulieris until June 1999. He was dismissed shortly after being interviewed by the R.C.M.P. and the O.S.C at First Delta's offices. In the twelve months that he was employed with First Delta, Boulieris generated $ 332,706.17 in commissions for First Delta.

Sales Compliance audits conducted by the Association in 1999 and 2000 indicated compliance problems at First Delta, including an absence of written supervisory records, deficient written compliance procedures, a failure to keep a list of clients who were insiders in publicly traded companies and improper controls regarding client address changes and the use of post office boxes as mailing addresses for clients. Although Association Sales Compliance Staff attempted to assist First Delta to comply with the Association's expectations by requiring it to develop a comprehensive Compliance Manual, First Delta only produced the requested Manual in March 2002.

Trusler was the U.D.P. at First Delta and was responsible for maintaining an effective compliance system at First Delta.

Association Staff thanks the Ontario Securities Commission, the U.S. Securities & Exchange Commission and the Royal Canadian Mounted Police for their assistance in this matter.

Kenneth A. Nason
Association Secretary

13.1.2 Discipline Pursuant to IDA By-Law 20 - First Delta Securities Inc. et al. Settlement Agreement

Bulletin No. 2996

IN THE MATTER OF
DISCIPLINE PURSUANT TO BY-LAW 20
OF THE INVESTMENT DEALERS ASSOCIATION OF CANADA

Re: First Delta Securities Inc., George (Geordie) Aubrey Trusler, Frederick Meredith Jr., Gordon Edward Baker and Gail Louise Stopforth

SETTLEMENT AGREEMENT

I. Introduction

1. The staff ("Staff") of the Investment Dealers Association of Canada (the "Association") has conducted an investigation (the "Investigation") into the conduct of First Delta Securities Inc. ("First Delta"), George (Geordie) Aubrey Trusler ("Trusler"), Frederick Meredith Jr. ("Meredith"), Gordon Edward Baker ("Baker") and Gail Louise Stopforth ("Stopforth") (collectively "the Respondents").

2. The Investigation discloses matters for which the District Council of the Association (the "District Council") may penalize the Respondents by imposing penalties.

II. Joint Settlement Recommendation

3. Staff and the Respondents consent and agree to the settlement of these matters by way of this Settlement Agreement in accordance with By-Law 20.25.

4. This Settlement Agreement is subject to the acceptance of the District Council, in accordance with By-Law 20.26. The District Council may also impose a lesser penalty or less onerous terms than those provided in this Settlement Agreement, or, with the consent of the Respondents, it may also impose a penalty or terms more onerous than those provided by this Settlement Agreement.

5. Staff and the Respondents jointly recommend that the District Council accept this Settlement Agreement.

6. If, at any time prior to the acceptance of this Settlement Agreement, or the imposition of a lesser penalty or less onerous terms, or the imposition, with the consent of the Respondents, of a penalty or terms more onerous, by the District Council, there are new facts or issues of substantial concern in the view of Staff, Staff will be entitled to withdraw this Settlement Agreement from consideration by the District Council.

III. Statement of Facts

7. Soley for the purposes of this proceeding and of any other proceeding commenced by a securities regulatory agency, Staff and the Respondents agree with the facts as set out in this Settlement Agreement.

The Respondents

8. First Delta has been a Member of the Association since 1995.

9. At all material times, Trusler, Meredith, Stopforth and Baker were Directors and Officers of First Delta.

10. At all material times, Trusler was the Ultimate Designated Person and as such was responsible for overseeing First Delta's compliance system. Stopforth was the principal Compliance Officer. Meredith, Stopforth and Trusler shared the responsibility of supervising First Delta's client accounts and Baker was responsible for managing First Delta's trading desk.

Trading By Dimitrios Boulieris

11. Between July 1998 and June 1999, Dimitrios Boulieris ("Boulieris") was employed at First Delta as a Registered Representative.

12. While at First Delta, Boulieris opened accounts for two corporations that were controlled by H.A. ("the H.A. accounts"). Through these corporations, H.A. held a large equity position in First Florida Communications Inc. ("First Florida"), a Florida company whose shares were traded on the U.S. Over-the-Counter Bulletin Board.

13. First Florida could not issue any new capital without H.A.'s approval and H.A. paid many of First Florida's operating expenses, including the salaries of some of First Florida's directors, through a management service company. H.A. also managed First Florida's Web Site, through C.B.S. Inc., another company that he controlled.

14. H.A. wanted to tighten the supply of shares in First Florida and to increase demand.

15. By January 1999, accounts controlled by H.A. held in excess of 90% of the free floating supply of First Florida shares.

16. On August 17, 1998, Boulieris opened an account for G.A.P. Ltd., a Bahamian Corporation. W.H. had trading authority for G.A.P. Ltd. H.A. and W.H. were acquaintances and, through their companies, they entered into an agreement in March 1999 to sell shares of First Florida and to share equally in the profit of any shares sold for more than $2.00 per share.

17. Between January and April 1999, Boulieris assisted H.A and G.A.P. Ltd. to manipulate the share price of First Florida through increased volume trading at inflated prices. During this time period, the volume of trading in First Florida's shares increased from 36,800 shares to approximately 644,000 shares. At approximately the same time, the price of First Florida's shares increased from $ 4.00 to $ 17.00. Almost half of all of the trading in First Florida shares during this time period was carried out by Boulieris.

Facilitating the Operations of a Boiler Room

18. In November 1998, Boulieris opened an account at First Delta for an alleged Swiss based company called F.U.K.S.A. Boulieris was introduced to the principals of that company at H.A.'s Toronto offices. F.U.K.S.A. operated an unregistered telemarketing operation in Toronto that solicited non-resident investors to purchase shares in First Florida ("the boiler room").

19. The boiler room would negotiate the purchase terms with the non-resident investors. Once terms were agreed to, the transaction would be referred to Boulieris who would open a First Delta account for the non-resident investor and then execute the trading instructions received from the boiler room. All of these purchases were designated by Boulieris as being "unsolicited". Boulieris crossed almost all of these purchases off the market with accounts that were owned or controlled by H.A. or G.A.P. Ltd.

20. Accounts were opened by Boulieris for some of the non-resident investors without the necessary approvals of Meredith and Stopforth. Also, unknown to First Delta and its directors, Boulieris provided H.A. with unassigned First Delta account numbers which were then "assigned" by the boiler room to the non-resident investors in advance of them opening accounts at First Delta.

21. On March 24, 1999, officers of the Royal Canadian Mounted Police ("R.C.M.P.") executed a search warrant at the boiler room and seized documents that implicated Boulieris in the operation of the boiler room.

Proceedings in the United States of America

22. On October 1, 2001, the U.S. Securities & Exchange Commission ("SEC") obtained a Permanent Injunction against*, inter alia*, G.A.P. Ltd. appointing a Receiver for that company. The SEC alleged that W.H. and G.A.P. Ltd. had operated an unregistered broker-dealer by employing a network of sales agents to solicit prospective U.S. and non-resident purchasers and that more than $ 7,000,000.00 U.S. was raised from defrauded investors. W.H. was subsequently barred from association with any broker-dealer.

23. In March 2002, the SEC commenced proceedings against First Florida and two of its directors for misrepresentation and securities fraud arising from, *inter alia*, a misrepresentation in First Florida's Web Site which grossly overstated the value of that company's assets. This misrepresentation was made during the same time period that H.A. and Boulieris were manipulating the share price of First Florida.

"Know Your Client" Obligations

24. First Delta failed to know its clients and to make reasonable inquiries to ascertain:

    a. H.A.'s position and involvement in First Florida;

    b. the relationship between G.A.P. Ltd., First Florida and H.A.; and

    c. the source and circumstances relating to the purported referrals of the non-resident investors to Boulieris by the boiler room.

25. First Delta also failed to verify the identities of all the non-resident investors in accordance with Association Compliance Bulletin C-123 relating to, *inter alia*, the Regulations under the *Proceeds of Crime (Money Laundering) Act*.

Account Supervision

26. Policy 2 of the Association describes minimum standards for retail account supervision at Member firms. These standards include a requirement that the Member conduct weekly and monthly reviews of account trading activity. Had these reviews been properly conducted between January and June 1999 with respect to Boulieris' accounts, the following trading irregularities may have been detected:

    (a) H.A. held a large position in First Florida through his corporate accounts at First Delta and elsewhere;

(b) A large number of the non-resident investors were opening accounts at First Delta for the sole purpose of buying shares in First Florida;

(c) Boulieris was identifying all of the purchase orders for First Florida shares by the non-resident investors as being “unsolicited”;

(d) Most of the purchases of First Florida shares by the non-resident investors were filled with shares that were owned by H.A. through his corporations;

(e) The price of the First Florida shares paid by the non-resident investors was frequently not within the reported price range;

(f) G.A.P. Ltd.’s account was excessively and almost exclusively buying and selling First Florida shares in March and April 1999; and

(g) The unreported trading by Boulieris in First Florida shares often exceeded the volume of the reported trading for that stock.

27. Trusler, Meredith and Stopforth were responsible for supervising Boulieris’ client accounts. They ought to have known of the trading irregularities described above.

28. Officers of First Delta’s Carrying Broker had warned First Delta, on several occasions, of their concerns associated with these trading irregularities, including the concerns that there was a scheme afoot to manipulate the share price of First Florida and that Boulieris did not know the non-resident investors.

29. Notwithstanding these warnings, Boulieris was allowed to continue to work at First Delta until June 1999 when O.S.C. and R.C.M.P. officers attended at First Delta’s offices to interview Boulieris.

30. During the twelve months that Boulieris was employed at First Delta, he generated $ 665,412.34 in commissions. First Delta retained ½ of that amount.

Systemic Compliance Problems

31. Association Sales Compliance audits at First Delta in 1999 and 2000 revealed*, inter alia:*

  a. an absence of written record of any account activity reviews and compliance action;

  b. inadequate or deficient written compliance procedures;

  c. no records or lists of clients who were insiders in publicly traded companies or who were in control positions; and

  d. improper controls regarding client address changes and the use of post office boxes as mailing addresses for clients instead of residential addresses.

32. First Delta did not comply with the Association’s request of June 28, 2001, to provide Association Sales Compliance Staff with a draft Compliance Manual until March 2002.

Failure to Report Trading

33. Notwithstanding being advised by its Carrying Broker of the need to report all of Boulieris’ trading in First Florida shares, First Delta failed to report all of his trading to Canadian Dealing Network Inc. (CDN formerly “COATS” and now Canadian Unlisted Board Inc), as required by s. 154, Regulation 1015, Part VI, made under the Ontario *Securities Act.*

Co-operation

34. First Delta and its directors co-operated throughout the Investigation.

IV. Contraventions

35. First Delta has violated Association Regulation 1300.1(a) by failing to exercise due diligence in learning the essential facts relative to several of its clients, their accounts and the trade orders made for those accounts.

36. Trusler, Meredith and Stopforth have violated Association Regulation 1300.2 by permitting new client accounts to be opened without approval and by failing to adequately supervise accounts for which Boulieris was the registered representative.

37. Trusler violated Association Regulation 1300.2 at the material time by failing to maintain effective account supervision procedures for First Delta.

38. First Delta has violated Association By-Law 29.1 by engaging in a business conduct or practice that is unbecoming and detrimental to the public interest by failing to report trading to CDN.

V. Admission of Contraventions and Future Compliance

39. The Respondents admit contravening the Regulations and By-Law of the Association set

out in Section IV of this Settlement Agreement. The Respondents acknowledge their responsibility to comply with the By-laws, Regulations, Rulings and Policies of the Association.

VI. Penalties and terms

40. The Respondents and Staff hereby agree to the penalties and terms described in this Section.

41. First Delta shall pay to the Association a fine in the amount of $ 600,000.00. $ 350,000.00 of the fine shall be paid within 10 days of the effective date of this Settlement Agreement. $ 250,000.00 of the fine shall be paid prior to the termination of First Delta's membership in the Association.

42. As a term of this Settlement Agreement, First Delta shall terminate its membership in the Association 90 days after the effective date of this Settlement Agreement. This time period may be extended on the consent of First Delta and Staff or by further Order of District Council.

43. From the effective date of this Settlement Agreement until the termination of First Delta's membership, the following conditions shall apply:

(i) First Delta shall not purchase any securities for any client accounts and will only take orders for the sale of securities for client accounts;

(ii) First Delta will forthwith commence liquidating all security positions in its inventory accounts and will complete liquidating all such positions prior to the termination of its membership;

(iii) First Delta shall not open any new branch offices, hire any new registered representatives or investment advisors or open any new customer accounts;

(iv) First Delta shall continue to pay any fees, premiums or other charges that may become due to the Association, the Canadian Investor Protection Fund, any Securities Commission or other Self-Regulatory Organization of which it is a Member;

(v) First Delta shall advise the Association's Vice President, Financial Compliance, of any legal claims or demands that are made against or on First Delta, its directors or employees, arising from the conduct of their business, within 48 hours of having received notice of such claim or demand;

(vi) First Delta shall not, without the prior written consent of the Association's Vice President, Financial Compliance,

1. reduce its capital in any manner including by redemption, re-purchase or cancellation of any of its shares;

2. reduce or repay any indebtedness, which has been subordinated with the approval of the Association;

3. directly or indirectly make any payments by way of loan, advance, bonus, dividend, repayment of capital or other distribution of assets to any director, officer, partner, shareholder, related company, affiliate; or

4. increase its non-allowable assets;

(vii) First Delta shall file with the Association a monthly capital report containing the same information required in a monthly financial report pursuant to Association By-Law 16.4 on the last business day of each month, or, in the discretion of the Association's Vice President, Financial Compliance, at shorter time intervals;

(viii) If, in the opinion of the Association's Vice President, Financial Compliance, a Monitor, Receiver or Trustee should be appointed to manage the affairs, property or undertaking of First Delta, First Delta shall give any and all necessary consents to effect such an appointment within 24 hours of being requested by the Association to do so; any such Monitor, Receiver or Trustee shall be chosen by the Association;

(ix) First Delta shall facilitate the timely transfer of all client accounts and will provide Staff, on the last day of each month, with a report identifying what accounts have been transferred, by client name and account number,

and the firm that received the account;

(x) First Delta will cause an Auditor's Report, as described in Association By-Law 8.2(b), to be delivered to the Association's Vice President, Financial Compliance, 60 days prior to the termination of its membership; the Auditor's Report shall also indicate if any client accounts have not been transferred; and

(xi) Notwithstanding any term of this Settlement Agreement, all powers currently vested in the Association, or in any Officer or Council thereof, shall remain in force pursuant to the Association's By-laws and Regulations.

44. Trusler shall pay to the Association a fine in the amount of $ 50,000.00 within 30 days of the effective date of this Settlement Agreement. Trusler will be suspended for a period of 6 months from holding any supervisory position and must successfully re-write and pass the examination for Partners, Directors and Officers administered by the Canadian Securities Institute prior to being reinstated in any supervisory position.

45. Meredith shall pay to the Association a fine in the amount of $ 30,000.00 within 30 days of the effective date of this Settlement Agreement. Meredith will be suspended for a period of 30 days from holding any supervisory position and must successfully re-write and pass the examination for Partners, Directors and Officers administered by the Canadian Securities Institute prior to being reinstated in any supervisory position.

46. Stopforth shall pay to the Association a fine in the amount of $ 30,000.00 within 30 days of the effective date of this Settlement Agreement. Stopforth will be suspended for a period of 30 days from holding any compliance position and must successfully re-write and pass the examination for Partners, Directors and Officers administered by the Canadian Securities Institute prior to being reinstated in any compliance position.

47. Staff shall withdraw its allegations against Baker.

VII. Association Costs

48. The Respondents, First Delta, Trusler, Meredith and Stopforth shall jointly and severally pay the Association's costs of this proceeding in the amount of $ 20,000.00, payable to the Association within thirty days from the effective date of this Settlement Agreement.

VIII. Effective Date

49. This Settlement Agreement shall become effective and binding upon the Respondents and Staff in accordance with its terms as of the date of:

(a) its acceptance; or

(b) the imposition of a lesser penalty or less onerous terms; or

(c) the imposition, with the consent of the Respondents, of a penalty or terms more onerous,

by the District Council.

IX. Waiver

50. If this Settlement Agreement becomes effective and binding, the Respondents hereby waive their right to a hearing under the Association By-laws in respect of the matters described herein and further waives any right of appeal or review which may be available under such By-laws or any applicable legislation.

X. Staff Commitment

51. If this Settlement Agreement becomes effective and binding, Staff will not proceed with disciplinary proceedings against the Respondents herein under Association By-laws in relation to the facts set out in Section III of the Settlement Agreement.

XI. Public Notice of Discipline Penalty

52. If this Settlement Agreement becomes effective and binding:

(a) the Respondents shall be deemed to have been penalized by the District Council for the purpose of giving written notice to the public thereof by publication in an Association Bulletin and by delivery of the notice to the media, the securities regulators and such other persons, organizations or corporations, as required by Association By-laws and any applicable Securities Commission requirements; and

(b) the Settlement Agreement and the Association Bulletin shall remain on file and shall be disclosed to members of the public upon request.

XII.

Effect Of Rejection Of Settlement Agreement

53. If the District Council rejects this Settlement Agreement:

    (a) the provisions of By-Laws 20.10 to 20.24, inclusive, shall apply, provided that no member of the District Council rejecting this Settlement Agreement shall participate in any hearing conducted by the District Council with respect to the same matters which are the subject of the Settlement Agreement; and

    (b) the negotiations relating thereto shall be without prejudice and may not be used as evidence or referred to in any hearing.

AGREED TO by the Respondents, in the City of Toronto, in the Province of Ontario, this "22nd" day of May, 2002

"Paul Hannah"
First Delta Securities Inc
Per: Paul Hannah

"Geordie Trusler"
George (Geordie) Trusler

"Frederick Meredith"
Frederick Meredith Jr.

"Gail Stopforth"
Gail Louise Stopforth

"Gordon Baker"
Gordon Edward Baker

AGREED TO by Staff at the City of Toronto, in the Province of Ontario, this "22nd" day of May, 2002

"Jeffrey Kehoe"
Jeffrey Kehoe
Director of Enforcement Litigation, Enforcement Division, on behalf of Staff of the Investment Dealers Association of Canada

ACCEPTED by the Ontario District Council of the Investment Dealers Association of Canada, at the City of Toronto, in the Province of Ontario, this 22nd day of May, 2002.

Investment Dealers Association of Canada
(Ontario District Council)

Per: Hon. "Fred Kaufman", chair

Per: "Bradley Doney", panel member

Per: "Michael Walsh", panel member

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Chapter 25

Other Information

25.1 Consents

25.1.1 Mosaic Group Inc. - ss. 4(b) of Reg. 289/00

Headnote

Consent given to an OBCA corporation to continue under the laws of Canada.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 181.
Securities Act, R.S.O. 1990, c. S.5, as am.
Canada Business Corporations Act (Canada), R.S.C. 1985, c. C-44, as am.

Regulations Cited

Regulation made under the Business Corporation Act, Ont. Reg. 289/00, ss. 4(b).

IN THE MATTER OF
ONT. REG. 289/00 (THE "REGULATION")
MADE UNDER THE BUSINESS CORPORATIONS ACT,
R.S.O. 1990 c. B. 16
(THE "OBCA")

AND

IN THE MATTER OF
MOSAIC GROUP INC.

CONSENT
(Subsection 4(b) of the Regulation)

UPON the application of Mosaic Group Inc. ("Mosaic") to the Ontario Securities Commission (the "Commission") requesting a consent from the Commission for Mosaic to continue into another jurisdiction pursuant to subsection 4(b) of the Regulation;

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

AND UPON Mosaic having represented to the Commission that:

1. Mosaic is proposing to submit an application to the Director under the OBCA pursuant to section 181 of the OBCA (the "Application for Continuance") for authorization to continue (the "Continuance") as a corporation under the *Canada Business Corporations Act*, R.S.C. 1985, c.144, as amended (the "CBCA").

2. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation, the Application for Continuance must be accompanied by a consent from the Commission.

3. Mosaic was amalgamated under the provisions of the OBCA on January 1, 1998. The head office of Mosaic is located at 469A King Street West, Toronto, Ontario.

4. The authorized share capital of Mosaic is comprised of an unlimited number of common shares and an unlimited number of preference shares issuable in series, of which 125,488,156 common shares were issued and outstanding as of April 30, 2002.

5. Mosaic is an offering corporation under the OBCA, is a reporting issuer in all of the provinces of Canada and its common shares are listed for trading on The Toronto Stock Exchange. Following the Continuance, Mosaic intends to remain a reporting issuer in Ontario and in the other jurisdictions in which it is currently a reporting issuer.

6. Mosaic is not in default under any provision of the *Securities Act*, R.S.O. 1990, c.S-5, as amended, (the "Act") or the regulations made under the Act, nor under the securities legislation of any other jurisdiction where it is a reporting issuer.

7. Mosaic is not a party to any proceeding nor, to the best of its knowledge, information and belief, any pending proceeding under the Act.

8. The shareholders of Mosaic approved the Continuance under the CBCA by special resolution obtained at an annual and special meeting of shareholders (the "Meeting") held on May 14, 2002.

9. The management proxy circular dated April 4, 2002 provided to all shareholders of Mosaic in connection with the Meeting advised the holders of common shares of Mosaic of their dissent rights in connection with the Continuance pursuant to section 185 of the OBCA.

10. The principal reason for the Continuance is to enable Mosaic to benefit from recent amendments to the CBCA which, among other things, reduce the number of directors of a corporation organized under that statute who must be resident Canadians from a majority of directors to at least 25%. Due to the increasingly international nature

of Mosaic's business, it is in the interests of Mosaic to be able to elect or appoint directors and to conduct its affairs in accordance with the CBCA.

11. Other than the difference in director residency requirements, the material rights, duties and obligations of a corporation governed by the CBCA are substantially similar to those of a corporation governed by the OBCA.

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

THE COMMISSION HEREBY CONSENTS to the continuance of Mosaic as a corporation under the *Canada Business Corporations Act.*

May 17, 2002.

"Robert W. Korthals" "Harold P. Hands"

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