

The Ontario Securities Commission

OSC Bulletin

May 23, 2003

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

The Ontario Securities Commission

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

MAY 23, 2003

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

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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Robert W. Korthals	—	RWK
Mary Theresa McLeod	—	MTM
H. Lorne Morphy, Q.C.	—	HLM
Robert L. Shirriff, Q.C.	—	RLS

SCHEDULED OSC HEARINGS

DATE: TBA **ATI Technologies Inc., Kwok Yuen Ho, Betty Ho, JoAnne Chang, David Stone, Mary de La Torre, Alan Rae and Sally Daub**

s. 127

M. Britton in attendance for Staff

Panel: TBA

DATE: TBA **Jack Banks A.K.A. Jacques Benquesus and Larry Weltman***

s. 127

K. Manarin in attendance for Staff

Panel: PMM/KDA/MTM

* Larry Weltman settled on January 8, 2003

DATE: TBA **The Farini Companies Inc., and Darryl Harris**

s. 127

A. Clark in attendance for Staff

Panel: TBA

May 28 to 30, 2003 **First Federal Capital (Canada) Corporation and Monte Morris Friesner**

10:00 a.m.

s. 127

A. Clark in attendance for Staff

Panel: PMM/MTM/HPH

June 3, 2003 **Teodosio Vincent Pangia, Agostino Capista and Dallas/North Group Inc.**

2:00 p.m.

s. 127

Y. Chisholm in attendance for Staff

Panel: HLM/KDA

June 16, 2003 to Patrick Fraser Kenyon Pierrepont
July 4, 2003 Lett, Milehouse Investment
Management Limited, Pierrepont
10:00 a.m. Trading Inc., BMO Nesbitt
Burns Inc.*, John Steven Hawkyard*
and John Craig Dunn

June 26, 2003 s. 127
2:30 p.m. K. Manarin in attendance for Staff

Panel: PMM/HLM/HPH

* BMO settled Sept. 23/02
+ April 29, 2003

October 07 to 10, Gregory Hyrniw and Walter Hyrniw
2003

s. 127

Y. Chisholm in attendance for Staff

Panel: TBA

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

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

Global Privacy Management Trust and Robert
Cranston

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

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

Phillip Services Corporation

S. B. McLaughlin

Livent Inc., Garth H. Drabinsky, Myron I. Gottlieb,
Gordon Eckstein, Robert Topol

1.1.2 RS Amendment to the Universal Market Integrity Rules - Definition of Employee - Notice of Commission Approval

**MARKET REGULATION SERVICES INC.
AMENDMENT TO THE UNIVERSAL MARKET
INTEGRITY RULES
DEFINITION OF EMPLOYEE**

NOTICE OF COMMISSION APPROVAL

The Ontario Securities Commission has approved amendments to the Universal Market Integrity Rules (UMIR) to provide a definition of "employee". In addition, the Alberta Securities Commission, the British Columbia Securities Commission, the Manitoba Securities Commission and the Commission des valeurs mobilières du Québec have also approved the amendment. The amendment relates to the introduction of By-law 39 of the Investment Dealers Association that permits dealers to enter into a principal/agent relationship. The amendment ensures that various UMIR provisions would be applicable to persons who have entered into a principal/agent relationship. A copy and description of the amendments were published on October 11, 2002 at (2002), 25 OSCB 6778. No comments were received. The final version of the amendment is published in Chapter 13 of this Bulletin.

1.2 Notices of Hearing

1.2.1 Robert Davies - s. 127

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

AND

IN THE MATTER OF
ROBERT DAVIES

NOTICE OF HEARING
(Section 127)

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") at the offices of the Commission, Main Hearing Room, 17th floor, 20 Queen Street West, Toronto, on May 28, 2003, at 11:00 a.m., or as soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing will be for the Commission to consider whether to approve the proposed settlement of the proceeding entered into between Staff of the Commission and the respondent Robert Davies;

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

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing.

May 12, 2003.

"John Stevenson"

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

AND

IN THE MATTER OF
ROBERT DAVIES

STATEMENT OF ALLEGATIONS OF STAFF OF THE
ONTARIO SECURITIES COMMISSION

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

The Respondent

1. The respondent, Robert Davies ("Davies"), is a chartered accountant and a certified management accountant. He has never been registered with the Ontario Securities Commission (the "Commission").

Distributions of the Saxton Securities

2. Saxton Investment Ltd. ("Saxton") was incorporated on January 13, 1995. Allan Eizenga ("Eizenga") was Saxton's registered director. Saxton and Eizenga established numerous offering corporations, as listed below (the "Offering Corporations").

The Saxton Trading Corp.
The Saxton Export Corp.
The Saxton Export (II) Corp.
The Saxton Export (III) Corp.
The Saxton Export (IV) Corp.
The Saxton Export (V) Corp.
The Saxton Export (VI) Corp.
The Saxton Export (VII) Corp.
The Saxton Export (VIII) Corp.
The Saxton Export (IX) Corp.
The Saxton Export (X) Corp.
The Saxton Export (XI) Corp.
The Saxton Export (XII) Corp.
The Saxton Export (XIII) Corp.
The Saxton Export (XIV) Corp.
The Saxton Export (XV) Corp.
The Saxton Export (XVI) Corp.
The Saxton Export (XVII) Corp.
The Saxton Export (XVIII) Corp.
The Saxton Export (XIX) Corp.
The Saxton Export (XX) Corp.
The Saxton Export (XXI) Corp.
The Saxton Export (XXII) Corp.
The Saxton Export (XXIII) Corp.
The Saxton Export (XXIV) Corp.
The Saxton Export (XXV) Corp.
The Saxton Export (XXVI) Corp.
The Saxton Export (XXVII) Corp.
The Saxton Export (XXVIII) Corp.
The Saxton Export (XXIX) Corp.
The Saxton Export (XXX) Corp.

- The Saxton Export (XXXI) Corp.
 The Saxton Export (XXXII) Corp.
 The Saxton Export (XXXIII) Corp.
 The Saxton Export (XXXIV) Corp.
 The Saxton Export (XXXV) Corp.
 The Saxton Export (XXXVI) Corp.
 The Saxton Export (XXXVII) Corp.
 The Saxton Export (XXXVIII) Corp.
3. Saxton and the Offering Corporations represented to the public that they were investing in businesses in Cuba and other Caribbean companies.
 4. On or about October 7, 1998, the Court appointed KPMG Inc. ("KPMG") as the custodian of Saxton's assets. In early 1999, KPMG reported that the Offering Corporations had raised approximately \$37 million from investors. All funds invested in the Offering Corporations had been transferred to Saxton. At that time, KPMG held the view that the value of the Saxton assets, at its highest (as reported by related companies), was approximately \$5.5 million.
 5. Saxton marketed two investment products namely: (i) a "GIC" which was later re-named a "Fixed Dividend Account"; and (ii) an "Equity Dividend Account". In either case, the investor purchased securities in one or more of the Offering Corporations (the "Saxton Securities").
 6. The Fixed Dividend Account products promised investors either 10.25% annual return for a three year term compounded or 12% annual return for a five year term compounded. Investors in the Equity Dividend Account were told to expect 25% to 30% annual growth in their investment.
 7. The Saxton Securities were distributed in violation of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act"). All of the Offering Corporations were incorporated pursuant to the laws of Ontario. Sales of the Saxton Securities constituted trades in securities of an issuer that had not been previously issued.
 8. None of the Offering Corporations filed a preliminary prospectus or prospectus with the Commission. The Offering Corporations purported to rely on the "seed capital" prospectus exemption under subparagraph 72(1)(p) of the Act. Neither this exemption, nor any other prospectus exemption, was available to them.
- Conduct of Davies**
9. Between October 1996 and December 1997, Davies was employed as Saxton's controller. As such, Davies' responsibilities included establishing and maintaining proper internal accounting controls and books of account, preparing financial statements and producing quarterly account statements for investors.
 10. Davies failed to keep and maintain the proper books and records and failed to ensure that the basic accounting controls were in place. Among other things:
 - (a) the general ledger did not reflect all transactions pertaining to the Saxton operations and were incomplete for the purposes of preparing financial statements in accordance with GAAP;
 - (b) the general ledger was not "closed-off" after the financial year end for the purpose of establishing proper financial statements;
 - (c) investor funds were not reconciled and controlled to the shareholder register and the respective company's financial records;
 - (d) interest accruing on the Fixed Dividend Accounts were not recorded in the books of account;
 - (e) Saxton's use of funds were not properly recorded;
 - (f) funds generated through investments and/or revenue from the Cuban or other Saxton operations, if any, were not reflected in the books of account; and
 - (g) financial statements were never prepared.
 11. Shareholders who invested in the Fixed Dividend Account products received quarterly statements which reflected a market value increase in their investment of 10.25% or 12%. The Equity Dividend Account holders' quarterly statements reflected a market value increase of between 25% and 30%. To Davies' knowledge, there was no financial foundation to support the historic and/or the market value contained in the quarterly account statements.
 12. Davies knew that the quarterly statements were unsubstantiated by any accounting or financial data in Saxton's possession. He also knew that the statements misrepresented the value of the shareholders' investments and thus, were misleading to investors and the Saxton salespeople.
 13. Davies knew, or ought reasonably to have known, that the investing public, and Saxton salespeople, relied upon the quarterly account statements and his professional expertise. Thus, Davies provided misguided comfort respecting the nature and

quality of, and gave unwarranted credibility to, the Saxton Securities.

14. Davies failed to exercise the appropriate due diligence concerning Saxton's activities. Moreover, he continued to participate in Saxton after becoming aware that investor funds were being diverted to Eizenga's personal use.
15. Davies' conduct was contrary to Ontario securities law and the public interest.
16. Such other allegations as Staff may make and the Commission may permit.

May 12, 2003.

1.3 News Releases

1.3.1 Regulator Warns of Scams Involving High Return Investments

FOR IMMEDIATE RELEASE
May 15, 2003

REGULATOR WARNS OF SCAMS INVOLVING
HIGH RETURN INVESTMENTS

TORONTO – Scam artists will do anything to gain your trust, in order to entice you to invest in their schemes, warns the Ontario Securities Commission. They may make promises of huge profits from investing in offshore markets, and may even guarantee the returns to give you a sense of security. They are aware of the large amounts of money you pay in taxes and your frustration with earning low returns. They will pretend to share your opinions, and sympathize with your frustration.

In one example, farmers in Eastern Ontario were approached through investment seminars about offshore investment opportunities with guaranteed returns of 15%. One potential investor was told that the large Canadian banks use depositors' money to invest in these same offshore markets for their own profits.

When someone offers you returns that are more than the going rate, there is more of a risk that you will lose your money. Are you taking on more risk than you can afford? There are several red flags you can watch out for when evaluating investment opportunities, to make sure you know the risks:

Offshore investment opportunities – once you send your money out of the province, you lose any protections provided by Ontario law. Frauds and scams frequently involve an offshore institution to make it more difficult to trace the transactions. Once your money is in someone else's control you may have difficulty getting it back.

Unsubstantiated guarantees – A guarantee is only as good as the person or company making the guarantee, and their credit rating. If they can borrow money from the bank at 8%, and invest it at 15%, why are they willing to pay you 15% on your money? Chances are, they need you to lend them money because their credit is bad and the banks will not lend them money. If you invest money with them, there is a good chance that you will not get it back.

High return and low risk – The higher the promised return on an investment, the greater the risk. If someone offers you an investment with a very high return, ask yourself why they need to offer returns that high to get investors. Chances are, it's a risky investment. If you think that a guarantee lowers your risk, read about unsubstantiated guarantees, above.

To protect your money:

- Be wary of investment opportunities that offer guaranteed high returns and low risk
- Check out the investment opportunity, and the registration of the person or company offering you the investment – call the OSC Contact Centre toll-free at 1-877-785-1555 or view the Registrants List online in the Market Participants section of the OSC website www.osc.gov.on.ca
- Have a trusted professional, such as your financial adviser, lawyer or accountant, evaluate any investment opportunity pitched over the telephone or at an investment seminar.

For further information or to file a complaint, contact the Ontario Securities Commission at 1-877-785-1555.

For Media Inquiries: Perry Quinton
Manager, Investor
Communications
416-593-2348

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

1.3.2 OSC Extends Cease Trade Order Against Andrew Keith Lech

**FOR IMMEDIATE RELEASE
May 16, 2003**

**OSC EXTENDS CEASE TRADE ORDER AGAINST
ANDREW KEITH LECH**

TORONTO – The Ontario Securities Commission has extended a temporary cease trade order against Andrew Keith Lech. Lech is an individual residing in Peterborough, Ontario.

On May 1, 2003 the Commission issued a temporary order prohibiting Lech from trading in securities, and on May 7, the Commission released a Notice of Hearing and Statement of Allegations in this matter.

At today's hearing, the Commission heard evidence concerning Staff's allegations that Lech has been trading and advising in securities without registration, making impermissible representations concerning securities, and conducting an illegal distribution of securities. OSC Investigator Michael Vear gave evidence outlining the Commission's investigation, and the basis of Staff's allegation that Lech has collected at least \$25 million from at least 150 Canadian investors for investment in securities.

At the conclusion of the hearing, the Commission issued an Order extending the cease trade order pending further order of the Commission. The hearing may be scheduled to resume on 7 days notice by either party.

Copies of the Order, as well as the Notice of Hearing and Statement of Allegations are available on the Commission's website at www.osc.gov.on.ca.

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)

1.3.3 OSC to Consider a Settlement Between Staff and Robert Davies in the Saxton Matter

**FOR IMMEDIATE RELEASE
May 21, 2003**

**ONTARIO SECURITIES COMMISSION TO
CONSIDER A SETTLEMENT BETWEEN STAFF
AND ROBERT DAVIES IN THE SAXTON MATTER**

TORONTO – On May 28, 2003 commencing at 11:00 a.m., the Ontario Securities Commission will convene a hearing to consider a settlement reached between Staff of the Commission and the respondent Robert Davies.

Between October 1996 and December 1997, Davies was a chartered accountant and Saxton Investment Ltd.'s controller. Davies has never been registered with the Commission. Among other things, Staff alleges that Davies failed to keep and maintain the proper books and records and ensure that basic accounting controls were in place. Staff alleges that the quarterly statements provided to investors were unsubstantiated and misleading.

The terms of the settlement agreement between Staff and Davies are confidential until approved by the Commission. Copies of the Notices of Hearing and Statement of Allegations of Staff of the Commission are available on the Commission's website, www.osc.gov.on.ca.

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)

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Citadel Multi-Sector Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – registration and prospectus relief to allow units to be distributed under a distribution reinvestment plan by a closed-end trust that does not meet the definition of mutual fund. First trade relief granted such that the seasoning period that would otherwise apply is eliminated.

Applicable Ontario Statutory Provisions

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

Multilateral Instrument Cited

Multilateral Instrument 45-102 Resale of Securities (2001), 24 OSCB 5522.

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

AND

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

AND

**IN THE MATTER OF
CITADEL MULTI-SECTOR INCOME FUND**

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island (the "Jurisdictions") has received an application from Citadel Multi-Sector Income Fund (the "Fund"), for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirements contained in the Legislation to be registered to trade in a security (the "Registration Requirement") and to

file and obtain a receipt for a preliminary prospectus and a final prospectus before effecting a trade that is a distribution (the "Prospectus Requirement") shall not apply to certain trades in trust units of the Fund ("Trust Units") under a distribution reinvestment plan (the "DRIP");

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, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 - *Definitions* or in Quebec Securities Commission Notice 14-101;

4. AND WHEREAS the Fund has represented to the Decision Makers that:

4.1 the Fund is a closed-end investment trust established under the laws of Alberta under a declaration of trust dated December 12, 2002 (the "Declaration of Trust"), as amended and restated on January 30, 2003;

4.2 Computershare Trust Company of Canada is the trustee of the Fund (in such capacity, the "Trustee");

4.3 under the Declaration of Trust, the Fund is authorized to issue an unlimited number of transferable, non-redeemable Trust Units, of which there were 27,055,273 Trust Units issued and outstanding on February 14, 2003;

4.4 the Fund is not a "mutual fund" as defined in the Legislation because the holders of Trust Units ("Unitholders") are not entitled to receive, on demand or within a specified period after demand, an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Fund as contemplated in the definition of "mutual fund" contained in the Legislation;

4.5 the assets of the Fund consist of a portfolio of securities including Canadian income funds and Canadian high yielding investment grade debt, as well as cash and cash equivalents (the "Portfolio");

- 4.6 the investment objective of the Fund is to achieve the maximum total return for Unitholders by balancing the following two underlying objectives:
- 4.6.1 to provide Unitholders with a stable, tax effective income stream comprised of amounts received by the Fund from the Portfolio ("Distributable Income"); and
- 4.6.2 return at least the original issue price of the Trust Units to Unitholders upon termination of the Fund;
- 4.7 each Trust Unit represents an equal, fractional undivided beneficial interest in the net assets of the Fund, and entitles its holder to one vote at meetings of Unitholders and to participate equally with respect to any and all distributions made by the Fund, including distributions of net income and net realized capital gains, if any;
- 4.8 the Fund became a reporting issuer in each of the Jurisdictions on January 30, 2003 when it obtained a final decision document for its prospectus dated January 30, 2003 (the "Prospectus"). As of the date hereof, the Fund is not in default of any requirements under the Legislation;
- 4.9 the Fund is not a "qualifying issuer" as defined in Multilateral Instrument 45-102 – *Resale of Securities*;
- 4.10 Citadel Multi-Sector Management Inc. (the "Administrator") is the authorized attorney of the Fund;
- 4.11 the Trust Units are listed on the Toronto Stock Exchange under the symbol "CMS.UN";
- 4.12 the Trust Units are available only in book-entry form whereby CDS & Co., a nominee of The Canadian Depository for Securities Limited, is the only registered holder of Trust Units;
- 4.13 the Fund has established the DRIP to permit Unitholders, at their discretion, to automatically reinvest the Distributable Income paid on their Trust Units in additional Trust Units ("DRIP Units") as an alternative to receiving cash distributions;
- 4.14 distributions due to participants in the DRIP ("DRIP Participants") will be paid to Computershare Trust Company of Canada in its capacity as agent under the DRIP (in such capacity, the "DRIP Agent") and applied to the purchase of DRIP Units;
- 4.15 no commissions, service charges or brokerage fees will be payable by DRIP Participants in connection with the DRIP;
- 4.16 the DRIP Agent will purchase DRIP Units from the Fund at the net asset value per Trust Unit as at the applicable distribution date;
- 4.17 DRIP Participants may terminate their participation in the DRIP at any time by providing 10 days' written notice to the DRIP Agent prior to the applicable record date;
- 4.18 DRIP Participants do not have the option of making cash payments to purchase additional DRIP Units under the DRIP;
- 4.19 the distribution of the DRIP Units by the Fund pursuant to the DRIP cannot be made in reliance on certain registration and prospectus exemptions contained in the Legislation as the DRIP involves the reinvestment of distributable income distributed by the Fund and not the reinvestment of dividends or interest of the Fund; and
- 4.20 the distribution of the DRIP Units by the Fund pursuant to the DRIP cannot be made in reliance on registration and prospectus exemptions contained in the Legislation for distribution reinvestment plans for mutual funds, as the Fund is not considered to be a "mutual fund" as defined in the Legislation;
5. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (collectively, the "Decision");
6. 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;
7. THE DECISION of the Decision Makers under the Legislation is that:
- 7.1 the Registration Requirement and Prospectus Requirement shall not apply to trades or distributions by the Fund of DRIP Units for the account of DRIP

Participants pursuant to the DRIP, provided that:

- 7.1.1 at the time of the trade or distribution the Fund is a reporting issuer or the equivalent under the Legislation and is not in default of any requirements of the Legislation;
 - 7.1.2 no sales charge is payable in respect of the trade;
 - 7.1.3 the Fund has caused to be sent to the person or company to whom the DRIP Units are traded, not more than 12 months before the trade, a statement describing:
 - 7.1.3.1 their right to withdraw from the DRIP and to make an election to receive cash instead of DRIP Units on the making of a distribution of income by the Fund (the "Withdrawal Right"); and
 - 7.1.3.2 instructions on how to exercise the Withdrawal Right;
 - 7.1.4 the first trade of the DRIP Units acquired under this Decision shall be deemed to be a distribution or a primary distribution to the public under the Legislation; and
- 7.2 the Prospectus Requirement shall not apply to the first trade of DRIP Units acquired under this Decision, provided that:
- 7.2.1 except in Quebec, the conditions in paragraphs 2 through 5 of subsection 2.6(4) of Multilateral Instrument 45-102 – *Resale of Securities* are satisfied; and
 - 7.2.2 in Quebec:
 - 7.2.2.1 at the time of the first trade the Fund is a reporting issuer in Quebec and is not in default of any of the requirements of the securities legislation in Quebec;

7.2.2.2 no unusual effort is made to prepare the market or to create a demand for the DRIP Units;

7.2.2.3 no extraordinary commission or consideration is paid to a person or company other than the vendor of the DRIP Units in respect of the trade; and

7.2.2.4 the vendor of the DRIP Units, if in a special relationship with the Fund, has no reasonable grounds to believe that the Fund is in default of any requirement of the securities legislation in Quebec.

April 28, 2003.

"Glenda A. Campbell"

"Stephen R. Murison"

**2.1.2 AT&T Canada Limited and AT&T Canada Inc.
- MRRS Decision**

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – AT&T Canada Limited (formerly AT&T Canada Inc.), a wholly-owned subsidiary of New AT&T Canada Inc. as a result of a plan of arrangement under the Companies' Creditors Arrangement Act ceases to be a reporting issuer.

Applicable Ontario Statutory Provisions

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

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, ONTARIO, QUÉBEC,
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
AT&T CANADA INC.**

AND

**IN THE MATTER OF
AT&T CANADA LIMITED**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the Provinces of Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application from AT&T Canada Limited (formerly AT&T Canada Inc.) ("AT&T Canada") and AT&T Canada Inc. (formerly 6067760 Canada Inc.) ("New AT&T Canada", and collectively with AT&T Canada, the "Filers") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that AT&T Canada be deemed or declared to have ceased to be a reporting issuer in each of the Jurisdictions;

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, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions* or in Québec Commission Notice 14-101;

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

1. AT&T Canada is organized under the laws of Canada. The registered and principal office of AT&T Canada is located at 200 Wellington Street West, Toronto, Ontario, Canada M5V 3G2.
2. AT&T Canada is Canada's largest competitive national broadband business service provider and competitive local exchange carrier and a leading provider of Internet and e-business solutions.
3. AT&T Canada is and has been a reporting issuer (or the equivalent) since December 3, 1997 in each of the Jurisdictions that recognizes the reporting issuer concept and is not in default of its obligations as a reporting issuer thereunder.
4. On April 1, 2003, AT&T Canada and certain of its subsidiaries, namely AT&T Canada Corp., AT&T Canada Telecom Services Company, AT&T Canada Fibre Company, MetroNet Fiber US Inc., MetroNet Fiber Washington Inc. and Netcom Canada Inc. (collectively with AT&T Canada, the "AT&T Canada Companies") completed the implementation of a consolidated plan of arrangement and reorganization (the "Plan") under the *Companies' Creditors Arrangement Act* and the *Canada Business Corporations Act* (the "CBCA"). The Plan provided for the restructuring of the AT&T Canada Companies and the compromise of the rights and claims of holders of notes of AT&T Canada and certain other creditors of the AT&T Canada Companies (collectively with the holders of AT&T Canada notes, the "Affected Creditors").
5. New AT&T Canada was incorporated on February 20, 2003 under the laws of Canada for the purpose of, among other things, effecting an exchange of the claims of the Affected Creditors in accordance with the provisions of the Plan. The registered and principal office of New AT&T Canada is located at 200 Wellington Street West, Toronto, Ontario, Canada M5V 3G2.
6. Implementation of the Plan resulted in a substantial reorganization of the debt and equity and the corporate structure of the AT&T Canada Companies. On April 1, 2003 (the "Plan Implementation Date"), the Affected Creditors received a combination of cash and shares of New AT&T Canada in exchange for the claims (including all of the notes issued by AT&T Canada) owed by the AT&T Canada Companies. As well, pursuant to the Plan, the articles of reorganization of AT&T Canada under Section 191 of the CBCA became effective on the Plan Implementation Date and, among other things, authorized a new class of common shares and issued 10,000 of such new common shares to New AT&T Canada.

7. In addition, the articles of reorganization of AT&T Canada cancelled the existing equity of AT&T Canada (including options or other rights to acquire the existing shares of AT&T Canada but excluding the 10,000 new common shares issued to New AT&T Canada) without payment of any compensation. As a result, on the Plan Implementation Date, AT&T Canada became a wholly-owned subsidiary of New AT&T Canada.
8. Other than the new common shares owned by New AT&T Canada, AT&T Canada has no securities (including debt securities) outstanding.
9. AT&T Canada has no current intention of raising financing by way of an offering of securities to the public in Canada.

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 AT&T Canada be deemed or declared to have ceased to be a reporting issuer under the Legislation.

May 1, 2003.

"Iva Vranic"

2.1.3 ARC Resources Ltd. - MRRS Decision

Headnote

Rule 61-501 - Related party transactions - Relief from valuation requirements in connection with a related party transaction - Applicant and ARC Resources Management Ltd. ("ARML") both have exchangeable shares convertible into units of their parent, ARC Energy Trust (the "Trust") - holders of exchangeable shares do not have any rights in the Applicant or ARML - Directors and senior officers of the Applicant own 67% of the outstanding ARML exchangeable shares - Applicant to acquire all the outstanding ARML exchangeable shares and merge the shares with Applicant's exchangeable shares into one class of exchangeable shares - merger approved by the holders of the Applicant's exchangeable shares, the independent unitholders of the Trust and the independent directors of the Applicant - the exchangeable shares are the economic equivalent to the number of Trust units which the holder is entitled to receive in exchange for such shares - exchangeable shares are in substance a class of securities of the Trust and not of the Applicant or ARML - Applicant exempt from the valuation requirements, provided that the Trust complies with Rule 61-501 in the same manner as if it were party to the transaction.

Ontario Rule Cited

Rule 61-501—Insider Bids, Issuer Bids, Going Private Transactions and Related Party.

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

AND

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

AND

**IN THE MATTER OF
ARC RESOURCES LTD**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (a "Decision Maker" and collectively, the "Decision Makers") in each of the provinces of Ontario and Quebec (the "Jurisdictions") have received an application from ARC Resources Ltd. ("ARC Resources") for a decision pursuant to Ontario Securities Commission Rule 61-501 ("Rule 61-501"), Policy Q-27 of the Commission des Valeurs Mobilières du Québec and other applicable securities legislation in Quebec (collectively, the "Legislation") that in connection with the acquisition by ARC Resources of all of the outstanding exchangeable shares of ARC Resources Management Ltd. ("ARML"), ARC Resources be exempt from the requirements contained in the Legislation to obtain a formal valuation, provide

disclosure in respect of such formal valuation and comply with other requirements in respect of such formal valuation (the "Valuation Requirements");

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

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions* or in Québec Commission Notice 14-101;

AND WHEREAS the ARC Energy Trust (the "Trust") and ARC Resources have represented to the Decision Makers that:

1. The Trust is an open-end investment trust created on May 7, 1996 under the laws of the Province of Alberta pursuant to a trust indenture between ARC Resources and Montreal Trust Company of Canada (which has assigned its interest as trustee to Computershare Trust Company of Canada), as amended.
2. The Trust is a reporting issuer, or has equivalent status, under the securities legislation in all provinces of Canada (the "National Legislation") and is not in default of any of the requirements of the National Legislation.
3. The Trust is authorized to issue 650,000,000 trust units of the Trust ("Trust Units") and an unlimited number of special voting units. As at March 28, 2003, there were 136,187,345 Trust Units outstanding and outstanding rights to acquire 693,181 Trust Units under the Trust Unit Incentive Rights Plan of the Trust.
4. The Trust Units are currently listed on the Toronto Stock Exchange (the "TSX").
5. ARC Resources was formed on January 22, 1996 under the *Business Corporations Act* (Alberta) (the "ABCA").
6. ARC Resources is a reporting issuer, or has equivalent status, under the National Legislation in all provinces of Canada and is not in default of any of the requirements of the National Legislation.
7. The authorized capital of ARC Resources consists of an unlimited number of common shares (the "ARC Common Shares"), 50,000,000 exchangeable shares of ARC Resources ("ARC Resources Exchangeable Shares") and an unlimited number of second preferred shares.
8. All of the issued and outstanding ARC Common Shares are held by the Trust.
9. As at March 28, 2003, there were 535,140 ARC Resources Exchangeable Shares issued and outstanding. As at March 28, 2003, each ARC Resources Exchangeable Share can be exchanged for 1.34954 Trust Units. The ARC Resources Exchangeable Shares are not "participating securities" within the meaning of the Legislation. None of the ARC Resources Exchangeable Shares are held by a related party of the Trust, ARC Resources or ARML.
10. The ARC Resources Exchangeable Shares are listed on the TSX.
11. 980445 Alberta Ltd. was formed on March 22, 2002, under the ABCA and on August 29, 2002 it amalgamated with its then wholly-owned subsidiary, ARC Resources Management Ltd. to form ARML.
12. The authorized capital of ARML consists of an unlimited number of common shares (the "ARML Common Shares") and an unlimited number of exchangeable shares ("ARML Exchangeable Shares").
13. All of the issued and outstanding ARML Common Shares are held by the Trust.
14. As at March 28, 2003, there were 2,153,666 ARML Exchangeable Shares issued and outstanding. As at March 28, 2003, each ARML Exchangeable Share can be exchanged for 1.08143 Trust Units. Directors and senior officers of ARC Resources (the "Related Parties") beneficially own, directly or indirectly, or exercise control or direction over 1,449,169 or 67% of the outstanding ARML Exchangeable Shares.
15. The ARML Exchangeable Shares are not listed on the TSX or any other stock exchange.
16. As at March 28, 2003, the outstanding ARC Resources Exchangeable Shares and ARML Exchangeable Shares entitled the holders to acquire 3,051,301 Trust Units or approximately 2.2% of the outstanding Trust Units, assuming the exchange of all ARC Resources Exchangeable Shares and ARML Exchangeable Shares for Trust Units. If the Related Parties were to exchange their holdings of ARML Exchangeable Shares for Trust Units as at March 28, 2003, they would hold approximately 1.1% of the outstanding Trust Units, assuming the exchange of no ARC Resources Exchangeable Shares or other ARML Exchangeable Shares for Trust Units.
17. Management of the Trust intends to merge ARC Resources and ARML (the "Exchangeable Share Reorganization") so that only one type of exchangeable share will remain outstanding.

18. ARC Resources will make certain amendments to its Articles of Incorporation by replacing the rights, privileges, restrictions and conditions presently attaching to the ARC Resources Exchangeable Shares with rights, privileges, restrictions and conditions which are in substance identical to those presently attaching to the ARML Exchangeable Shares (the "ARC Resources Exchangeable Share Amendment").
19. The ARC Resources Exchangeable Share Amendment has received the following approvals:
- (a) as required by the ABCA and the terms of the ARC Resources Exchangeable Shares, the ARC Resources Exchangeable Share Amendment has been approved by a majority of not less than two-thirds of the votes cast by holders of ARC Resources Exchangeable Shares at a meeting held on April 17, 2003;
 - (b) all seven members of the board of directors of ARC Resources (the "ARC Board"), including four directors who are not Related Parties, unanimously recommended approval of the ARC Resources Exchangeable Share Amendment to holders of ARC Resources Exchangeable Shares and also to holders of the Units (the "Unitholders");
 - (c) the Unitholders approved the ARC Resources Exchangeable Share Amendment by a majority of not less than two-thirds of the votes cast by Unitholders at a meeting held on April 17, 2003 (the "Unitholder Meeting");
 - (d) as required by the TSX, the ARC Resources Exchangeable Share Amendment was also approved by a majority of the votes cast by Unitholders at the Unitholder Meeting, other than the votes cast by directors, officers and other insiders of the Trust; and
 - (e) all necessary regulatory approvals.
20. Immediately following the ARC Resources Exchangeable Share Amendment, ARC Resources will acquire all of the outstanding ARML Exchangeable Shares in exchange (the "Share Exchange") for the amended ARC Resources Exchangeable Shares (the "New ARC Resources Exchangeable Shares"). Pursuant to the Share Exchange, holders of ARML Exchangeable Shares will receive that number of New ARC Resources Exchangeable Shares that will entitle the holder to receive the same number of Trust Units that the holder would have received if it had exercised its right, immediately prior to the Share Exchange, to receive Trust Units.
21. The Share Exchange has received the following approvals:
- (a) the members of the ARC Board who are not Related Parties unanimously approved the Share Exchange and all members of the ARC Board unanimously recommended approval of the Share Exchange to the Unitholders;
 - (b) the Unitholders approved the Share Exchange by a majority of the votes cast by the Unitholders at the Unitholder Meeting;
 - (c) as required by the TSX, the Share Exchange was also approved by a majority of the votes cast by Unitholders at the Unitholder Meeting, other than the votes cast by directors, officers and other insiders of the Trust; and
 - (d) all necessary regulatory approvals.
22. All holders of ARC Resources Exchangeable Shares will be treated identically and no holder will receive, as a consequence of the Exchangeable Share Reorganization, consideration of greater value than that received on a pro rata basis by all the other holders of ARC Resources Exchangeable Shares.
23. All holders of ARML Exchangeable Shares, including the Related Parties, will be treated identically and no holder will receive, as a consequence of the Exchangeable Share Reorganization, consideration of greater value than that received on a pro rata basis by all the other holders of ARML Exchangeable Shares.
24. The Share Exchange will be effected by a written agreement between ARC Resources and each holder of ARML Exchangeable Shares. The Share Exchange will constitute a take-over bid under the securities legislation of Alberta and Saskatchewan. However, ARC Resources has applied to the securities regulatory authorities in Alberta and Saskatchewan for exemptive relief from applicable take-over bid requirements.
25. Following the completion of the ARC Resources Exchangeable Share Amendment and the Share Exchange, ARC Resources will acquire all of the outstanding ARML Common Shares in exchange for the issuance to the Trust of ARC Common Shares (the "Common Share Acquisition").
26. Following the completion of the ARC Resources Exchangeable Share Amendment, the Share Exchange and the Common Share Acquisition,

ARC Resources and its then wholly-owned subsidiary, ARML, will execute an agreement whereby ARML will transfer and assign all of its assets and liabilities to ARC Resources.

27. The issuance of New ARC Resources Exchangeable Shares to the Related Parties pursuant to the Share Exchange constitutes a "related party transaction" under the Legislation as the Related Parties will be purchasing an asset (ARML Exchangeable Shares) from the Related Parties for valuable consideration (New ARC Resources Exchangeable Shares).
28. The ARC Resources Exchangeable Shares are not "affected securities" within the meaning of the Legislation and, as a result, holders of ARC Resources Exchangeable Shares do not have minority approval rights in connection with the Share Exchange. However, ARC Resources must still comply with the Valuation Requirements in the absence of an exemption.
29. Although each of the ARC Resources Exchangeable Shares and the ARML Exchangeable Shares is a security of an entity other than the Trust, such shares are, as a result of the rights, privileges, restrictions and conditions attaching to such shares and the various agreements relating to such shares, the economic equivalent of the number of Trust Units which the holder is entitled to receive in exchange for such shares. Accordingly, the ARC Resources Exchangeable Shares and the ARML Exchangeable Shares are each, in substance, a class of securities of the Trust and not of ARC Resources or ARML, as the case may be.
30. If the Share Exchange were a "related party transaction" of the Trust, the Trust would be able to rely on exemptions from the Valuation Requirements currently available under the Legislation.

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

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

THE DECISION of the Decision Makers under the Legislation is that in connection with the Share Exchange, ARC Resources shall not be subject to the Valuation Requirements, provided that the Trust complies with the Legislation in the same manner as if the Share Exchange were a "related party transaction" of the Trust.

May 8, 2003.

"Ralph Shay"

2.1.4 Merrill Lynch Financial Assets Inc. and Merrill Lynch Canada Inc. - MRRS Decision

Headnote

Mutual Reliance Review System – previous order provided that issuer of asset-backed securities exempt from the requirement to prepare, file and deliver interim and annual financial statements and annual information circulars or, where applicable, annual reports in lieu of an information circular subject to conditions, including the requirement to prepare, file and deliver monthly and annual reports regarding performance of pools of securities assets – previous order revoked and replaced.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 77, 78, 79, 80(b)(iii), 81(2), and 144.

National Instruments Cited

National Instrument 14-101 Definitions.
National Instrument 44-101 Short Form Prospectus Distributions.
National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer.

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

AND

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

AND

**IN THE MATTER OF
MERRILL LYNCH FINANCIAL ASSETS INC.
AND MERRILL LYNCH CANADA INC.**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, British Columbia, Alberta, Newfoundland and Labrador, Nova Scotia and Saskatchewan (the "Jurisdictions") issued on November 30, 2000 a decision, as varied by an MRRS Decision Document dated September 17, 2001 and an MRRS Decision Document dated January 7, 2003 (the "Original Decision"), pursuant to the securities legislation of the Jurisdictions (the "Legislation"), that provisions of the Legislation concerning the preparation, filing and delivery of interim and annual financial statements and the annual filing of a form by a reporting issuer shall not apply to Merrill Lynch Mortgage Loans Inc., subsequently renamed Merrill Lynch Financial Assets Inc. (the "Issuer"), and Merrill Lynch Canada Inc.

("ML Canada", and collectively with the Issuer, the "Filer") in connection with the Issuer and its offerings of Certificates (as defined herein) and Future Certificates (as defined herein);

AND WHEREAS the Filer wishes to amend the Original Decision in order to:

- (i) conform the relief to the relief that has been granted to similar issuers subsequent to the Original Decision;
- (ii) allow for the protection of confidential information;
- (iii) reduce the annual filing burden of the Filer; and
- (iv) provide clearer guidance to investors as to alternate sources of information.

AND WHEREAS in order to so amend the Original Decision, the Filer has applied to revoke the Original Decision and to replace it as set out below;

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, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions*;

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

1. The Issuer was incorporated under the laws of Canada on March 13, 1995 under the name Bulls Offering Corporation. By articles of amendment dated December 3, 1998, the name of the Issuer was changed to Merrill Lynch Mortgage Loans Inc. By articles of amendment dated March 15, 2001, the name of the Issuer was changed to Merrill Lynch Financial Assets Inc. The issuer is a wholly-owned subsidiary of Merrill Lynch & Co., Canada Ltd. ("ML & Co.")
2. The head offices of the Issuer and ML Canada are both located in Toronto, Ontario.
3. The Issuer has issued and has outstanding approximately \$3,064,000,000 of asset-backed securities in 13 issues as follows:
 - (i) \$182,083,237 initial certificate balance of pass-through certificates (the "C-1 Certificates") evidencing undivided co-ownership interests in a pool of 32 commercial mortgage loans issued December 21, 1998 of

which \$163,874,000 initial certificate balance were subsequently qualified by a short form prospectus dated May 31, 1999.

- (ii) \$214,079,251 initial certificate balance of pass-through certificates (the "C-2 Certificates") evidencing undivided co-ownership interests in a pool of 43 commercial mortgage loans of which \$193,741,000 initial certificate balance were offered pursuant to a short form prospectus dated September 16, 1999.
- (iii) \$220,000,000 initial certificate balance of pass-through certificates (the "1STT Certificates") evidencing an undivided co-ownership interest in first mortgage bonds (the "1STT First Mortgage Bonds") issued by 1st Street Tower Trust was offered pursuant to a short form prospectus dated October 1, 1999.
- (iv) \$257,591,683 initial certificate balance of pass-through certificates (the "C-3 Certificates") evidencing undivided co-ownership interests in a pool of 53 commercial mortgage loans of which \$227,324,000 initial certificate balance were offered pursuant to a short form prospectus dated May 19, 2000.
- (v) \$115,500,000 initial certificate balance of pass-through certificates ("BMCC Certificates") evidencing an undivided co-ownership interest in first mortgage bonds issued by BMCC Corporate Centre were offered pursuant to a short form prospectus dated September 28, 2000.
- (vi) \$287,619,638 initial certificate balance of pass-through certificates (the "C-4 Certificates") evidencing undivided co-ownership interests in a pool of 63 commercial mortgage loans of which \$255,981,000 initial certificate balance were offered

- pursuant to a short form prospectus dated November 21, 2000.
- (vii) \$200,192,047 initial certificate balance of pass-through certificates (the "LBC Certificates") evidencing undivided co-ownership interests in a pool of 229 mortgage loans of which \$187,680,000 initial certificate balance were offered pursuant to a short form prospectus dated January 24, 2001.
- (viii) \$248,729,008 initial certificate balance of pass-through certificates (the "C-5 Certificates") evidencing undivided co-ownership interests in a pool of 55 commercial mortgage loans of which \$221,990,000 initial certificate balance were offered pursuant to a short form prospectus dated May 15, 2001.
- (ix) \$265,495,510 initial certificate balance of pass-through certificates (the "C-6 Certificates") evidencing undivided co-ownership interests in a pool of 40 commercial mortgage loans of which \$236,954,000 initial certificate balance were offered pursuant to a short form prospectus dated November 27, 2001.
- (x) \$100,000,000 initial certificate balance of pass-through certificates (the "BC2P Certificates") evidencing undivided co-ownership interests in two commercial mortgage loans offered for sale pursuant to a short form prospectus dated February 5, 2002.
- (xi) \$280,741,039 initial certificate balance of pass-through certificates (the "C-7 Certificates") evidencing undivided co-ownership interests in a pool of 49 commercial mortgage loans of which \$256,100,000 initial certificate balance were offered pursuant to a short form prospectus dated May 8, 2002.
- (xii) \$223,879,000 initial certificate balance of co-ownership certificates (the "AmeriCredit Certificates") evidencing undivided co-ownership interests in a pool of automobile loans and certain related assets together with payments and other proceeds and property received thereon were offered for sale by ML Canada pursuant to a short form prospectus dated May 10, 2002.
- (xiii) \$468,331,177 initial certificate balance of pass-through certificates (the "C-8 Certificates") evidencing undivided co-ownership interests in a pool of 70 commercial mortgage loans of which \$423,830,000 initial certificate balance were offered pursuant to a short form prospectus dated November 20, 2002.
- (the C-1 Certificates, C-2 Certificates, C-3 Certificates, C-4 Certificates, C-5 Certificates, C-6 Certificates, 1STT Certificates, BMCC Certificates, LBC Certificates, BC2P Certificates, AmeriCredit Certificates, C-7 Certificates and C-8 Certificates being referred to collectively as the "Certificates" and the transactions pursuant to which the Certificates were issued as the "Transactions").
- (certificates similar to the Certificates, distributed by the Issuer from time to time, that are serviced by the cash flows of discrete pools of mortgages, receivables or other financial assets, either fixed or revolving that by their terms convert into cash within a finite time period and rights or other assets designed to assure the servicing or timely distribution of proceeds to securityholders ("Securitized Assets") are referred to herein as the Future Certificates and the transactions to which the Future Certificates are distributed are referred to herein as the "Future Transactions").
4. The Issuer is a special purpose corporation, the only securityholders of which, excluding ML & Co., which owns all of its issued and outstanding voting securities, are or will be the holders of the Certificates and the holders of Future Certificates issued from time to time (collectively, the "Certificateholders").
5. The Issuer currently has and in the future will have no assets or liabilities other than limited rights and obligations under certain of the material contracts related to the Transactions or Future Transactions, and does not presently carry on and will not carry on in the future any activities except

- in relation to the structuring and issue of asset-backed securities including the Transactions and Future Transactions. Certificateholders have and will have recourse only to the Securitized Assets and will not have recourse to the Issuer.
6. ML Canada administers the ongoing operations and pays the operating expenses of the Issuer pursuant to an amended and restated administration agreement made as of January 11, 2002 (the "Administration Agreement"). No consideration is payable by the Issuer in connection with ML Canada's services under the Administration Agreement.
 7. The directors and officers of the Issuer are directors and/or officers of ML & Co. and have not been and will not be compensated by the Issuer for serving in such positions with the Issuer.
 8. No director or officer of the Issuer or any associate thereof is indebted to the Issuer, nor has any director, officer, or any other insider, or any associate or affiliate thereof, entered into a material contract with the Issuer, other than as previously disclosed in documents filed with the Decision Makers.
 9. No insider of the Issuer or associate or affiliate of any insider has a direct or indirect interest in any transaction that has materially affected or which would materially affect the Issuer, other than as previously disclosed in documents filed with the Decision Makers.
 10. The current auditors of the Issuer are Deloitte & Touche LLP.
 11. Certificates sold to the public pursuant to a short form prospectus have been, and will continue to be, sold on the basis of an Approved Rating by an Approved Rating Organization (as such terms are defined in National Instrument 44-101 *Short Form Prospectus Distributions*, or in any successor instrument thereto) which will from time to time independently review such rating based on the performance of the Securitized Assets.
 12. The information contained in the interim and annual financial statements of the Issuer is not and will not be relevant to the Certificateholders since such Certificateholders only have, or will have, an interest in the related Securitized Assets and do not have any interest in or any claim on the assets of the Issuer.
 13. Each pooling and servicing agreement or similar agreement (each, a "Securitization Agreement") which governs or will govern, as the case may be, the rights of the Certificateholders and their entitlement to the related Securitized Assets provides for or will provide for, as the case may be, the fulfilment of certain administrative or servicing functions relating to the asset-backed securities, such as maintaining a register of holders of asset-backed securities and the making of periodic reports to Certificateholders by a custodian and one or more servicers or other agents appointed pursuant to such Securitization Agreement. The names of each such servicer and agent are or will be disclosed in the applicable prospectus.
 14. The Issuer or its duly appointed representative or agent provides or will provide, on an internet website identified or to be identified in the relevant prospectus for the Certificates and Future Certificates to which all Certificateholders will be afforded access (the "Reporting Website") and otherwise as provided for in the relevant prospectus, no later than the 20th day of each month (or such subsequent business day as is provided in the Securitization Agreement if the 20th day of the month is not a business day) the financial and other information prescribed therein to be delivered or made available to Certificateholders on a monthly basis, signed by the Issuer or on its behalf by its duly appointed representative, and will also file or cause to be filed reasonably contemporaneously therewith the monthly reports commonly known as distribution date statements or their equivalent on the System for Electronic Document Analysis and Retrieval ("SEDAR").
 15. Notwithstanding paragraph 14, the Issuer may amend the contents of distribution date statements posted on the Reporting Website and filed on SEDAR in order to not disclose the names or other personal information of individual obligors of Securitized Assets or, in the case of Canadian mortgage-backed securities, the name or address of any mortgaged property, as may be required by confidentiality agreements or other obligations of confidentiality binding the Issuer.
 16. There will be no annual meetings of Certificateholders. Each Securitization Agreement provides or will provide that the holders of a certain percentage of the applicable asset-backed securities will have the right to direct the custodian of the relevant Securitized Assets to take certain actions under such Securitization Agreement.
 17. On not less than an annual basis, the Issuer will request intermediaries to deliver a notice to Certificateholders pursuant to the procedures stipulated by National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, or any successor instrument thereto, advising Certificateholders that the monthly distribution date statements and the annual information prescribed in paragraph 19 hereof are available on SEDAR and on the Reporting Website, the Reporting Website address, and that Certificateholders may request

paper copies of such reports be provided to them by ordinary mail.

18. Within 60 days of the end of each fiscal quarter of the Issuer, or such lesser period as may be required under applicable laws, the Issuer or its duly appointed representative or agent will post on the Reporting Website and file on SEDAR, and mail to Certificateholders who so request, interim management discussion and analysis with respect to the applicable Securitized Assets included in the Issuer's Annual Information Form filed with the Decision Makers (as supplemented by any short form prospectus filed by the Issuer during the intervening period).

19. Within 140 days of the end of each calendar year, the Issuer or its duly appointed representative or agent will post on the Reporting Website or mail to Certificateholders who so request in accordance with the procedures set forth above and also file or cause to be filed reasonably contemporaneously therewith on SEDAR:

(a) annual management's discussion and analysis with respect to each applicable Securitized Assets pool included in the Issuer's Annual Information Form for such year filed with the Decision Makers;

(b) an annual statement of compliance signed by a senior officer of each applicable servicer or other party acting in a similar capacity on behalf of the Issuer for the applicable pool of Securitized Assets, certifying that the servicer or such other party acting in a similar capacity has fulfilled all its obligations under the related Securitization Agreement during the year or, if there has been a default in the fulfilment of any obligation, specifying each such default and the status thereof; and

(c) for each Securitized Assets pool, an annual accountant's report in form and content acceptable to the Decision Makers prepared by a firm of independent public or chartered accountants acceptable to the Decision Makers respecting compliance by each applicable servicer or other party acting in a similar capacity on behalf of the Issuer with the Uniform Single Attestation Program for Mortgage Bankers published by the Mortgage Bankers Association of America or such other servicing standard as may be acceptable to the Decision Makers.

20. The Issuer's annual information form will describe each of the Transactions and Future Transactions

that the Issuer has outstanding at the date stated therein and will state that the monthly information contained in the distribution date statements or equivalent for each such Transaction or Future Transaction are available on SEDAR, that those reports and certain additional information are available on the Reporting Website, the website address, and that the Certificateholders may request paper copies of all such reports and information be provided to them by ordinary mail. The Issuer's annual information form will omit annual information on the underlying pools of financial assets and payments in respect of principal and interest or capital and yield which, but for this Decision Document, would be required to be stated.

21. The Issuer will issue press releases and file material change reports in accordance with the requirements of the Legislation in respect of material changes in its affairs, in respect of changes in the status (including defaults in payments due to Certificateholders) of the Securitized Assets underlying the Certificates, which may be reasonably considered to be material to Certificateholders of any Transaction or Future Transaction, and in respect of a downgrade in the rating of any of the Certificates by an approved rating organization, as defined under National Instrument 44-101 *Short Form Prospectus Distributions* or under any successor instrument thereto.

22. Fees payable in connection with the filing of annual financial statements, or in connection with the Issuer's participation as a reporting issuer in any Jurisdiction, will be paid at the time that the annual information specified in paragraph 19 is filed on SEDAR.

23. The provision of additional information to Certificateholders on a monthly and annual basis as described in paragraphs 14, 17, 18, 19 and 20 hereof will meet the objectives of allowing the Certificateholders to monitor and make informed decisions about their investment.

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

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

THE DECISION of the Decision Maker under the Legislation is that the Original Decision is revoked;

AND IT IS FURTHER THE DECISION of the Decision Makers under the Legislation that the Issuer is exempted from the requirements in the Legislation concerning the preparation, filing and delivery of annual

reports, where applicable, interim and annual financial statements, the annual filing, where applicable, in lieu of an information circular by a reporting issuer, and the content of the Issuer's annual information form, provided that:

- (a) the only securities that the Issuer distributes to the public are Certificates and Future Certificates;
- (b) the Issuer complies with paragraphs 5, 7, 8, 13, 14, 17, 18, 19, 20, 21 and 22 hereof; and
- (c) the exemption from the requirements of the Legislation concerning the preparation, filing and delivery of annual reports, where applicable, interim and annual financial statements, the annual filing, where applicable, in lieu of an information circular by a reporting issuer, and the content of Issuer's annual information form shall terminate 60 days after the occurrence of a material change in any of the representations of the Issuer contained in paragraphs 4 through 10, inclusive, unless the Issuer satisfies the Decision Makers that the exemption should continue.

May 16, 2003.

"Harold P. Hands"

"Robert W. Korthals"

2.1.5 Procter & Gamble Germany Management GmbH - MRRS Decision

Headnote

Mutual Reliance Review System for Applications - German take-over bid made in Ontario - securities of offeree issuer held in bearer form, so that offeror unable to determine the number of Ontario holders or percentage of securities held by Ontario holders - number of Ontario holders and percentage of securities held believed to be *de minimis* - offer made in compliance with laws of Germany - bid exempted from requirements of Part XX, subject to certain conditions.

Applicable Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 93(1)(e), 95-100 and 104(2)(c).

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, 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
PROCTER & GAMBLE GERMANY
MANAGEMENT GmbH**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") 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 from Procter & Gamble Germany Management GmbH (the "Applicant") for a decision under securities legislation of the Jurisdictions (the "Legislation") that the formal take-over bid requirements in the Legislation, including the provisions relating to delivery of an offer and take-over bid circular and any notices of change or variation thereto, delivery of a directors' circular and any notices of change or variation thereto, minimum deposit periods and withdrawal rights, take-up of and payment for securities tendered to a take-over bid, disclosure, financing, restrictions upon purchases of securities, identical consideration and collateral benefits (collectively, the "Take-over Bid Requirements") do not apply to the proposed take-over bid offer (the "Offer") by the Applicant for the remaining ordinary shares, and the preference shares of Wella AG (the "Target");

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

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101;

AND WHEREAS the Applicant has represented to the Decision Makers that:

1. The Applicant is a corporation incorporated under the laws of the Federal Republic of Germany. The Applicant is an indirect, wholly-owned subsidiary of The Procter & Gamble Company ("P&G"), a corporation incorporated in the United States, with its shares listed for trading on the New York Stock Exchange. P&G is a recognized leader in the development, distribution and marketing of home and beauty care products, marketing nearly 300 brands in more than 160 countries.
2. The Applicant's registered office is located at D-65823 Schwalbach am Taunus, Germany and P&G's registered office is located at Cincinnati, Ohio.
3. The Applicant is not a reporting issuer or the equivalent in any of the Jurisdictions. The Applicant's securities are not listed or quoted for trading on any Canadian or foreign stock exchange.
4. The Target is a corporation incorporated under the laws of the Federal Republic of Germany, with its shares listed on the Deutsche Börse. The Target is a leading beauty care company selling its products in more than 150 countries.
5. The Target's registered office is located at Darmstadt, Germany.
6. The Target's issued capital consists of 44,135,676 ordinary shares and 23,381,670 preference shares.
7. The Target is not a reporting issuer or the equivalent in any of the Jurisdictions. The Target's securities are not listed or quoted for trading on any Canadian stock exchange.
8. On March 17, 2003, the Applicant entered into share purchase agreement to purchase a controlling interest from the majority voting shareholders of the Target.
9. On March 18, 2003, the Applicant announced its intention to launch a voluntary cash take-over bid for the acquisition of the Target's remaining ordinary shares for a cash value of Euro 92.25 per

share, and its remaining preference shares for a cash value of Euro 61.50 per share.

10. The Offer is being made in accordance with the laws of the Federal Republic of Germany, and in particular, in compliance with the German Securities Acquisition and Takeover Act.
11. As permitted by German law, the Target has issued bearer securities and does not maintain a share register. Accordingly, any information about the Target's shareholdings in Canada can only be determined on a limited enquiry basis by the Target. Based on such enquiry, the Target has confirmed to the Applicant that they believe that they have two shareholders resident in Canada, one holding 79,585 ordinary shares (approx. 0.2% of the 44,135,676 ordinary shares outstanding) and the other holding 12,800 preference shares (approx. 0.05% of the 23,318,670 preference shares outstanding). The Target is unable to determine in what Province these shareholders reside. The Applicant has no reason to believe that holders of 2% or more of the Target's shares are resident in Canada.
12. All material relating to the Offer that is to be sent by the Applicant to holders of the Target's shares in Germany will be sent to holders of such shares residing in the Jurisdictions including an English convenience translation and will be concurrently filed with the Decision Makers.
13. The *de minimis* exemption is not available to the Target since the bid is not being made in compliance with the laws of a jurisdiction that is recognized by the Decision Makers for the purposes of the *de minimis* exemption. Also, because the Target does not maintain a share register, the Applicant is unable to determine conclusively the number of holders of the Target's shares resident in each of the Jurisdictions, or the number of shares held by any such persons.
14. All of the holders of the Target's shares to whom the Offer is made will be treated equally.
15. If the requested relief is not granted, holders of the Target's shares resident in the Jurisdictions will not have the opportunity to participate in the Offer.

AND WHEREAS under the MRRS, this Decision Document evidences the decision of each of the Decision Makers (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 Applicant is exempt from the Take-over Bid Requirements in making the Offer to the

shareholders of the Target who are resident in the
• Jurisdictions provided that:

- (a) the Offer and all amendments to the Offer are made in compliance with the laws of Germany; and
- (b) all material relating to the Offer that is sent to the holders of the Target's shares in Germany will be sent to the holders of the Target's shares resident in the Jurisdictions, as well as an English convenience translation, and copies thereof filed concurrently with the Decision Maker in each Jurisdiction.

May 2, 2003:

"Paul M. Moore"

"Robert L. Shirriff"

2.1.6 Ballard Power Systems Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief granted to certain vice presidents of a reporting issuer from the insider reporting requirements subject to certain conditions as outlined in CSA Staff Notice 55-306 - Applications for Relief from the Insider Reporting Requirements by Certain Vice Presidents.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 1(1), 107, 108, 121(2)(a)(ii).

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., Part VIII.

Rules Cited

National Instrument 55-101 - Exemption From Certain Insider Reporting Requirements.

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA,
ONTARIO, QUÉBEC, 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
BALLARD POWER SYSTEMS INC.**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, and Newfoundland and Labrador (the "Jurisdictions") has received an application from Ballard Power Systems Inc. ("Ballard") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirement of the Legislation for an insider of a reporting issuer to file reports disclosing the insider's direct or indirect beneficial ownership of, or control or direction over, securities of the reporting issuer shall not apply to certain of the officers of Ballard;

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, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Québec Commission Notice 14-101;

AND WHEREAS Ballard has represented to the Decision Maker that:

1. Ballard was amalgamated under the *Canada Business Corporations Act* on May 30, 1989.
2. Ballard develops, manufactures and markets proton exchange membrane fuel cell products and other products for use in transportation, power generation and portable power markets.
3. Ballard is a reporting issuer in each province and territory of Canada and its common shares are listed and posted for trading on the Toronto Stock Exchange and the National Association of Securities Dealers Automated Quotation.
4. Ballard is not in default of any requirements of the Legislation.
5. Each of Ballard Power Systems Corporation ("BPSC") and Ballard Power Systems AG ("BPS AG") is a "major subsidiary" of Ballard (as that term is defined in National Instrument 55-101) ("NI 55-101").
6. Currently, Ballard has approximately 33 persons who are "insiders" of Ballard under the Legislation by reason of being a director or officer of Ballard or a major subsidiary of Ballard (the "Insiders").
7. None of the Insiders is exempt from the insider reporting requirements contained in the Legislation by reason of an existing exemption such as NI 55-101 or a previous decision or order.
8. Ballard has developed a stock trading policy (the "Policy") that applies to all the Insiders and other employees who have knowledge of material undisclosed information.
9. The Policy was developed to ensure that its directors, officers and employees who are "insiders" under the Legislation are aware of their responsibilities under the Legislation and to assist them in complying with the Legislation.
10. Under the Policy, the Insiders and other employees with knowledge of material undisclosed information may not trade in securities of Ballard. In addition, the Insiders may not trade in securities of Ballard during "black-out" periods as determined by Ballard.
11. Ballard considered the job requirements and principal functions of the Insiders to determine which of them met the definition of "nominal vice president" (or who hold an equivalent title and perform such equivalent functions and duties) contained in Canadian Securities Administrators Staff Notice 55-306 (the "Staff Notice") and has compiled a list of those Insiders who, in the opinion of Ballard, meet the criteria set out in the Staff Notice (the "Exempted Officers").
12. Each of the Exempted Officers satisfies the following criteria (the "Exempt Officer Criteria"):
 - (a) the individual is a vice president of, or holds an equivalent title and performs such equivalent functions and duties at, Ballard, BPSC or BPS AG;
 - (b) the individual is not a member of Ballard's executive team and is not appointed by the board of directors;
 - (c) the individual is not in charge of a principal business unit, division or function of Ballard or a major subsidiary of Ballard;
 - (d) the individual does not, in the ordinary course, receive or have access to information regarding material facts or changes concerning Ballard or its major subsidiaries before the material facts or material changes are generally disclosed; and
 - (e) the individual is not an insider of Ballard or its major subsidiaries in any capacity other than vice president or such equivalent title.
13. Ballard will assess any future employee of Ballard who has the title of vice president or such equivalent title on the same basis as set out above, and will re-assess all Exempted Officers who experience a change in job requirements or functions, to determine if such individuals meet, or continue to meet, the Exempt Officer Criteria.
14. If an individual who is designated as an Exempted Officer no longer satisfies the Exempt Officer Criteria, as a result of which the individual is subject to a renewed obligation to file insider reports, Ballard will immediately inform such individual of such renewed obligation.
15. Ballard has filed with the Decision Makers in connection with this application a copy of the Policy and the list of Exempted Officers.

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

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that

provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the requirement contained in the Legislation to file insider reports shall not apply to insiders of Ballard who satisfy the Exempt Officer Criteria for so long as such insiders satisfy the Exempt Officer Criteria, provided that:

- (a) Ballard prepares and maintains a list of all individuals who propose to rely on the exemption granted by this Decision, submits the list on an annual basis to the board of directors for approval, and files the list with the Decision Makers;
- (b) Ballard files with the Decision Makers a copy of its internal policies and procedures relating to monitoring and restricting the trading activities of its insiders and other persons whose trading activities are restricted by Ballard; and
- (c) the relief granted will cease to be effective on the date NI 55-101 is amended.

May 16, 2003.

"Robert L. Shirriff"

"Harold P. Hands"

**2.1.7 Mountain Province Diamonds Inc.
- MRRS Decision**

Headnote

Filer is exempt from the requirement to file a technical report, not later than 30 days after the date of issuance of a press release, provided that such reports are filed not later than 90 days after the issuance of the press release.

Rules Cited

National Instrument 43-101 - Standards of Disclosure for Mineral Projects, subsections 4.2(4) and 9.1(1).

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

AND

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

AND

**IN THE MATTER OF
MOUNTAIN PROVINCE DIAMONDS INC.**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta and Ontario (the "Jurisdictions") has received an application from Mountain Province Diamonds Inc. (the "Filer") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Section 4.2(3) of National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101") that a current technical report be filed to support information describing mineral projects on a property material to the Filer not later than 30 days after the disclosure shall not apply to the Filer;

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

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions;

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

1. the Filer is the resulting corporation from a November 1997 amalgamation under the *Company Act* (British Columbia);
2. the Filer is a reporting issuer in the provinces of British Columbia, Alberta and Ontario;

3. the authorized capital of the Filer consists of 500,000,000 common shares without par value, of which 66,602,766 common shares were issued and outstanding as at April 30, 2003;
4. the Filer's common shares are listed and posted for trading on the Toronto Stock Exchange and are quoted on the NASD Over-the Counter Bulletin Board in the United States of America;
5. the Filer is engaged in the exploration for and development of diamond bearing properties in Canada;
6. the Filer's most significant property is the AK-CJ property (the "AK Property") located in the Northwest Territories, Canada;
7. the Filer is in a joint venture with De Beers in respect of the AK Property pursuant to which, De Beers may earn up to a 60% interest in the AK Property, in exchange for conducting an exploration program on the AK Property and a bulk sampling program on one or more new kimberlites, completing a feasibility study on one or more new kimberlites, and funding the development and construction of a commercial mine;
8. De Beers is the operator on the AK Property;
9. on April 15, 2003, the Filer received from De Beers, the results of a recently updated desktop study for the Gaucho Kue diamond project on the AK Property;
10. the desktop study showed that estimated capital costs increased slightly and the estimated operating costs dropped significantly; however, the effect of lower diamond prices and of a lower US dollar as against the Canadian dollar, since a desktop study completed in 2000, resulted in a slightly lower internal rate of return ("IRR") than that previously obtained;
11. due to the lower IRR, which is below the agreed upon hurdle rate contained in the joint venture agreement, combined with the geopolitical environment and uncertainties, De Beers informed the Filer that they had decided to postpone a pre-feasibility decision for one year;
12. the Filer issued a news release on April 15, 2003 (the "April 15 Release"), disclosing the results of the desktop study, and the decision by De Beers to postpone the pre-feasibility decision;
13. subsection 4.2(4) of NI 43-101 requires the Filer to file a current technical report to support material information contained in a press release, describing any change in a preliminary assessment or in mineral resources or in mineral reserves that constitutes a material change in respect of the affairs of the issuer, not later than 30 days after the disclosure;
14. the April 15 Release disclosed a change in a preliminary assessment that constitutes a material change in the affairs of the Filer;
15. AMEC E & C Services ("AMEC") worked on the desktop study as part of the project team established by De Beers, and are in the process of preparing the Report to support the April 15 Release;
16. the Filer has recently been advised that AMEC will not have the Report completed until approximately the end of May, 2003; and
17. the Filer will not be able to file the Report required under NI 43-101 to support the disclosure contained in the April 15 Release within the 30 day time period required by NI 43-101;

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

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

THE DECISION of the Decision Makers under the Legislation is that the requirement contained in NI 43-101 that a technical report be filed to support information in the Filer's April 15 Release not later than 30 days after the disclosure shall not apply to the Filer, provided that the Filer prepares and files the Technical Report not later than 90 days after the issuance of the April 15 Release.

May 15, 2003.

"Noreen Bent"

2.1.8 Viking KeyWest Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Decision declaring corporation to be no longer a reporting issuer following the acquisition of all of its outstanding securities by another issuer.

Applicable Ontario Statutory Provisions

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

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

AND

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

AND

IN THE MATTER OF
VIKING KEYWEST INC.
(FORMERLY KEYWEST ENERGY CORPORATION)

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the Decision Maker) in each of the provinces of Alberta, Ontario and Quebec (the Jurisdictions) has received an application from Viking KeyWest Inc. (Viking KeyWest) (formerly KeyWest Energy Corporation) (KeyWest) for a decision pursuant to the securities legislation of the Jurisdictions (the Legislation) that Viking KeyWest be deemed to have ceased to be a reporting issuer or equivalent under the Legislation;

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;

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Québec Commission Notice 14-101;

AND WHEREAS Viking KeyWest has represented to the Decision Makers that:

1. KeyWest was an oil and natural gas acquisition, exploration, development, production and marketing company incorporated on June 12, 1987 pursuant to the *Company Act*, Province of British Columbia, under the name Harrisburg-Dayton Resource Corp.;
2. the company's name was changed to San Fernando Mining Company Ltd. on July 16, 1991;

3. pursuant to a special resolution of shareholders passed on May 14, 1998, the corporation was authorized to make application for continuance under the *Canada Business Corporation Act* (the CBCA) and to change the name of the company to KeyWest Energy Corporation;
4. effective January 1, 1999, KeyWest amalgamated under the CBCA with Colt Energy Inc. and subsequently, on June 30, 1999, KeyWest amalgamated under the CBCA with Sequoia Exploration and Development Ltd.;
5. KeyWest had two subsidiaries, Viewpoint Resources Ltd., an Alberta corporation and KeyWest Energy Partnership, a partnership formed under the laws of Alberta;
6. Viking KeyWest was incorporated on January 14, 2003 pursuant to the CBCA;
7. Viking KeyWest was incorporated to facilitate the acquisition of KeyWest, as described below, and prior to the acquisition had not carried on any active business since incorporation;
8. the sole shareholder of Viking KeyWest is Viking Holdings Inc.;
9. the authorized share capital of KeyWest as of January 17, 2003 consisted of an unlimited number of common shares (the KeyWest Shares) and an unlimited number of KeyWest preferred shares, of which 65,813,608 KeyWest Shares and no preferred shares were issued and outstanding as of that date;
10. KeyWest was a reporting issuer, or equivalent thereof, in Alberta, British Columbia, Manitoba, Ontario and Quebec;
11. by virtue of the amalgamation of Viking KeyWest with KeyWest, as described below, Viking KeyWest has become a reporting issuer in these jurisdictions;
12. effective January 17, 2003, Viking Energy Royalty Trust (the Trust), Viking Holdings Inc. (in its capacity as trustee for Viking Holdings Trust), Viking KeyWest, KeyWest and Luke Energy Ltd. (Luke) entered into an arrangement agreement (the Arrangement Agreement) pursuant to which Viking KeyWest agreed to acquire all of the outstanding KeyWest Shares by way of a plan of arrangement (the Plan of Arrangement) under the CBCA;
13. the Plan of Arrangement was approved by a special resolution of the holders (the KeyWest Shareholders) of KeyWest Shares and by order of the Court of Queen's Bench of Alberta pursuant to section 192 of the CBCA on February 25, 2003;

14. the purpose of the Plan of Arrangement was to implement a reorganization of KeyWest resulting in:
 - (a) certain assets and liabilities of KeyWest being transferred to Luke in consideration of the issue to KeyWest of Luke common shares (Luke Shares);
 - (b) the transfer by KeyWest Shareholders to Viking KeyWest of all of the KeyWest Shares in exchange for each KeyWest Shareholder receiving, at the election of the KeyWest Shareholder, trust units of the Trust (the Trust Units), cash or a combination of Trust Units and cash (subject to proration); and
 - (c) the distribution of Luke Shares held by KeyWest to KeyWest Shareholders;
15. on February 26, 2003 pursuant to the Plan of Arrangement, Viking KeyWest acquired all of the outstanding KeyWest Shares;
16. in accordance with the Plan of Arrangement, KeyWest was amalgamated with Viking KeyWest effective February 26, 2003 and continued under the name "Viking KeyWest Inc.";
17. Viking KeyWest remains a wholly-owned subsidiary of Viking Holdings Inc.;
18. the KeyWest Shares were de-listed from the Toronto Stock Exchange effective at the close of business on February 27, 2003 and there are no securities of KeyWest or Viking KeyWest listed or quoted on any exchange or market;
19. the Trust and Viking Holdings Inc. consent to no longer receiving continuous disclosure material of Viking KeyWest;
20. other than the shares of Viking KeyWest held by Viking Holdings Inc. and \$175,931,276.27 aggregate principal amount of Viking KeyWest notes issued and held by the Trust, Viking KeyWest has no securities, including debt securities, outstanding;
21. Viking KeyWest does not intend to seek public financing by way of an offering of its securities;
22. neither Viking KeyWest nor KeyWest is in default of the securities legislation of the Jurisdictions.

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 Viking KeyWest is deemed to have ceased to be a reporting issuer or the equivalent under the Legislation.

May 16, 2003.

"Patricia M. Johnston"

2.1.9 Canadian Oil Sands Limited - MRRS Decision

Headnote

Relief granted to a wholly owned subsidiary of another reporting issuer in respect of annual information form and management's discussion and analysis requirements, subject to certain conditions, including that the business of the subsidiary continues to be the same as the business of the parent.

Applicable Ontario Statutory Provisions

Rule 51-501 AIF and MD&A.

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

AND

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

AND

**IN THE MATTER OF
CANADIAN OIL SANDS LIMITED**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the Decision Maker) in each of Saskatchewan, Ontario and Québec (the Jurisdictions) has received an application from Canadian Oil Sands Limited (the Corporation) for a decision under the securities legislation of the Jurisdictions (the Legislation) that the requirements contained in the Legislation:

1. that the Corporation file with such Decision Makers an annual information form; and
2. that the Corporation file with such Decision Makers and, where applicable, send to its securityholders management's discussion and analysis of financial condition and results of operations with respect to its audited annual financial statements and its unaudited interim financial statements,

(collectively, the AIF Requirements) shall not apply to the Corporation;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the System) created pursuant to National Policy 12-201, the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National

Instrument 14-101 or in Québec Commission Notice 14-101;

AND WHEREAS the Corporation has represented to the Decision Makers that:

1. The Trust is an unincorporated open-ended investment trust formed under the laws of the Province of Alberta pursuant to a trust indenture dated October 5, 1995, as amended and restated as of July 5, 2001 and as further amended by a supplemental indenture dated as of August 7, 2001 and a notice of change in quarterly distribution dates dated December 10, 2001 (the Trust Indenture). The trustee of the Trust is Computershare Trust Company of Canada (Computershare).
2. The Trust has been a reporting issuer or the equivalent in each of the Jurisdictions since 1995, and to its knowledge is not in default of any requirements under the Legislation of any such Jurisdiction.
3. The Trust has a current AIF within the meaning of National Instrument 44-101 *Short Form Prospectus Distributions* (NI 44-101).
4. The entire beneficial interest in the Trust is held by the holders of its trust units (Units), of which a maximum of 500,000,000 Units may be authorized and issued pursuant to the Trust Indenture. As of April 8, 2003, there were 79,538,258 Units issued and outstanding.
5. The Units are participating equity securities of the Trust and currently trade on the Toronto Stock Exchange.
6. As at the date hereof, the Trust has three wholly-owned subsidiary entities, namely the Corporation, Canadian Oil Sands Commercial Trust (CT) and 834541 Alberta Ltd. The Corporation and CT are directly owned by the Trust, and 834541 Alberta Ltd. is directly owned by CT.
7. The Trust indirectly holds an aggregate 31.74% working interest in the Syncrude oil sands project near Fort McMurray, Alberta through the Corporation (which has a direct 21.74% interest), CT (which has a direct 9.5% interest) and 834541 Alberta Ltd. (which has a direct 0.5% interest).
8. The Trust has no material assets other than its interests in the Syncrude project.
9. The Corporation is a corporation organized and subsisting under the laws of Alberta. The Corporation's principal and registered offices are located in Calgary, Alberta.

10. Pursuant to the terms of the Trust Indenture, the Corporation is the manager of the Trust and is therefore responsible for the management of the business and affairs of the Trust, including the provision of finance, legal, engineering, accounting, treasury and investor relations services. The Corporation is also the manager of CT.
11. The business of the Corporation is to oversee the Trust's indirect 31.74% working interest in the Syncrude project through its role as the manager of both the Trust and CT. The Corporation does not have any material operations that are independent of this role.
12. The Corporation currently holds a direct 21.74% interest in Syncrude. Subject to receipt of a favourable tax opinion or ruling from Canada Customs and Revenue Agency, the Trust intends to effect a reorganization of its interests pursuant to which the Corporation will ultimately become the direct or indirect holder of the Trust's entire 31.74% indirect interest in Syncrude.
13. The authorized share capital of the Corporation consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series.
14. All of the issued and outstanding shares of the Corporation are held by the Trust. The Corporation has no other securities outstanding as at the date of this application except USD \$70 million of 7.625% Senior Notes due 2007, USD \$250 million of 7.9% Senior Notes due 2021 and USD \$74 million of 8.2% Senior Notes due 2027 (collectively, the "Senior Notes") and CAD \$150 million of 5.75% unsecured medium term notes due 2008 issued under the Shelf Prospectus (as defined in paragraph 16 below).
15. All of the Senior Notes were sold on a private placement basis to purchasers in the United States pursuant to exemptions from the registration requirements of the United States *Securities Act of 1933*.
16. The Corporation became a reporting issuer or the equivalent in each of the Jurisdictions on March 27, 2003 upon the issuance of a receipt for a short form base shelf prospectus (the Shelf Prospectus) under National Instrument 44-102 *Shelf Distributions* (NI 44-102) relating to the sale of up to CAD \$750,000,000 of unsecured medium term notes (the Notes).
17. The Notes will be issued under a trust indenture dated as of April 2, 2003 between the Corporation and Computershare (the Note Indenture).
18. Pursuant to a guarantee agreement (the Guarantee) dated as of April 2, 2003 between the Trust and Computershare, as trustee under the Note Indenture, any payments to be made by the Corporation as stipulated in the terms of the Notes or in an agreement governing the rights of the holders of Notes (Noteholders) will be fully and unconditionally guaranteed by the Trust, such that the Noteholders shall be entitled to receive payment thereof from the Trust within 15 days of any failure by the Corporation to make a payment as stipulated. Until such time as the 9.5% interest in Syncrude that is currently held directly by CT is transferred, directly or indirectly, to the Corporation, the Notes will be similarly guaranteed by CT.
19. The Corporation was qualified under NI 44-101 to file a prospectus in the form of a short form prospectus on the basis that the Notes are, pursuant to the Guarantee, guaranteed non-convertible debt securities as contemplated by Section 2.5 thereof.
20. In accordance with NI 44-101 and NI 44-102, the Shelf Prospectus provides disclosure about the consolidated business and operations of the Trust and incorporates by reference the required disclosure documents of the Trust.
21. The Shelf Prospectus provides disclosure with respect to both the Trust and CT guarantees of the Notes, and each of the Trust and CT signed the certificate page as credit supporters within the meaning of NI 44-101.
22. The Notes have been assigned approved ratings within the meaning of NI 44-101, namely "Baa2" with a negative outlook by Moody's Investors Service, Inc. and "BBB+" with a negative outlook by Standard & Poor's Corporation.
23. The Notes will not be listed on any securities exchange.

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

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

THE DECISION of the Decision Makers pursuant to the Legislation is that the AIF Requirements shall not apply to the Corporation, so long as:

1. the business of the Corporation continues to be the same as the business of the Trust, in that the business of the Corporation continues to be the management and oversight, through ownership or control, of all of the material assets of the Trust, including, without limitation, the Trust's entire investment in the Syncrude project;

2. the Trust remains a reporting issuer or the equivalent under the Legislation and continues to comply with all timely and continuous disclosure requirements thereunder;
3. all financial statements filed by the Trust under the Legislation are prepared on a consolidated basis in accordance with Canadian GAAP;
4. the Trust remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of the Corporation;
5. the Trust continues to fully and unconditionally guarantee the Notes as to the payments required to be made by the Corporation to the holders of the Notes;
6. the Corporation does not distribute additional securities other than: (i) the Notes or other debt securities contemplated by paragraph 7 below; (ii) to the Trust or to entities that are wholly-owned, directly or indirectly, by the Trust; or (iii) debt securities on a private placement basis pursuant to exemptions from the prospectus requirements of applicable Legislation; and
7. if the Corporation hereafter distributes additional debt securities (other than debt securities that are issued to the Trust or to entities that are wholly-owned, directly or indirectly, by the Trust or are distributed on a private placement basis pursuant to exemptions from the prospectus requirements of applicable Legislation), the Trust shall fully and unconditionally guarantee such debt securities as to the payments required to be made by the Corporation to the holders of such debt securities.

May 20, 2003.

"John Hughes"

2.2 Orders

2.2.1 M.R.S. Trust Company - s. 147

Headnote

Subsection 107(3) of the Regulation and section 147 of the Act – Order exempting trust company registered as an adviser from the capital requirements pursuant to subsection 107(3) of the Regulation provided it meets the liquidity and capital requirements for trust corporations established by the Trust and Loan Companies Act (Canada).

Statute Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 147.

Regulation Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., s. 107(3).

Related Orders Cited

Re M.R.S. Trust Company, Order of the Commission dated May 9, 2000.

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

AND

**IN THE MATTER OF
M.R.S. TRUST COMPANY**

**ORDER
(Section 147 of the Act)**

UPON the application of M.R.S. Trust Company (M.R.S. Trust) to the Ontario Securities Commission (the Commission) pursuant to Section 147 of the Securities Act Ontario (the Act) for an order that M.R.S. Trust be exempt from the capital requirement set out in Subsection 107(3) of the Regulation under the Act (the Regulation), provided it meets the liquidity and capital requirements for trust companies governed by the Trust and Loan Companies Act (Canada) (the TLA);

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

AND UPON it being represented to the Commission that:

1. M.R.S. Trust is registered with the Commission as an adviser in the categories of investment counsel and portfolio manager, and therefore must comply with subsection 107(3) of the Regulation.
2. M.R.S. Trust is a trust company continued and regulated under the TLA.

3. Section 107 of the Regulation creates minimum capital requirements for various categories of registrants. These are based on a working capital concept.
4. Minimum capital requirements are intended to ensure that registrants maintain a minimum level of liquidity and solvency in their business.
5. The financial statements of M.R.S. Trust must be prepared in accordance with generally accepted accounting principles (GAAP) and the provisions of the TLA and the regulations thereto, audited by its auditors and filed with the Office of the Superintendent of Financial Institutions (OSFI) which administers the TLA.
6. M.R.S. Trust is also required under the TLA to file monthly, quarterly and annual returns with OSFI and to comply with capital, liquidity and asset requirements contained in the TLA. These address concerns with respect to the liquidity and solvency of trust companies under that statute similar to those addressed by Subsection 107(3) of the Regulation.
7. As a trust company, M.R.S. Trust accepts deposits from the public. Under the TLA, M.R.S. Trust must at all times maintain sufficient unencumbered liquid assets in accordance with guidelines under the TLA.
8. Under the TLA, M.R.S. Trust is also subject to restrictions on its asset base expressed as a regulatory approved multiple of its regulatory capital.
9. Financial institutions, including M.R.S. Trust, do not generally separate assets and liabilities between current and long-term because this is not considered to be meaningful disclosure. This is consistent with GAAP and is referenced in Section 1510.09 of the Canadian Institute of Chartered Accountants Handbook.

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

IT IS HEREBY ORDERED, pursuant to section 147 of the Act, that M.R.S. Trust be exempt from the requirements set out under subsection 107(3) of the Regulation provided that:

1. M.R.S. Trust maintains its status as a registered trust company in good standing under the TLA;
2. M.R.S. Trust remains in compliance with all applicable capital and liquidity requirements established pursuant to the TLA;
3. M.R.S. Trust shall not have custody of any of the assets in respect of which it provides investment counsel or portfolio management services

requiring registration under the Act;

4. M.R.S. Trust shall immediately notify the Manager of Compliance of the Commission if:

- (a) M.R.S. Trust fails to comply with any applicable capital and liquidity requirements established pursuant to the TLA; or
- (b) OSFI or the Canadian Deposit Insurance Corporation (CDIC):
 - (i) commences any proceedings, investigation or action (other than routine inspections); or
 - (ii) makes any order, or imposes any terms or conditions,

concerning the capital and liquidity requirements of M.R.S. Trust;

5. M.R.S. Trust maintains written policies and procedures to minimize conflicts of interest which may arise if a client receiving investment advisory or portfolio management services receives any other services from M.R.S. Trust;

6. When a client is receiving, or is to receive, investment advisory or portfolio management services from M.R.S. Trust, and receives or is to receive services from M.R.S. Trust which are other than investment advisory or portfolio management services, M.R.S. Trust shall:

- (a) disclose to such client in writing, before providing any advice to the client, the details of the relationship(s) and the policies and procedures adopted to minimize the potential for conflict of interest arising from the relationship(s);
- (b) when there is a material change to the details of the relationship(s) or the policies and procedures adopted by M.R.S. Trust, immediately disclose to such clients the details of the changes; and

7. This Order will terminate one year after the coming into force of any change in Ontario securities laws that would have the effect of removing the requirement that an adviser that is a trust company calculate minimum capital using a working capital concept, but does not include any amendment, rule or regulation that is specifically identified by the Commission as not applicable for these purposes.

May 9, 2003.

"Robert L. Shirriff"

"Howard I. Wetston"

2.2.2 Andrew Keith Lech - s. 127

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

AND

IN THE MATTER OF
ANDREW KEITH LECH

ORDER
(Section 127)

WHEREAS on May 7, 2003 the Ontario Securities Commission issued a Notice of Hearing pursuant to section 127 of the Securities Act to consider whether it is in the public interest to order that trading in any securities by Andrew Keith Lech cease permanently or for such other period as is specified by the Commission and that any exemptions contained in Ontario securities law do not apply to Lech permanently or for such other period as is specified by the Commission;

AND WHEREAS on May 1, 2003, the Commission ordered that trading in any securities by Lech cease and that all exemptions contained in Ontario securities law do not apply to Lech for a period of fifteen days;

AND WHEREAS the Commission has heard submissions from Staff of the Commission and from Lech, and Lech has consented to the making of this Order;

IT IS THEREFORE ORDERED that this hearing is adjourned *sine die*, and may be brought on on 7 days notice;

IT IS FURTHER ORDERED that pursuant to clause 2 of section 127(1) of the Act that all trading in securities by Lech cease pending further order of the Commission; and

IT IS FURTHER ORDERED that pursuant to clause 3 of section 127(1) of the Act that the exemptions contained in Ontario securities law do not apply to Lech pending further order of the Commission.

May 16, 2003.

"H. Lorne Morphy" "Derek Brown" "Paul M. Moore"

2.2.3 ConocoPhillips Company - s. 83

Headnote

Section 83 of the Securities Act – Issuer has six beneficial security holders, holding a *de minimis* number of securities, resident in Ontario – Issuer deemed to have ceased to be a reporting issuer.

Statutes Cited

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

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

AND

**IN THE MATTER OF
CONOCOPHILLIPS COMPANY
(FORMERLY PHILLIPS PETROLEUM COMPANY)**

**ORDER
(Section 83 of the Act)**

UPON the application of ConocoPhillips Company (formerly Phillips Petroleum Company) (Phillips) to the Ontario Securities Commission (the Commission) for an order pursuant to Section 83 of the Act that Phillips be deemed to have ceased to be a reporting issuer under the Act;

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

AND UPON Phillips having represented to the Commission that:

1. Phillips is a Delaware corporation and its management and head office are located in Houston, Texas.
2. On August 30, 2002, ConocoPhillips, a Delaware corporation, became the sole holder of shares of common stock, \$1.25 par value of Phillips (the Phillips Shares) pursuant to a merger transaction under Delaware law, namely an Agreement and Plan of Merger dated as of November 18, 2001 under which Phillips and Conoco Inc. combined their businesses by merging into separate acquisition subsidiaries of ConocoPhillips and, among other things, each outstanding Phillips Share was converted into one share of common stock, \$0.01 par value of ConocoPhillips (a ConocoPhillips Share).
3. Prior to August 30, 2002, the Phillips Shares were publicly-traded on the NYSE. Effective September 3, 2002, the ConocoPhillips Shares were listed on the NYSE.

4. Phillips is a reporting issuer in Ontario by reason of the Phillips Shares having previously been listed on the Toronto Stock Exchange (the TSX) on April 30, 1971. As the company whose existence continues following a statutory merger procedure, Phillips continues to be a reporting issuer in Ontario.
5. Phillips is not a reporting issuer in any other jurisdiction in Canada.
6. Phillips has not offered its securities for sale in Canada, either by way of a public offering in accordance with the prospectus requirement or privately in accordance with an exemption from the prospectus requirement, for at least 15 years.
7. Effective June 27, 2002, the Phillips Shares were voluntarily delisted from the TSX on the basis of a near complete absence of any trading activity in Phillips Shares on the TSX and the availability of the NYSE as a liquid alternative market. None of the securities of Phillips are listed or quoted on any exchange or market in Canada.
8. Phillips is not in default of any requirements of the Act or the rules and regulations made thereunder, except with respect to the filing of interim financial statements for the nine-month period ended September 30, 2002.
9. As at the date hereof, the authorized capital stock of Phillips consists of 100 shares of common stock, par value \$0.01 per share (the Common Shares), of which 100 are issued and outstanding and held by ConocoPhillips.
10. As at the date hereof, Phillips also has outstanding several classes of debt securities (collectively, the Debt Securities) registered on the New York Stock Exchange (the NYSE) pursuant to Section 12 of the United States Securities Exchange Act of 1934 (the 1934 Act).
11. Phillips has six (6) beneficial holders of Debt Securities resident in Ontario and two (2) beneficial holders of Debt Securities resident elsewhere in Canada, representing approximately 0.015% of the total principal amount of Debt Securities that are outstanding.
12. Beneficial holders of Debt Securities resident in Ontario will have the ability to resell their Debt Securities through the facilities of the NYSE without any resale restrictions under the Act.
13. Phillips is subject to the requirements, policies and rules of the NYSE and the 1934 Act.
14. ConocoPhillips has fully and unconditionally guaranteed the payment obligations of Phillips with respect to the Debt Securities. As a result, U.S. federal securities legislation permits the

presentation of condensed consolidated financial information for Phillips instead of separate financial statements, and generally exempts Phillips from the reporting requirements of the 1934 Act. The condensed consolidated financial information for Phillips will be included in the financial statements of ConocoPhillips.

15. The accommodation described in paragraph 14 is consistent with regulatory precedent in Ontario regarding disclosure requirements in respect of fully guaranteed debt securities issued by wholly-owned subsidiaries of the guarantor.
16. Each of Phillips and ConocoPhillips is a "U.S. issuer" within the meaning of National Instrument 71-101 The Multijurisdictional Disclosure System.
17. Phillips will send to all holders of Debt Securities, wherever resident, such disclosure documents as it may from time to time be required to send to United States resident holders of such Debt Securities under applicable U.S. federal securities legislation.
18. Other than the Common Shares held by ConocoPhillips and the Debt Securities, Phillips has no securities, including debt securities, outstanding.
19. Phillips has no present intentions to seek public financing by way of an offering of its securities in Canada.

AND UPON the Commission being satisfied that to grant this order would not be prejudicial to the public interest;

IT IS HEREBY ORDERED pursuant to Section 83 of the Act that Phillips is deemed to have ceased to be a reporting issuer under the Act effective as of the date of this order.

May 20, 2003.

"H. Lorne Morphy"

"Robert W. Korthals"

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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 Lapse/Revoke
701 Media Group Inc.	21 May 03	02 Jun 03		
Bearcat Explorations Ltd.	13 May 03	23 May 03		
Beta Brands Incorporated	21 May 03	02 Jun 03		
Compressario Corporation	21 May 03	02 Jun 03		
Dimensional Media Inc.	08 May 03	20 May 03	20 May 03	
Goldpark China Limited	21 May 03	02 Jun 03		
Intelligent Web Technologies Inc.	21 May 03	02 Jun 03		
Nobile China Inc.	21 May 03	02 Jun 03		
Nu-Life Corp.	21 May 03	02 Jun 03		
World Wide Minerals Ltd.	21 May 03	02 Jun 03		

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
Afton Food Group Ltd.	21 May 03	03 Jun 03			
Aspen Group Resources Corporation	21 May 03	03 Jun 03			
Battery Technologies Inc.	21 May 03	03 Jun 03			
Finline Technologies Ltd.	21 May 03	03 Jun 03			
Hydromet Environmental Recovery Ltd.	21 May 03	03 Jun 03			
Polyphalt Inc.	21 May 03	03 Jun 03			
Radiant Energy Corporation	26 Mar 03	08 Apr 03	08 Apr 03		
Slater Steel Inc.	21 May 03	03 Jun 03			

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Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

Exempt Financings

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

REPORTS OF TRADES SUBMITTED ON FORM 45-501F1

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Total Purchase Price (\$)</u>	<u>Number of Securities</u>
29-Apr-2003	Leo J. Thibodeau	Acrex Ventures Ltd. - Units	50,600.00	230,000.00
02-May-2003	Gerbrand and Renelda Boersen	Acuity Pooled High Income Fund - Trust Units	600,000.00	40,612.00
12-May-2003	Tonia Terpstra and Prem Malik	Acuity Pooled High Income Fund - Trust Units	337,372.00	22,530.00
09-May-2003	4 Purchasers	Advantex Marketing International Inc. - Convertible Debentures	24,411.26	24,000.00
15-May-2003	8 Purchasers	Alive International Inc. - Common Shares	113,000.00	1,120,000.00
19-Feb-2003	4 Purchasers	Andromeda Media Capital Corporation - Units	4,500.00	4,500.00
05-May-2003	7 Purchasers	Aquiline Resources Inc. - Units	130,000.00	520,000.00
09-May-2003	Canada Dominion Resources LP XI and CMP 2003 Resource Limited Partnership	Aurizon Mines Ltd. - Common Shares	4,995,000.00	3,700,000.00
13-May-2003	3 Purchasers	Belair Networks Inc. - Notes	103,869.00	103,869.00
13-May-2003	5 Purchasers	Belair Networks Inc. - Units	5,112,518.00	6,195,606.00
28-Mar-2003	Lynne Munro	BPI American Opportunities Fund - Units	62,721.00	577.00
28-Mar-2003	Erik Haites	BPI Global Opportunitites III Fund - Units	52,992.00	624.00
28-Mar-2003	Robert Zachary	BPI Global Opportunitites III Fund - Units	25,000.00	275.00
04-Apr-2003	Clifford Pringle	BPI Global Opportunitites III RSP Fund - Units	25,463.00	279.00
01-Apr-2003	Jo-Anne Chang	Camilion Solutions, Inc. - Preferred Shares	5,000.00	29,334.00

Notice of Exempt Financings

31-Mar-2003	Ilan Levy	Camillon Solutions, Inc. - Preferred Shares	5,000.00	29,334.00
08-May-2003	9 Purchasers	Celtic Exploration Ltd. - Common Shares	3,817,280.00	966,400.00
16-Apr-2003	3 Purchasers	Churchill Institutional Real Estate Limited Partnership - Limited Partnership Units	195,000.00	13.00
28-Mar-2003	Francis Leeder	CI Multi-Manager Opportunites Fund - Units	25,322.00	275.00
02-Apr-2003	5 Purchasers	Continental Saxon (CG) Limited Partnership - Limited Partnership Units	90.00	90.00
13-May-2003	5 Purchasers	Corona Gold Corporation - Common Shares	70,000.00	233,336.00
16-Apr-2003	3 Purchasers	CPG Capital Corp. - Debentures	130,000.00	13.00
09-May-2003	30 Purchasers	Discovery Biotech Inc. - Common Shares	112,500.00	37,500.00
09-May-2003	15 Purchasers	Discovery Biotech Inc. - Common Shares	38,100.00	12,700.00
09-May-2003	50 Purchasers	Discovery Biotech Inc. - Common Shares	212,400.00	70,800.00
09-May-2003	62 Purchasers	Discovery Biotech Inc. - Common Shares	345,600.00	115,200.00
09-Apr-2003	69 Purchasers	Discovery Biotech Inc. - Common Shares	326,700.00	108,900.00
01-Apr-2003	Northwater Enhanced Trust IV	FrontPoint Offshore Fixed Income Opportunities Fund Ltd. - Shares	5,328,000.00	3,700.00
20-Dec-2003	1552137 Ontario Inc.	Futureway Communications Inc. - Common Shares	129,412.00	258,825.00
30-Apr-2003	3 Purchasers	Gamehost Income Fund - Special Warrants	250,000.00	25,000.00
09-May-2003	1211250 Ontario Inc.;141251 Ontario Inc.	GangaGen, Inc. - Preferred Shares	289,040.00	308,000.00
09-May-2003	Cinram International Inc.	HSBC Short Term Investment Fund - Shares	800,000.00	79,873.00
01-May-2003	N/A	Hydro One Inc. - Units	20,591,953.03	202,145,000.00
01-May-2003	N/A	Hydro One Inc. - Units	3,475,330.40	4,590,000.00
01-May-2003	N/A	Hydro One Inc. - Units	4,422,944.10	19,770,000.00
12-May-2003	Raymond Switzer and Stewart Winter	IMAGIN Diagnostics, Inc. - Common Shares	42,000.00	14,000.00
12-May-2003	3 Purchasers	Interline Brands, Inc. - Notes	6,258,600.00	4,500,000.00

Notice of Exempt Financings

29-Apr-2003	5 Purchasers	Inviro Medical Inc. - Special Warrants	44,800.00	15,430.00
12-May-2003	Leo J. Thibodeau and Aginco-Eagle Mines Limited	Kimber Resources Inc. - Units	209,250.00	465,000.00
01-May-2003	Lancaster Balanced Fund II	Lancaster Fixed Income Fund II - Trust Units	64,101.00	5,415.00
01-May-2003	Lancaster Balanced Fund II	Lancaster Global Ex-Canada Fund - Trust Units	863,776.12	115,729.00
04-Apr-2003	Mona Perusse	Landmark Global Opportunities RSP Fund - Units	25,000.00	270.00
28-Mar-2003	Antonio Pietrangelo	Landmark Global Opportunities RSP Fund - Units	5,780.00	92.00
09-May-2003	4 Purchasers	MediaOne Network Inc. - Common Shares	980,000.00	19,464.00
07-May-2003	Henri Leduc	Microsource Online, Inc. - Common Shares	6,000.00	1,000.00
07-May-2003	John Haddath	Microsource Online, Inc. - Common Shares	1,200.00	200.00
07-May-2003	Tony Moracci	Microsource Online, Inc. - Common Shares	6,000.00	1,000.00
07-May-2003	Ken Frost	Microsource Online, Inc. - Common Shares	9,000.00	1,500.00
07-May-2003	Wes Durie	Microsource Online, Inc. - Common Shares	18,000.00	3,000.00
07-May-2003	S. Grant Hall	Microsource Online, Inc. - Common Shares	4,500.00	750.00
30-Apr-2003	John and Jamie Dann;Bernadette M. Lapos	Milano Investments Limited Partnership - Limited Partnership Units	188,056.56	3.00
08-May-2003	8 Purchasers	Nuinsco Resources Limited - Units	270,000.00	666,279.00
05-May-2003	10 Purchasers	OntZinc Corporation - Units	210,000.00	2,100,000.00
30-Apr-2003	The Extrudex Group Ltd.	Otec Research, Inc. - Common Shares	838,009.32	13,966,822.00
31-Dec-2002	5 Purchasers	Pacific North West Capital Corp. - Stock Option	108,000.00	180,000.00
07-May-2003	96 Purchasers	Paradigm Market Neutral Preservation Fund - Units	4,602,294.00	475,825.00
06-May-2003	15 Purchasers	Petrobank Energy and Resources Ltd. - Notes	26,423,400.00	29,260,000.00
08-May-2003	Jacuzzi Inc.	Polyair Inter Pack Inc. - Common Shares	6,976,000.00	598,802.00

Notice of Exempt Financings

02-May-2003	Leo J. Thibodeau	Rare Earth Metals Corp. - Units	51,000.00	170,000.00
02-May-2003	Norman F. Findlay	Rentcash Inc. - Common Shares	25,000.00	25,000.00
30-Apr-2003	4 Purchasers	Rhonda Corporation - Units	33,349.00	123,518.00
09-May-2003	2 Purchasers	Royal Caribbean Cruises Ltd. - Notes	620,868.75	625,000.00
09-May-2003	Credit Union Central of Ontario Limited	SAFE Trust - Notes	1,020,667.00	1,020,667.00
14-May-2003	Elliott & Page	SEMCO Energy, Inc. - Notes	343,450.00	250,000.00
14-May-2003	3 Purchasers	SEMCO Energy, Inc. - Notes	1,030,350.00	750,000.00
05-May-2003	CMP 2003 Resource Limited Partnership	Slam Exploration Ltd. - Flow-Through Shares	200,000.00	400,000.00
13-May-2003	Gowlings Canada Inc.	Sonic Mobility Inc. - Common Shares	16,000.00	6,400.00
12-May-2003	Credit Risk Advisors and Bank of Montreal	Standard Pacific Corp. - Notes	4,520,100.00	3,250,000.00
08-May-2003	5 Purchasers	Superior Plus Income Fund - Units	101,293,186.00	2,554,038.00
06-May-2003	Alcan Foreign Trust	TD Capital Private Equity Investors (Canada) L.P. - Limited Partnership Units	25,347,600.00	1,800.00
01-May-2003	Steven Tuchner	The Alpha Fund - Limited Partnership Units	250,000.00	2.00
30-Apr-2003	5 Purchasers	The McElvaine Investment Trust - Trust Units	536,668.00	34,167.00
08-May-2003	Credit Risk Advisors;Elliott & Page	Thornburg Mortgage, Inc. - Notes	2,794,400.00	16.00
02-Apr-2003	Becancour;LP	Timminco Limited - Common Shares	6,600,000.00	6,000,000.00
16-Apr-2003	4 Purchasers	TrekLogic Technologies Inc. - Common Shares	1,500,000.00	3,000,000.00
13-May-2003	3 Purchasers	Tricycle Asset Management Corporation - Debentures	1,500,000.00	3.00
28-Mar-2003	Ian Munro	Trident Global Opportunities Fund - Units	52,472.00	508.00
04-Apr-2003	Bernice Pringle	Trident Global Opportunities RSP Fund - Units	25,241.00	262.00
09-May-2003	Cedric E. Ritchie;Peter Schmied	Twin Mining Corporation - Common Shares	135,000.00	450,000.00
02-May-2003	Hill & Gertner Capital Corporation	WAM Industries Ltd. - Common Shares	266,666.00	266,666.00

RESALE OF SECURITIES - (FORM 45-501F2)

<u>Transaction Date</u>	<u>Seller</u>	<u>Security</u>	<u>Total Selling Price</u>	<u>Number of Securities</u>
06-May-2003 08-May-2003	United Reef Limited	AXMIN Inc. – Common Shares	\$41,435.00	189,000.00
17-Jan-2003	Command Post and Transfer Corporation	Command Post and Transfer Corporation – Convertible Debenture	\$1,000,000.00	1.00

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

<u>Seller</u>	<u>Security</u>	<u>Number of Securities</u>
John Buhler	Buhler Industries Inc. - Common Shares	291,000.00
Viceroy Resource Corporation	Channel Resources Ltd. - Common Shares	7,076,850.00
Conrad M. Black	Hollinger Inc. - Shares	1,611,039.00
Kalimantan Investment Corporation	Kalimantan Gold Corporation Limited - Common Shares	2,266,695.00
Great Pacific Capital Corp.	Westshore Terminals Income Fund - Trust Units	536,184.00

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IPOs, New Issues and Secondary Financings

Issuer Name:

AltaLink, L.P.
Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 15, 2003

Offering Price and Description:

\$* * %Senior Bonds, Series 03-1, due *

\$* * %Senior Bonds, Series 03-2, due *

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Gasgrain & Company Limited

Promoter(s):

-

Project #538377

Issuer Name:

CIBC Euro Short-Term Income Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 15, 2003

Offering Price and Description:

Mutual Fund Securities Net Asset Value

Underwriter(s) or Distributor(s):

CIBC Securities Inc.
CIBC Securities Inc.

Promoter(s):

Canadian Imperial Bank of Commerce

Project #538640

Issuer Name:

Fortis Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 15, 2003
Mutual Reliance Review System Receipt dated May 16, 2003

Offering Price and Description:

\$100,000,000.00 - 4,000,000 FIRST PREFERENCE
SHARES, SERIES C @ \$25.00 per SERIES C
PREFERENCE SHARE

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Beacon Securities Limited

Promoter(s):

-

Project #539184

Issuer Name:

Hawker Resources Inc.
Principal Regulator - Alberta

Type and Date:

Amended and Restated Preliminary Prospectus dated May 15, 2003
Mutual Reliance Review System Receipt dated May 16, 2003

Offering Price and Description:

\$45,000,000 - * Common Shares @ \$ * per Common
Share

Underwriter(s) or Distributor(s):

Peters & Co. Limited
FirstEnergy Capital Corp.
Griffiths McBurney & Partners
Tristone Capital Inc.

Promoter(s):

-

Project #531455

Issuer Name:

ID Biomedical Corporation
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 14, 2003

Offering Price and Description:

US\$ * - 2,610,000 Common Shares @ \$ * per Share

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Canaccord Capital Corporation
RBC Dominion Securities Inc.
Dloughy Merchant Group Inc.
TD Securities Inc.
Desjardins Securities Inc.

Promoter(s):

-

Project #538136

Issuer Name:

Middlefield Index Income Class
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 14, 2003

Offering Price and Description:

Mutual Fund Securities

Underwriter(s) or Distributor(s):

Middlefield Securities Limited
Middlefield Securities Limited

Promoter(s):

-

Project #538091

Issuer Name:

Questerre Energy Corporation
Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 20, 2003

Offering Price and Description:

\$5,000,000 to \$8,500,000 - * Units @ \$ * per Unit

Underwriter(s) or Distributor(s):

CANACCORD CAPITAL CORPORATION

Promoter(s):

MICHAEL R. BINNION

Project #540378

Issuer Name:

Sudbury Contact Mines Limited
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated May 16, 2003
Mutual Reliance Review System Receipt dated May 20, 2003

Offering Price and Description:

\$ * - * Common Shares and * Share Purchase Warrants

Underwriter(s) or Distributor(s):

Yorkton Securities Inc.
TD Securities Inc.
Dundee Securities Corporation
Research Capital Corporation
Canaccord Capital Corporation

Promoter(s):

-

Project #539814

Issuer Name:

The Hockey Company Holdings Inc.
Principal Regulator - Quebec

Type and Date:

Amended and Restated Preliminary PREP Prospectus dated May 15, 2003
Mutual Reliance Review System Receipt dated May 16, 2003

Offering Price and Description:

\$ * - * Common Shares @ \$ * per Common Share

Underwriter(s) or Distributor(s):

Merrill Lynch Canada Inc.
Scotia Capital Inc.
National Bank Financial Inc.

Promoter(s):

-

Project #526751

Issuer Name:

Ultima Energy Trust
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 14, 2003

Offering Price and Description:

\$20,200,000.00 (4,000,000 Trust Units) @ \$5.05 per Trust Unit

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #538282

• **Issuer Name:**

Volume Services America Holdings, Inc.
Principal Regulator - Ontario

• **Type and Date:**

Second Amended Preliminary Prospectus dated May 20, 2003
Mutual Reliance Review System Receipt dated May 20, 2003

Offering Price and Description:

\$ * - Income Deposit Securities @ \$ * per IDS

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.

Promoter(s):

-

Project #513442

Issuer Name:

Nexen Inc..
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Shelf Prospectus dated May 13, 2003
Mutual Reliance Review System Receipt dated May 13, 2003

Offering Price and Description:

\$ * - Income Deposit Securities @ \$ * per IDS

Underwriter(s) or Distributor(s):

TD SECURITIES INC.
RBC DOMINION SECURITIES INC.
SCOTIA CAPITAL INC.
CIBC World Markets Inc.
HSBC SECURITIES (CANADA) INC.

Promoter(s):

-

Project #537689

Issuer Name:

Acclaim Energy Trust
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 14, 2003

Offering Price and Description:

\$82,582,50021.00 - 175,000 Trust Units @ \$3.90 per 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.

Promoter(s):

-

Project #535946

Issuer Name:

Custom Direct Income Fund
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated May 15, 2003
Mutual Reliance Review System Receipt dated May 16, 2003

Offering Price and Description:

Cdn\$110,000,000.00 - 11,000,000 Units @\$10.00 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
TD Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Griffiths McBurney & Partners

Promoter(s):

MDC Corporation Inc.

Project #524134

Issuer Name:

Dupont Capital Inc.
Principal Regulator - Quebec

Type and Date:

Final CPC Prospectus dated May 15, 2003
Mutual Reliance Review System Receipt dated May 16, 2003

Offering Price and Description:

Minimum Offering: \$500,000 or 3,333,333 common shares;
Maximum Offering: \$1,000,000 or 6,666,667 common shares
Price: \$0.15 per common share

Underwriter(s) or Distributor(s):

Desjardins Securities Inc.

Promoter(s):

-

Project #530108

Issuer Name:

EnerVest Natural Resource Fund Ltd.
Principal Regulator - Alberta

Type and Date:

Amendment #1 dated May 6, 2003 to the Final Simplified Prospectus and Annual Information Form dated December 6, 2002

Mutual Reliance Review System Receipt dated May 14, 2003

Offering Price and Description:

Mutual Fund Securities Net Asset Value

Underwriter(s) or Distributor(s):

EnerVest Funds Management Inc.
EnerVest Funds Management Inc.

Promoter(s):

EnerVest Funds Management Inc.

Project #489940

Issuer Name:

George Weston Limited
Principal Regulator - Ontario

Type and Date:

Final Form Shelf Prospectus dated May 16, 2003
Mutual Reliance Review System Receipt dated May 20, 2003

Offering Price and Description:

\$750 Million - Medium Term Notes (unsecured)

Underwriter(s) or Distributor(s):

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

Promoter(s):

-
Project #536477

Issuer Name:

Dynamic Partners Fund
Principal Regulator - Ontario

Type and Date:

- Amendment No. 2 dated May 8th, 2003 to the Amended and Restated Simplified Prospectus dated February 14, 2003, amending and restating the Simplified Prospectus of the above Issuer dated December 5th, 2002; and
- Amendment No. 3 dated May 8, 2003 to the Annual Information Form of the above Issuer dated December 5, 2002.

Mutual Reliance Review System Receipt dated May 15, 2003

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Dynamic Mutuals Funds Ltd.
Dynamic Mutual Funds Ltd.
None

Promoter(s):

Dynamic Mutual Funds Ltd.
Project #500779

Issuer Name:

NCE Petrofund
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 14, 2003

Offering Price and Description:

8,000,000 Trust Units @ \$10.60 per Unit = \$84,800,000

Underwriter(s) or Distributor(s):

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

Promoter(s):

-
Project #534573

Issuer Name:

Qwest Energy Development III Limited Partnership
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated May 13, 2003
Mutual Reliance Review System Receipt dated May 16, 2003

Offering Price and Description:

QWest Energy Development III Limited Partnership
\$20,000,000 (Maximum Offering) \$5,000,000 (Minimum Offering). A maximum of 800,000 Unites and a minimum of 200,000 Units - \$25/Unit - Minimum Purchase: 100 Units

Underwriter(s) or Distributor(s):

Dundee Securities Corporation
Canaccord Capital Corporation
TD Securities Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Bieber Securities Inc.
Research Capital Corporation
Wellington West Capital Inc.

Promoter(s):

Qwest Energy Corp.
Project #526492

Issuer Name:

Shoppers Drug Mart Corporation
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated May 14, 2003
Mutual Reliance Review System Receipt dated May 14, 2003

Offering Price and Description:

30,000,000 Common Shares @ \$23 per Common Share

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Merrill Lynch Canada Inc.

Promoter(s):

-
Project #535252

Issuer Name:

Stikine Gold Corporation
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated May 15, 2003
Mutual Reliance Review System Receipt dated May 15,
2003

Offering Price and Description:

Stikine Gold Corporation - Up to 6,000,000 Common
Shares - Minimum Public Offering fo \$1,000,000 -
Maximum Public Offering of \$1,500,000 and 2,387,516
Common Shares to be issued on the exercise of 2,387,516
previously issued Special Warrants

Underwriter(s) or Distributor(s):

Union Securities Ltd.

Promoter(s):

Scott E. Broughton
John M. Mirko
Project #533117

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Caledon Capital Partners Inc. Attention: David Rogers Scotia Plaza, Suite 4900 40 King Street West Toronto ON M5H 4A2	Investment Counsel & Portfolio Manager	May 15/03
New Registration	Taggart Galt Capital Inc. Attention: Andrew Hawryluk 4307 Village Centre Court Mississauga ON L4Z 1S2	Limited Market Dealer	May 20/03
New Registration	Meridian Global Investors Inc. Attention: Richard C. Kang 100 – 221 Spadina Road Toronto ON M5R 2T9	Investment Counsel & Portfolio Manager Limited Market Dealer	May 05/03
Suspension of Registration	DLJ Merchant Banking II, LLC 277 Park Avenue New York NY 10172 USA	International Adviser	May 20/03

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 RS Amendment to the Universal Market Integrity Rules - Definition of Employee

UNIVERSAL MARKET INTEGRITY RULES

AMENDMENT

APPENDIX 1.1-B - DEFINITION OF "EMPLOYEE"

The Universal Market Integrity Rules are amended as follows:

1. Rule 1.1 is amended by adding the following definition of "employee":

"employee" includes any person who has entered into a principal/agent relationship with a Participant in accordance with the terms and conditions established for such a relationship by any self-regulatory entity of which the Participant is a member.

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