

The Ontario Securities Commission

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August 15, 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

AUGUST 15, 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

Telephone: 416-597-0681 Telecopier: 416-593-8348

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Derek Brown	—	DB
Robert W. Davis, FCA	—	RWD
Harold P. Hands	—	HPH
Robert W. Korthals	—	RWK
Mary Theresa McLeod	—	MTM
H. Lorne Morphy, Q.C.	—	HLM
Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar	—	ST
Wendell S. Wigle, Q. C.	—	WSW

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

s. 127

Y. Chisholm in attendance for Staff

Panel: TBA

September 18, 2003 **Brian Anderson, Leslie Brown, Douglas Brown, David Sloan and Flat Electronic Data Interchange (a.k.a. F.E.D.I.)**

10:00 a.m.

s. 127

K. Daniels in attendance for Staff

Panel: HLM/WSW/RLS

October 7 to 10, 2003 **Gregory Hyrniw and Walter Hyrniw**

s. 127

Y. Chisholm in attendance for Staff

Panel: HLM/HPH/KDA

October 20 to 31, 2003 **Ricardo Molinari, Ashley Cooper, Thomas Stevenson, Marshall Sone, Fred Elliott, Elliott Management Inc. and Amber Coast Resort Corporation**

10:00 a.m.

s. 127

E. Cole in attendance for Staff

Panel: RLS/HPH

October 20 to **M.C.J.C. Holdings Inc. and Michael**
November 7, 2003 **Cowpland**

10:00 a.m. s. 127

M. Britton in attendance for Staff

Panel: WSW/PKB/RWD

November 3-10, **Patrick Fraser Kenyon Pierrepont**
12 and 14-21, **Lett, Milehouse Investment**
2003 **Management Limited, Pierrepont**

10:00 a.m. **Trading Inc., BMO Nesbitt**
Burns Inc.*, John Steven Hawkyard*
and John Craig Dunn

s. 127

K. Manarin in attendance for Staff

Panel: HLM/MTM/ST

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

**1.1.2 Amendments to IDA Regulation 100 - Positions
in and Offsets Involving Exchange Traded
Derivatives - Notice of Commission Approval**

**AMENDMENTS TO IDA REGULATION 100 -
POSITIONS IN AND OFFSETS INVOLVING
EXCHANGE TRADED DERIVATIVES**

NOTICE OF COMMISSION APPROVAL

The Ontario Securities Commission and the Alberta Securities Commission approved amendments to IDA Regulation 100 regarding positions in and offsets involving exchange traded derivatives. In addition, the British Columbia Securities Commission did not object to the amendments. The proposal establishes capital and margin requirements that are more reflective of the risks of the offsetting strategies, and improves organization of the current rules. A copy and description of these amendments were published on April 25, 2003 at (2003) 26 OSCB 3272. No comments were received. Since the publication of the proposal, the IDA resubmitted the amendments to correct a minor drafting error. Specifically, the phrase "long qualifying basket of index securities" was replaced with "long index participation units" at the beginning of the fourth bullet point in Regulation 100.9(h)(iii)(E).

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**

**Global Privacy Management Trust and Robert
Cranston**

Philip Services Corporation

Robert Walter Harris

S. B. McLaughlin

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

1.1.3 Notice of Commission Approval – Amendment to MFDA Rule 3.2.1 Regarding Client Lending and Margin

**THE MUTUAL FUND DEALERS ASSOCIATION (MFDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENT TO MFDA RULE 3.2.1
REGARDING CLIENT LENDING AND MARGIN**

The Ontario Securities Commission approved amendment to MFDA Rule 3.2.1 regarding Client Lending and Margin. In addition, the Alberta Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission approved and the British Columbia Securities Commission did not object to the amendment. The proposal clarifies that Approved Persons of MFDA members are also prohibited from lending or extending credits to clients. The amendment is housekeeping in nature. The description and a copy of the amendment is contained in Chapter 13 of this Ontario Securities Commission Bulletin.

1.1.4 Notice of Commission Approval – Amendment to MFDA Rule 2.2.3 Regarding New Account Approval

**THE MUTUAL FUND DEALERS ASSOCIATION (MFDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENT TO MFDA RULE 2.2.3
REGARDING NEW ACCOUNT APPROVAL**

The Ontario Securities Commission approved amendment to MFDA Rule 2.2.3 regarding New Account Approval. In addition, the Alberta Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission approved and the British Columbia Securities Commission did not object to the amendment. The proposal clarifies that the partner, director, officer or branch manager designated by a MFDA member to approve the opening of new accounts must be registered. The amendment is housekeeping in nature. The description and a copy of the amendment is contained in Chapter 13 of this Ontario Securities Commission Bulletin.

1.1.5 Notice of Commission Approval – Amendment to MFDA Rule 1.2.2(a) Regarding Branch Managers

**THE MUTUAL FUND DEALERS ASSOCIATION (MFDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENT TO MFDA RULE 1.2.2(A)
REGARDING BRANCH MANAGERS**

The Ontario Securities Commission approved amendment to MFDA Rule 1.2.2(a) regarding Branch Managers. In addition, the Alberta Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission approved and the British Columbia Securities Commission did not object to the amendment. MFDA Rule 1.2.2(a) prescribes proficiency requirements for individuals designated by a MFDA member as a branch manager or an alternate branch manager pursuant to another MFDA Rule. The amendment corrects an incorrect cross reference to the MFDA Rule that deals with designation of branch managers and alternate branch managers. The amendment is housekeeping in nature. The description and a copy of the amendment is contained in Chapter 13 of this Ontario Securities Commission Bulletin.

1.1.6 Notice of Commission Approval - Amendments to the IDA By-laws 1 and 7 and to Policy 6, Parts I and II – Proficiency Requirements for Chief Financial Officer (“CFOs”)

**THE INVESTMENT DEALERS ASSOCIATION (IDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENTS TO BY-LAWS 1 AND 7 AND
TO POLICY 6, PARTS I AND II
REGARDING PROFICIENCY REQUIREMENTS
FOR CHIEF FINANCIAL OFFICERS (“CFOs”)**

Amendments to the IDA By-laws 1 and 7 and to Policy 6, Parts I and II regarding CFOs proficiency requirements have been approved by the Ontario Securities Commission. In addition, the Alberta Securities Commission did not disapprove and the British Columbia Securities Commission did not object to these amendments. The amendments establish proficiency requirements for CFOs of IDA member firms and allow these member firms to employ part-time CFOs. In addition, the definition of “Officer” will be amended to include the CFOs category.

1.3 News Releases

1.3.1 In the Matter of Dundee Securities Corporation

**FOR IMMEDIATE RELEASE
August 12, 2003**

**IN THE MATTER OF
DUNDEE SECURITIES CORPORATION**

TORONTO – Staff of the Ontario Securities Commission and Dundee Securities Corporation entered into a settlement agreement which was approved on August 8, 2003 by Charlie Macfarlane, Executive Director.

From August 1999 to May 2000, a registered representative with Dundee assisted clients in purchasing shares of various companies using funds located in their locked-in RRSPs. Concurrently, the clients obtained a loan, at times with the assistance of the registered representative, from the scheme's promoters representing a portion of the purchase price of the shares, varying from approximately 60% to 80%. Dundee had no knowledge of the loans.

Dundee agreed that they failed to adequately supervise these accounts and the registered representative's actions in relation to these accounts, contrary to the public interest and contrary to section 3.1 of Ontario Securities Commission Rule 31-505, which requires a dealer to supervise each of its registered salespersons in accordance with Ontario Securities law.

Dundee undertakes to review its current compliance function in respect of the issues identified in the Settlement Agreement, and implement any required policies and procedures, and to pay to the Commission the sum of \$150,000 in respect of the costs of the investigation with respect to Dundee.

The Settlement Agreement may be found on the Commission's website at **www.osc.gov.on.ca**.

For Media Inquiries: Frank Switzer
Director, Communications
416-593-8120

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

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 RBC Asset Management Inc. - MRRS Decision

Headnote

Exemption from the requirement to deliver a renewal prospectus annually to mutual fund investors purchasing units pursuant to pre-authorized investment plans, subject to certain conditions.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990 c. S.5, as am., s. 71 and s. 147.

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

AND

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

AND

IN THE MATTER OF
RBC CANADIAN T-BILL FUND
RBC CANADIAN MONEY MARKET FUND
RBC PREMIUM MONEY MARKET FUND
RBC \$U.S. MONEY MARKET FUND
RBC CANADIAN SHORT-TERM INCOME FUND
RBC BOND FUND
RBC CANADIAN BOND INDEX FUND
RBC MONTHLY INCOME FUND
RBC GLOBAL BOND FUND
RBC BALANCED FUND
RBC TAX MANAGED RETURN FUND
RBC BALANCED GROWTH FUND
RBC GLOBAL BALANCED FUND
RBC SELECT CONSERVATIVE PORTFOLIO
RBC SELECT BALANCED PORTFOLIO
RBC SELECT GROWTH PORTFOLIO
RBC SELECT CHOICES CONSERVATIVE PORTFOLIO
RBC SELECT CHOICES BALANCED PORTFOLIO
RBC SELECT CHOICES GROWTH PORTFOLIO
RBC SELECT CHOICES AGGRESSIVE GROWTH
PORTFOLIO
RBC DIVIDEND FUND

RBC CANADIAN VALUE FUND
RBC CANADIAN EQUITY FUND
RBC CANADIAN INDEX FUND
RBC O'SHAUGHNESSY CANADIAN EQUITY FUND
RBC CANADIAN GROWTH FUND
RBC ENERGY FUND
RBC PRECIOUS METALS FUND
RBC U.S. EQUITY FUND
RBC U.S. INDEX FUND
RBC U.S. RSP INDEX FUND
RBC O'SHAUGHNESSY U.S. VALUE FUND
RBC U.S. MID-CAP EQUITY FUND
RBC O'SHAUGHNESSY U.S. GROWTH FUND
RBC LIFE SCIENCE AND TECHNOLOGY FUND
RBC INTERNATIONAL EQUITY FUND
RBC INTERNATIONAL RSP INDEX FUND
RBC EUROPEAN EQUITY FUND
RBC ASIAN EQUITY FUND
RBC GLOBAL EDUCATION FUND
RBC GLOBAL TITANS FUND
RBC GLOBAL COMMUNICATIONS AND MEDIA
SECTOR FUND
RBC GLOBAL CONSUMER TRENDS SECTOR FUND
RBC GLOBAL FINANCIAL SERVICES SECTOR FUND
RBC GLOBAL HEALTH SCIENCES SECTOR FUND
RBC GLOBAL INDUSTRIALS SECTOR FUND
RBC GLOBAL RESOURCES SECTOR FUND
RBC GLOBAL TECHNOLOGY SECTOR FUND
RBC ADVISOR CANADIAN BOND FUND
RBC ADVISOR GLOBAL HIGH YIELD FUND
RBC ADVISOR BLUE CHIP CANADIAN EQUITY FUND
(collectively, the "Existing Funds")

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon Territory, Northwest Territories and Nunavut (the "Jurisdictions") has received an application from RBC Asset Management Inc. (the "Manager"), on behalf of the Existing Funds and any future mutual funds (the "Future Funds") of which the Manager or any affiliated successor to the Manager may be the manager, for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirement in the Legislation to deliver the latest prospectus and any amendment to the prospectus together with the right not to be bound by an agreement of purchase and sale (the "Delivery Requirement") not apply in respect of a purchase and sale of securities of the Existing Funds or the Future Funds (collectively, the "Funds") pursuant to a pre-authorized investment plan (a "PAP");

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 Manager has represented to the Decision Makers that:

- (a) The Funds are, or will be, open-ended mutual funds established under the laws of Ontario.
- (b) The Manager or an affiliated successor to the Manager is, or will be, the portfolio adviser of the Funds. The Manager is registered as an adviser, or in an equivalent category, in each of the Jurisdictions except Nunavut.
- (c) Royal Mutual Funds Inc. ("RMFI") or an affiliated successor to RMFI is, or will be, a distributor of the Funds. RMFI is registered as a mutual fund dealer, or in an equivalent category, in each of the Jurisdictions.
- (d) The Manager and RMFI are affiliates.
- (e) The Funds are, or will be, reporting issuers in each of the Jurisdictions and the Existing Funds are not in default of any requirement of the Legislation.
- (f) Securities of the Funds are, or will be, offered for sale on a continuous basis in each of the Jurisdictions pursuant to a simplified prospectus.
- (g) Each of the Funds offers, or will offer, investors the opportunity to invest in a Fund on a regular basis pursuant to a PAP which is administered by RMFI.
- (h) Under the terms of a PAP, an investor instructs RMFI to accept additional contributions in a specified amount on a frequency determined by the investor and to apply such contributions on each scheduled investment date to additional investments in specified Funds. The investor authorizes RMFI to debit a specified account in the amount of the additional contributions. An investor may terminate the instructions at any time and the additional investments will not be made on the next scheduled investment date.

- (i) An investor who establishes a PAP (a "PAP Participant") receives a copy of the simplified prospectus relating to the Funds at the time a PAP is established.
- (j) Pursuant to the Legislation, RMFI, when it receives an order or subscription for a security of a Fund offered in a distribution to which the Delivery Requirement applies, must, unless it has previously done so, send by prepaid mail or deliver to the purchaser the latest prospectus and any amendment to the prospectus filed either before entering into an agreement of purchase and sale resulting from the order or subscription or not later than midnight on the second day after entering into such agreement.
- (k) Pursuant to the Legislation, an agreement referred to in paragraph (j) is not binding on the purchaser if RMFI receives notice of the intention of the purchaser not to be bound by the agreement of purchase and sale within a specified time period.
- (l) The terms of the PAP are such that an investor can terminate the instructions to RMFI at any time. Therefore, there is no agreement of purchase and sale until a scheduled investment date arrives and the instructions have not been terminated. At this point the debit is processed and the securities are purchased.
- (m) In order to ensure that it has been complying with the Legislation, RMFI has mailed or delivered to all PAP Participants who purchase securities of the Existing Funds pursuant to a PAP the simplified prospectus of the Existing Funds at the time the investor enters into the PAP and annually following the time a new prospectus (a "Renewal Prospectus") is filed pursuant to the Legislation.
- (n) There is significant cost involved in the annual printing and mailing or delivery of the Renewal Prospectus to PAP Participants. The Manager estimates the annual cost of production of a Renewal Prospectus, which is borne by the Existing Funds, to be approximately \$2.00 per Renewal Prospectus. In addition, RMFI bears an additional mailing cost which is approximately \$1.25 per Renewal Prospectus.

- (o) Typically the Renewal Prospectus is mailed to PAP Participants on or about August 1.
- (p) RMFI and the Manager are proposing to send to securityholders of the Existing Funds who are PAP Participants a notice (the "Notice") advising them of the terms of the relief and that PAP Participants will not receive the Renewal Prospectus of the Existing Funds in 2003 and thereafter, unless they request it. PAP Participants will receive with the Notice a request form (the "Request Form") to send back, by fax or prepaid mail, if they wish to receive the Renewal Prospectus.
- (q) The Notice will advise PAP Participants that the Renewal Prospectus and any amendments thereto may be found either on the SEDAR website or on the Existing Funds' website. The Notice will also advise PAP Participants that they can subsequently request the current Renewal Prospectus and any amendments thereto on a toll-free number or at a branch of RBC Royal Bank. The Notice will advise PAP Participants that they will not have a right to withdraw (a "Withdrawal Right") from an agreement of purchase and sale in respect of purchases pursuant to a PAP, but that they will have a right (a "Misrepresentation Right") of action for damages or rescission in the event the Renewal Prospectus contains a misrepresentation, whether or not they request the Renewal Prospectus, and that they will continue to have the right to terminate the PAP at any time before a scheduled investment date.
- (r) RMFI and the Manager are proposing that future investors who choose to become PAP Participants and invest in the Funds will be advised in the documents they receive in respect of their participation in the PAP or in the simplified prospectus of the Funds (in the section of the prospectus that describes the PAP) of the terms of the relief and that PAP Participants will not receive a Renewal Prospectus unless they request it at the time they decide to enrol in the PAP or subsequently on a toll-free number or at a branch of RBC Royal Bank. They will also be advised that a Renewal Prospectus and any amendments thereto may be found either on the SEDAR website or on the Funds' website. Future PAP Participants will also be advised that they will not have a Withdrawal Right in respect of purchases

pursuant to a PAP, other than in respect of the initial purchase and sale, but they will have a Misrepresentation Right, whether or not they request the Renewal Prospectus, and they will have the right to terminate the PAP at any time before a scheduled investment date.

- (s) PAP Participants will also be advised annually in the account statement sent by RMFI how they can request the current Renewal Prospectus and any amendments thereto and that they have a Misrepresentation Right.

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 Existing Funds are not required after the date of the 2003 Renewal Prospectus to comply with the Delivery Requirement in respect of purchases and sales of securities of the Existing Funds to PAP Participants who purchase the securities pursuant to a PAP which is in existence on the date of the 2003 Renewal Prospectus provided that:

- (i) PAP Participants who are current securityholders of the Existing Funds are sent the Notice described in paragraph (p) above containing the information described in paragraph (q) above together with the Request Form referred to in paragraph (p) above;
- (ii) under the terms of the PAP, a PAP Participant can terminate participation in the PAP at any time prior to a scheduled investment date;
- (iii) PAP Participants are advised annually in the account statement sent by RMFI how they can request the current Renewal Prospectus and any amendments thereto and that they have a Misrepresentation Right; and
- (iv) the Misrepresentation Right in the Legislation of a Jurisdiction is maintained in respect of a PAP Participant whether or not a Renewal Prospectus is requested or received.

AND THE DECISION of the Decision Makers pursuant to the Legislation is that the Funds are not required after the date of the 2003 Renewal Prospectus to comply with the Delivery Requirement in respect of

purchases and sales of securities of the Funds to PAP Participants who purchase the securities pursuant to a PAP which is established after the date of the 2003 Renewal Prospectus provided that:

- (i) PAP Participants are advised, in the simplified prospectus of the Funds or in the documents they receive in respect of their participation in the PAP, of the information described in paragraph (r) above;
- (ii) under the terms of the PAP, a PAP Participant can terminate participation in the PAP at any time prior to a scheduled investment date;
- (iii) PAP Participants are advised annually in the account statement sent by RMFI how they can request the current Renewal Prospectus and any amendments thereto and that they have a Misrepresentation Right; and
- (iv) the Misrepresentation Right in the Legislation of a Jurisdiction is maintained in respect of a PAP Participant whether or not a Renewal Prospectus is requested or received.

THE DECISION, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation or rule dealing with the Delivery Requirement.

August 5, 2003.

"Harold P. Hands"

"Wendell S. Wigle"

2.1.2 Fidelity Investments Canada Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Certain trades in shares by a mutual fund dealer, in its capacity as a group plan administrator of an employee retirement savings program, made for or to program participants, exempted from the dealer registration requirement in clause 25(1)(a) of the Act – Shares are common shares of an affiliate of the employer – Program participants are employees, former employees, spouses of employees, spouses of former employees, and related plans registered under the Income Tax Act (Canada).

Mutual Reliance Review System for Exemptive Relief Applications – Mutual fund dealer, acting as group plan administrator of employee retirement savings program, exempted from "suitability" requirements in paragraph 1.5(b) of Rule 31-505 that would otherwise arise as a result of the dealer purchasing or selling common shares for or on behalf of program participants.

Applicable Ontario Statute

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

Applicable Ontario Securities Commission Rule

Rule 31-505 Conditions of Registration, ss. 1.5 and 4.1.

IN THE MATTER OF THE CANADIAN SECURITIES LEGISLATION OF ALBERTA AND ONTARIO

AND

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

AND

IN THE MATTER OF FIDELITY INVESTMENTS CANADA LIMITED

AND

FORD MOTOR COMPANY OF CANADA, LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Registration Exemption Decision Maker") in each of Alberta and Ontario (the "Jurisdictions") has received an application (the "Registration Exemption Application") from Fidelity Investments Canada Limited ("Fidelity") for a decision under the securities legislation (the "Legislation") of each of the Jurisdictions that the "dealer registration requirement" (the "Dealer Registration Requirement"), as such term is defined in National

Instrument 14-101 *Definitions*, shall not apply to certain trades in shares ("Common Shares") of common stock of Ford Motor Company ("Ford U.S.") to be made by Fidelity for or to persons (each, a "Program Participant") that are Employees, Spouses of Employees, Former Employees, Spouses of Former Employees, Employee EPSPs, Employee RRSPs, Employee Spouse RRSPs or Employee LIRAs (as such terms are defined below), in its capacity as a group plan administrator of the Ford-CAW Savings Plan (the "Program") of Ford Motor Company of Canada, Limited ("Ford Canada") (which Program includes the Employee EPSPs, Employee RRSPs, Employee Spouse RRSPs and Employee LIRAs);

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

AND WHEREAS Fidelity has represented to the Decision Makers that:

1. Fidelity, a corporation continued under the laws of Ontario, is registered in each of the Jurisdictions as a dealer in the category of "mutual fund dealer" and is also registered as an "adviser" in the categories of "investment counsel" and "portfolio manager". Fidelity Retirement Services ("FRS") is the division of Fidelity currently responsible for servicing the Group Retirement Clients (as defined below) (the "Group Retirement Business").
2. Fidelity has obtained relief (the "MFDA Relief") pursuant to the Legislation of the Jurisdictions, exempting it from the requirements under the Legislation: (i) to be a member of the Mutual Fund Dealers Association of Canada (the "MFDA") on or after July 2, 2002; and (ii) to file with the MFDA an application for membership and corresponding fees for membership before the required date under the Legislation of the Jurisdictions.
3. Fidelity's registration under the Legislation as a "mutual fund dealer" has been restricted to certain trades which are incidental to its principal business. The restricted trading activity includes trades by Fidelity to a participant in an employer-sponsored registered plan or other savings plan (the "Group Retirement Clients") until the earlier of: (i) the assumption of such trading activity by Fidelity Intermediary Securities Company Limited ("FISCO"), a wholly-owned subsidiary of Fidelity; and (ii) December 31, 2003.
4. For some time, Fidelity has been actively engaged in a project to determine the most appropriate regulatory platform for its Group Retirement Business. Until recently, Fidelity's plan has been to transfer FRS to FISCO by December 31, 2003. As part of its ongoing project, Fidelity is now considering a possible change of plans but Fidelity does not expect to be able to finalize such plans

until later in 2003, and, if necessary, application(s) will be made at that time for any necessary variations of existing related exemptive relief or new exemptive relief.

5. Ford U.S. is a corporation incorporated under the laws of the State of Delaware.
6. Ford U.S. is not a reporting issuer (or the equivalent) under the applicable securities legislation of any jurisdiction in Canada.
7. Ford Canada, a corporation incorporated under the laws of Ontario, is not a reporting issuer (or the equivalent) under the applicable securities legislation of any jurisdictions in Canada.
8. Ford Canada is wholly-owned by Ford U.S.
9. The Common Shares are registered with the Securities and Exchange Commission in the United States of America (the "USA") under the Securities Exchange Act of 1934 and Ford U.S. is subject to the reporting requirements thereunder.
10. The Common Shares are listed and posted for trading on the New York Stock Exchange (the "NYSE").
11. Under the Program, Ford Canada selects mutual funds that persons (each an "Employee") who are employees of Ford Canada, and who participate in the Program, may purchase through payroll deductions or through lump-sum payments.
12. Investments made by Employees under the Program are made through the following plans (collectively, the "Component Plans"):
 - (i) an "employees profit sharing plan" (each, an "Employee EPSP"), as defined in the *Income Tax Act* (Canada) (the "Tax Act"), that has been established for the benefit of persons who are Employees;
 - (ii) "registered retirement savings plans" (each, an "Employee RRSP"), as defined in the Tax Act, that have been established by or for the benefit of persons who are Employees;
 - (iii) "registered retirement savings plans" (each, an "Employee Spouse RRSP"), as defined in the Tax Act, that have been established by or for the benefit of persons (collectively, "Spouses") who are legally married to or are the "common law partners" (as defined in the Tax Act) of persons who are Employees; and
 - (iv) "locked-in retirement accounts" (each, an "Employee LIRA") registered with the Canada Customs and Revenue Agency

- that have been established by or for the benefit of persons who are Employees.
13. Under the Program, Spouses are also permitted to invest amounts in their Employee Spouse RRSPs in certain mutual funds offered through Fidelity.
14. Under the Program, it is proposed that Fidelity carry out the following activities:
- (i) receive orders from Employees to purchase Common Shares (including Common Shares to be purchased upon the automatic reinvestment of dividends paid in respect of Common Shares) through their EPSP, their Employee RRSP, their Employee Spouse RRSP or their Employee LIRA;
 - (ii) receive orders from Spouses to purchase Common Shares (including Common Shares to be purchased upon the automatic reinvestment of dividends paid in respect of Common Shares) through their Employee Spouse RRSPs;
 - (iii) receive orders from Employees, and from persons ("Former Employees") that were, but have since ceased to be, Employees, to sell Common Shares held on their behalf through their EPSP, their Employee RRSPs or their Employee LIRA;
 - (iv) receive orders from Spouses, Former Employees or persons (each, a "Spouse of a Former Employee") who are legally married to or are the "common law partners" (as defined in the Tax Act) of a Former Employee, to sell Common Shares held through their Employee Spouse RRSPs;
 - (v) "match" the orders to purchase Common Shares, referred to in subparagraphs (i) or (ii), against orders to sell Common Shares, referred to in subparagraphs (iii) or (iv), with the offsetting purchases and sales (a "Matching Transaction") effected by way of book entries in the corresponding accounts maintained by Fidelity under the Program and the funds received in respect of the purchase remitted by Fidelity to the vendor;
 - (vi) where purchases or sales of Common Shares cannot be effected in a Matching Transaction, and the aggregate number of such Common Shares is less than 50, if Fidelity deems it to be appropriate, Fidelity may satisfy the purchase or sale order by, depending upon the case, selling or purchasing the subject
- Common Shares as principal (a "Float Transaction");
- (vii) transmit orders to purchase or sell Common Shares, referred to above, which are not effected in a Matching Transaction or a Float Transaction, for execution through:
 - (a) another dealer that is registered under the applicable securities legislation in each of the jurisdictions, where the order is received by Fidelity and received by the dealer, as a dealer in a category that permits it to act as a dealer for the subject trade; or
 - (b) another person or company that is outside of Canada, for their execution of the order through the facilities of the NYSE or another stock exchange outside of Canada, provided that the person or company is appropriately licensed to carry on the business of a broker/dealer under the applicable securities legislation in the jurisdiction where the trade is executed;
 - (viii) maintain books and records in respect of the foregoing, reflecting, among other things: all related payments, receipts, account entries and adjustments;
15. Records of Common Shares held under the Program through the Component Plans will be maintained by Fidelity, and the Common Shares will be held by a custodian that is not affiliated with Fidelity, Ford U.S. or Ford Canada.
16. When an Employee becomes a Former Employee, the Former Employee, the Employee EPSP of the Former Employee, the Employee RRSP of the Former Employee, the Spouse of the Former Employee, the Employee Spouse RRSP of the Former Employee, and the Employee LIRA of the Former Employee will not be permitted to make further purchases of Common Shares under the Program, other than Common Shares to be purchased upon the automatic reinvestment of dividends paid in respect of Common Shares in the corresponding Component Plans, but, subject to time limitations in certain cases, the foregoing will be permitted to continue to hold, through Fidelity, Common Shares previously purchased on their behalf under the Program, to instruct Fidelity from time to time to sell Common Shares then held on their behalf by Fidelity, or to transfer such

Common Shares to an account with another dealer.

17. To participate in the Program, Employees and Spouses must enrol through Fidelity by application, which may be completed: in writing; on the telephone, by way of a recorded call; or, through the Internet, by way of secure access to Fidelity's website.
18. Employees and Spouses who enrol in the Program will be required when completing the enrolment application to acknowledge that Fidelity will not be performing any "suitability" analysis with respect to any purchase or sale of Common Shares on their behalf, or on behalf of their Spouse, under the Program: by signing the application form, where the application is completed in writing; orally, where the application is completed on the telephone; or, by making the appropriate selection on Fidelity's website, where the application is completed on the Internet.
19. No Program Participant will be charged any trading commissions, fees, costs or other expenses in respect of the purchase or sale of any Common Shares on behalf of the Program Participant under the Program.
20. Except for ascertaining the "suitability" of trades made under the Program, Fidelity will comply with all other conditions or other requirements under the Legislation that would be applicable to it as a mutual fund dealer if the Common Shares were shares or units of a mutual fund, with respect to any purchase, sale or holding of Common Shares, by Fidelity on behalf of Program Participants under the Program, including requirements relating to, but not limited to: capital requirements; record keeping; account supervision; segregation of funds and securities; confirmations of trades; "know your client" and statements of account.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Registration Exemption 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 Registration Exemption Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Dealer Registration Requirement contained in the Legislation shall not apply to any trades made by Fidelity to, or on behalf of, Program Participants, that are referred to in paragraph 14, above, provided that:

- A. in the case of each trade made in a Jurisdiction, Fidelity is, at the time of the trade, registered under the Legislation of the Jurisdiction as a dealer in the

category of "mutual fund dealer", and, the trade is made on behalf of Fidelity by a person that is registered under the Legislation to trade shares or units of mutual funds on behalf of Fidelity as a salesperson or officer;

- B. in the case of any trades referred to in subparagraph 14(vii)(b):

- (i) at the time of the trade, Ford U.S. is not a reporting issuer (or the equivalent) under the applicable securities legislation in any jurisdiction of Canada;

- (ii) at the time of the acquisition of the Common Shares by the selling Program Participant, there was a *de minimis market* in Canada, where, for these purposes, there shall be a *de minimis market* in Canada if, at the relevant time:

- (a) persons or companies whose last address as shown on the books of Ford U.S. was in Canada and who held Common Shares:

- (i) did not hold Common Shares representing more than 10 per cent of the outstanding Common Shares; and

- (ii) did not represent in number more than 10 per cent of the total number of holders of the Common Shares; or

- (b) persons or companies who were in Canada and who beneficially owned Common Shares:

- (i) did not beneficially own more than 10 per cent of the

- outstanding
Common
Shares; and
- (ii) did not
represent in
number more
than 10 per
cent of the
total number
of holders of
Common
Shares; and
- E. Spouse RRSP or an Employee LIRA, the
corresponding Employee or Spouse, has
given the corresponding
acknowledgement, referred to in
paragraph 18 of the above Registration
Exemption Decision;
- F. Fidelity does not make any
recommendation or give any investment
advice with respect to the purchase or
sale; and
- F. this Suitability Exemption Decision will
terminate on December 31, 2003.

C. this Registration Exemption Decision will
terminate on December 31, 2003.

June 6, 2003.

June 6, 2003.

"Marsha Gerhart"

"Paul M. Moore"

"Harold P. Hands"

AND WHEREAS Fidelity has also made an application (the "Suitability Exemption Application") to the local securities regulatory authority or regulator (the "Suitability Exemption Decision Maker") for a decision that the requirements (the "Suitability Requirements") in the Legislation of each Jurisdiction to make enquiries of each Program Participant – that would otherwise arise as a result of Fidelity purchasing or selling Common Shares to or for the Program Participant, as described in the Registration Exemption Decision, above – to determine (a) the general investment needs and objectives of the Program Participant; and (b) the suitability of a proposed purchase or sale of Common Shares for the Program Participant, do not apply to Fidelity, subject to certain terms and conditions;

AND WHEREAS under the System, the Ontario Securities Commission is the principal regulator for this Suitability Exemption Application;

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Suitability Exemption 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 Suitability Exemption Decision has been met;

THE DECISION of the Suitability Exemption Decision Makers, pursuant to the Legislation, is that the Suitability Requirements of the Legislation shall not apply to Fidelity as a result of Fidelity purchasing or selling Common Shares to or for Program Participants, as described in the above Registration Exemption Decision, provided that, in the circumstances of each such purchase or sale:

- D. the Program Participant, or, in the case
of a Program Participant that is an EPSP,
an Employee RRSP, an Employee

**2.1.3 Borealis Retail Real Estate Investment Trust
- MRRS Decision**

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – real estate investment trust exempt from prospectus and registration requirements in connection with issuance of units to existing unit holders pursuant to distribution reinvestment plan whereby distributions are reinvested in additional units of the trust, subject to certain conditions - first trade in additional units deemed a distribution unless made in compliance with certain provisions of MI 45-102.

Applicable Ontario Statutory Provisions

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

Ontario Rules

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, NOVA SCOTIA,
NEW BRUNSWICK, PRINCE EDWARD ISLAND,
NEWFOUNDLAND AND LABRADOR,
YUKON, NORTHWEST TERRITORIES AND NUNAVUT**

AND

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

AND

**IN THE MATTER OF
BOREALIS RETAIL REAL ESTATE
INVESTMENT TRUST**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the “**Decision Maker**”) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (the “**Jurisdictions**”) has received an application from Borealis Retail Real Estate Investment Trust (the “**REIT**”) for a decision pursuant to the securities legislation of the Jurisdictions (the “**Legislation**”) that the requirements contained in the Legislation to be registered to trade in a security and to file and obtain a receipt for a preliminary prospectus and a final prospectus (the “**Registration and Prospectus Requirements**”) shall not apply to the distribution and resale of units of the REIT (“**Units**”) pursuant to a

distribution reinvestment plan to be implemented by the REIT (the “**DRIP**”);

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 REIT has represented to the Decision Makers that:

1. The REIT is an unincorporated, open-ended investment trust established under the laws of the Province of Ontario by a declaration of trust dated March 28, 2003.
2. The beneficial interests in the REIT are divided into a single class of Units and the REIT is authorized to issue an unlimited number of Units. As of the date hereof, one Unit is issued and outstanding.
3. Each Unit represents a proportionate undivided beneficial interest in the REIT and entitles holders of Units (“Unitholders”) to one vote at any meeting of Unitholders and to participate *pro rata* in any distributions by the REIT and, in the event of termination of the REIT, in the net assets of the REIT remaining after satisfaction of all liabilities.
4. The REIT has applied to have the Units listed and posted for trading on the Toronto Stock Exchange (the “TSX”).
5. The REIT is not a “mutual fund” as defined in the Legislation because the Unitholders are not entitled to receive on 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 REIT as contemplated in the definition of “mutual fund” in the Legislation.
6. The REIT is not currently a reporting issuer under the Legislation. On June 2, 2003, the REIT filed a preliminary prospectus in connection with an initial public offering of Units in each of the Jurisdictions. An amended and restated preliminary prospectus was filed by the REIT in each of the Jurisdictions on June 12, 2003. Upon issuance of a receipt for the final prospectus, the REIT will become a reporting issuer under the Legislation.
7. The REIT has been formed to directly or indirectly own, manage, lease and develop (where appropriate) retail properties, primarily in Canada. A portfolio of six retail centres will be acquired by the REIT on completion of the offering and related transactions.

8. The specific objectives of the REIT are: (i) to generate stable and growing cash distributions on a tax efficient basis; (ii) to enhance the value of the REIT's assets and maximize long-term Unit value through the active management of its assets; and (iii) to expand the asset base of the REIT and increase its distributable income through an accretive acquisition program by accessing the network of relationships and depth of commercial property and financing experience offered by Borealis Capital Corporation and its subsidiaries.
9. The REIT currently intends make cash distributions to Unitholders monthly equal to, on an annual basis, approximately 85% of its distributable income.
10. The REIT intends to establish the DRIP pursuant to which Unitholders may, at their option, invest cash distributions paid on their Units in additional Units ("Additional Units"). The DRIP will not be available to Unitholders who are not Canadian residents.
11. Distributions due to participants in the DRIP ("DRIP Participants") will be paid to CIBC Mellon Trust Company in its capacity as agent under the DRIP (in such capacity, the "DRIP Agent") and applied to purchase Additional Units. All Additional Units purchased under the DRIP will be purchased by the DRIP Agent directly from the REIT.
12. DRIP Participants will receive a further distribution, payable in Units, equal in value to 3% of each cash distribution that is reinvested under the DRIP.
13. No commissions, service charges or brokerage fees will be payable by DRIP Participants in connection with the DRIP and all administrative costs will be borne by the REIT.
14. DRIP Participants may terminate their participation in the DRIP at any time by providing prior written notice to their broker. Such notice, if actually received at least five business days prior to a distribution record date, will have effect in respect of the next distribution date. If a DRIP Participant elects to terminate his or her participation in the DRIP, he or she will receive all further distributions in cash.
15. The REIT may amend, suspend or terminate the DRIP at any time, provided that such action shall not have a retroactive effect which would prejudice the interests of the DRIP Participants. All DRIP Participants will be sent written notice of any such amendment, suspension or termination.

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 Makers with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the trades of Additional Units of the REIT to the DRIP Agent for the account of the DRIP Participants shall not be subject to the Registration and Prospectus Requirements of the Legislation provided that:

- (a) at the time of the trade the REIT is a reporting issuer or the equivalent under the Legislation, where applicable, and is not in default of any requirements of the Legislation;
- (b) no sales charge is payable in respect of the trade;
- (c) the REIT has caused to be sent to the person or company to whom the Additional Units are traded, not more than 12 months before the trade, a statement describing:
 - (i) their right to withdraw from the DRIP and to make an election to receive cash instead of Units on the making of a distribution of income by the REIT; and
 - (ii) instructions on how to exercise the right referred to in (i);
- (d) except in Quebec, the first trade in Additional Units acquired pursuant to this Decision in a Jurisdiction shall be deemed a distribution or primary distribution to the public under the Legislation of such Jurisdiction unless the conditions in paragraphs 2 through 5 of subsections 2.6(3) of Multilateral Instrument 45-102 *Resale of Securities* are satisfied; and
- (e) in Quebec, the first trade (alienation) in Additional Units acquired pursuant to this Decision shall be deemed a distribution or primary distribution to the public unless:
 - (i) at the time of the first trade, the REIT is a reporting issuer in Quebec and is not in default of any requirement of the Legislation of Quebec;

- (ii) no unusual effort is made to prepare the market or to create a demand for the Additional Units;
- (iii) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
- (iv) if the seller of the Additional Units is an insider of the REIT, the seller has reasonable grounds to believe that REIT is not in default of any requirement of the Legislation of Quebec.

August 1, 2003.

"Robert W. Korthals"

"Paul K. Bates"

2.1.4 Home Equity Income Trust - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Application for relief from the registration and prospectus requirements in connection with the distribution and resale of units of the applicant trust pursuant to a distribution reinvestment plan - relief granted subject to conditions.

Applicable Ontario Statutory Provisions

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

Ontario Rules

Rule 45-502 – Dividend or Interest Reinvestment and Stock Dividend Plans.

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

AND

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

AND

IN THE MATTER OF
HOME EQUITY INCOME TRUST

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of British Columbia, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland and Labrador (the "**Jurisdictions**") has received an application from Home Equity Income Trust (the "**Trust**") for a decision, pursuant to the securities legislation of the Jurisdictions (the "**Legislation**"), that the requirement contained in the Legislation to be registered to trade in a security and to file and obtain a receipt for a preliminary prospectus and a final prospectus (the "**Registration and Prospectus Requirements**") shall not apply to the distribution or resale of units of the Trust pursuant to a distribution reinvestment plan (the "**Plan**");

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 TRUST has represented to the Decision Makers that:

1. The Trust is an unincorporated open-end investment trust established under the laws of Ontario with its head office in Ontario.
2. The Trust is not considered to be a "mutual fund" as defined in the Legislation because the holders of Units ("**Unitholders**") are not entitled to receive on 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 Trust as contemplated in the definition of "mutual fund" in the Legislation.
3. The Trust became a reporting issuer or the equivalent thereof in the Jurisdictions on July 30, 2002 upon obtaining a receipt for its final prospectus dated July 30, 2002 (the "**Prospectus**"). As of the date hereof, the Trust is not in default of any requirements under the Legislation.
4. The authorized capital of the Trust consists of an unlimited number of Units. As at the date hereof, 11,108,052 Units are issued and outstanding. The Units are listed on the Toronto Stock Exchange (the "**TSX**").
5. The Trust makes monthly cash distributions ("**distributions**") to Unitholders of record on the last business day of each month (each a "**Declaration Date**") in an amount equal to the income of the Trust, subject to certain adjustments, less an amount for cash reserves as determined by the trustees of the Trust. Distributions are payable to Unitholders of record on the Declaration Date and will be paid within 30 days of the end of each month (each a "**Distribution Date**"). The Trust may also make other distributions at any time in addition to monthly distributions, if it considers it appropriate, including to ensure that the Trust will not be liable for income tax under the *Income Tax Act* (Canada).
6. The Trust has adopted the Plan which, subject to obtaining all necessary regulatory approvals, will permit distributions to be automatically reinvested, at the election of each Unitholder, to purchase additional Units (the "**Plan Units**") pursuant to the Plan and in accordance with the provisions of a distribution reinvestment plan agency agreement (the "**Plan Agreement**") entered into by the Trust and Computershare Trust Company of Canada (the "**Plan Agent**").
7. Pursuant to the terms of the Plan, a Unitholder will be able to elect to become a participant in the Plan by notifying the broker or other investment dealer through which the Unitholder holds Units (the "**CDS Participant**") of the Unitholder's decision to participate in the Plan. Participation in the Plan will not be available to Unitholders who are not residents of Canada for the purposes of the *Income Tax Act* (Canada).
8. Distributions due to Unitholders who have elected to participate in the Plan (the "**Plan Participants**") will be automatically reinvested on their behalf by the Plan Agent to purchase Plan Units from the Trust. The Plan Units will be issued by the Trust at a price (the "**Market Price**") equal to the weighted average of the closing price of the Units on the TSX (or such other exchange or market on which the Units are listed) for each of the ten trading days immediately preceding the Distribution Date on which there were trades provided that if there was trading on the applicable exchange or market for fewer than six of the preceding ten trading days, the Market Price shall be the weighted average of the following prices established for each of the preceding ten trading days: (i) the weighted average of the last bid and last asking prices of the Units for each day there was no trading; and (ii) the closing price of the Units for each day that there was trading.
9. Each Plan Participant's account maintained by his or her CDS Participant will be credited with that number of whole Units issued to the Plan Participant which is equal to the amount to be reinvested for the Plan Participant divided by the Market Price. In addition, each Plan Participant's account will be credited with that number of whole Units which is equal to 4% of the Units issued to the Plan Participant pursuant to the Plan.
10. The Plan Agent will purchase Plan Units only in accordance with mechanics described in the Plan and, accordingly, there is no opportunity for a Plan Participant or the Plan Agent to speculate on the Market Price.
11. The Plan is open for participation by all Unitholders (other than non-residents of Canada), so that such Unitholders can ensure protection against potential dilution, albeit insignificant, by electing to participate in the Plan.
12. Plan Units purchased under the Plan will be registered in the name of CDS & Co. ("**CDS**").
13. A Plan Participant may terminate his or her participation in the Plan by providing, or by causing to be provided, written notice to the relevant CDS Participant. If notice is received on or before 5:00 p.m. on the business day that is five business days prior to the date of determination of Unitholders entitled to receive a distribution (a "**Record Date**"), the termination will have effect beginning with the distribution to be

made with respect to such Record Date. Thereafter, distributions payable to such Unitholder will be in cash.

14. The Trust reserves the right to suspend or terminate the Plan at any time in its sole discretion. The Trust may amend or modify the Plan at any time in its sole discretion, subject to any necessary approvals of applicable regulatory authorities, but such action shall have no retroactive effect that would prejudice the interest of the Plan Participants.
15. In the event the Plan is modified or terminated, the Trust will send to CDS, each CDS Participant and those Plan Participants which it is able to identify, written notice of such termination or modification (a "Notice"). The Notice shall set forth the nature of the modification, if applicable, the purpose of the modification or the reason for the termination and the effective date of the modification or termination. In the event of a modification, the Notice will contain sufficient detail to enable Plan Participants to determine whether they wish to continue to participate in the modified Plan. Any modification or termination of the Plan will not be effective prior to the month following the month in which the Notice was issued.
16. The Trust may, in its sole discretion, and upon not less than 90 days' prior written notice to the Plan Agent, remove the Plan Agent and appoint another person as the Plan Agent. The Plan Agent may resign as agent under the Plan upon not less than 90 days' prior written notice to the Trust and upon delivery to the Trust of all documents and monies being held by the Plan Agent on the Trust's behalf pursuant to the Plan Agreement.
17. The distribution of the Plan Units by the Trust pursuant to the Plan cannot be made in reliance on certain registration and prospectus exemptions contained in the Legislation as the Plan involves the reinvestment of distributable income distributed by the Trust and not the reinvestment of dividends or interest of the Trust.
18. The distribution of the Plan Units by the Trust pursuant to the Plan cannot be made in reliance on registration and prospectus exemptions contained in the Legislation for distribution reinvestment plans of mutual funds, as the Trust is not considered to be a "mutual fund" as defined in the Legislation because the Unitholders are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in a portion of the net assets of the Trust.

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 Makers with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that the trades of Plan Units to the Plan Participants pursuant to the Plan shall not be subject to the Registration and Prospectus Requirements of the Legislation provided that:

- (a) at the time of the trade the Trust is a reporting issuer or the equivalent under the Legislation and is not in default of any requirements of the Legislation;
- (b) no sales charge is payable in respect of the distributions of Plan Units from treasury;
- (c) the Trust has caused to be sent to the person or company to whom the Plan Units are traded, not more than 12 months before the trade, a statement describing:
 - (i) their right to withdraw from the Plan and to make an election to receive cash instead of Plan Units on the making of a distribution by the Trust; and
 - (ii) instructions on how to exercise the right referred to in (i);
- (d) except in Québec, the first trade or resale of Plan Units acquired pursuant to the Plan in a Jurisdiction shall be deemed a distribution or primary distribution to the public under the Legislation unless the conditions of paragraphs 1 through 5 of subsection 2.6(3) of Multilateral Instrument 45-102 are satisfied; and
- (e) in Québec, the first trade (alienation) of Plan Units acquired pursuant to the Plan in a Jurisdiction shall be deemed to be a distribution or primary distribution to the public unless:
 - (i) at the time of the first trade, the Trust is a reporting issuer in Québec and is not in default on any of the requirements of securities legislation in Québec;
 - (ii) no unusual effort is made to prepare the market or to create a demand for the Plan Units;
 - (iii) no extraordinary commission or consideration is paid to a person or company other than the

vendor of the Plan Units in respect of the first trade; and

- (iv) the vendor of the Plan Units, if in a special relationship with the Trust, has no reasonable grounds to believe that the Trust is in default of any requirement of the Legislation of Québec.

August 1, 2003.

“Robert W. Korthals”

“Paul K. Bates”

2.1.5 Trimble Navigation Limited and Applanix Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – exemption from registration and prospectus requirements for trades in connection with acquisition of Canadian private target company by U.S. public company using exchangeable shares provided first trade in U.S. company's shares a distribution unless it satisfies conditions in section 2.14 of Multilateral Instrument 45-102.

Applicable Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25, 35(1) 16, 72(1)(j), 53, and 74(1).

Applicable Instruments

Multilateral Instrument 45-102 Resale of Securities, s. 2.14.

IN THE MATTER OF THE SECURITIES LEGISLATION OF ONTARIO AND NOVA SCOTIA

AND

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

AND

IN THE MATTER OF TRIMBLE NAVIGATION LIMITED AND APPLANIX CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the “Decision Makers”) in Ontario and Nova Scotia (collectively, the “Jurisdictions”) has received an application from Trimble Navigation Limited (“Trimble”) and Applanix Corporation (“Applanix” and together with Trimble, the “Filers”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the requirements contained in the Legislation to be registered to trade in a security (the “Registration Requirement”) and to file a preliminary prospectus and a prospectus, and to receive receipts therefor (the “Prospectus Requirement”), shall not apply to certain trades of securities to be made in connection with Trimble’s acquisition of Applanix (the “Acquisition”) under a purchase agreement (the “Purchase Agreement”) between Trimble, Applanix, Trimble Holdings Company (“Trimble Holdings”), Trimble Exchange Limited (“Trimble Exchange”) and the shareholders of Applanix (the “Vendors”).

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

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

1. The Acquisition has been effected by Trimble's direct wholly-owned Nova Scotia subsidiary, Trimble Holdings, and Trimble's indirect wholly-owned Ontario subsidiary, Trimble Exchangeco, that acquired the Applanix common shares (the "Applanix Shares") and the Applanix subordinated debenture (the "Debenture") in consideration for common shares of Trimble ("Trimble Common Shares") or exchangeable shares of Trimble Exchangeco ("Exchangeable Shares"), which are exchangeable by the holders thereof (the "Exchangeable Shareholders") from time to time into Trimble Common Shares, at no cost, on a one-for-one basis, all pursuant to, and as contemplated by, the terms of the Purchase Agreement. The Acquisition closed on July 7, 2003.
2. In accordance with the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares (the "Exchangeable Share Provisions"), subject to certain anti-dilution adjustments and overriding call rights of Trimble and its affiliates, each Exchangeable Share will be exchangeable at any time by, and at the option of, the holder thereof for one Trimble Common Share upon: (i) exercising the retraction right granted to it by Trimble Exchangeco; or (ii) the liquidation, dissolution or winding-up of Trimble Exchangeco.
3. At the closing of the Acquisition, Trimble, Trimble Holdings and Trimble Exchangeco entered into a support agreement (the "Support Agreement") pursuant to which (i) Trimble covenanted to ensure that Trimble Exchangeco will be able to fulfil its obligations in respect of the dividend and retraction rights, the dissolution entitlements and the other attributes of the Exchangeable Shares and (ii) Trimble covenanted to ensure that Trimble and its affiliates will be able to fulfil their obligations under the various call rights related to the Exchangeable Shares. At the closing of the Acquisition, Trimble, Trimble Holdings, Trimble Exchangeco and the Exchangeable Shareholders entered into an exchange right agreement (the "Exchange Right Agreement") pursuant to which Trimble granted to the Exchangeable Shareholders the right to exchange their Exchangeable Shares for an equal number of Trimble Common Shares in certain circumstances, including the insolvency of Trimble Exchangeco or the failure of Trimble Exchangeco to complete the purchase of Exchangeable Shares upon the exercise by an Exchangeable Shareholder of its retraction right.
4. Applanix was amalgamated under the laws of the Province of Ontario on August 1, 2000. Applanix is a "private company" as defined in the Act, and is not a "reporting issuer" under the Act or under the securities legislation in any other jurisdiction in Canada.
5. Applanix is in the business of designing, developing, manufacturing, selling and supporting products that measure the position and orientation of vehicles or points for purposes of surveying in dynamic environments.
6. The registered head office of Applanix is located at 85 Leek Crescent, Richmond Hill, Ontario.
7. Applanix's authorized capital consists of an unlimited number of Applanix Shares, of which 47,661 Applanix Shares are issued and outstanding.
8. Prior to the closing of the Acquisition, all the outstanding Applanix Shares were owned by the Vendors. Each of the Vendors is resident in Ontario.
9. Trimble was incorporated under the laws of California on January 1, 1981. Trimble is a "registrant" under, and is subject to, the requirements of the United States *Securities Exchange Act of 1934*, as amended. Trimble is not a "reporting issuer" under the Legislation or under any other securities legislation in Canada and will not become a reporting issuer under the Legislation following completion of the Acquisition. The Trimble Common Shares are quoted on The NASDAQ National Market under the symbol "TRMB".
10. Trimble is in the business of providing advanced positioning products and solutions to industrial, commercial, governmental entities, and professional customers in a number of markets including surveying, construction, agriculture, urban and resource management, military, transportation, and telecommunications.
11. The executive offices of Trimble are located in Sunnyvale, California.
12. The authorized capital of Trimble consists of 40,000,000 Trimble Common Shares and 3,000,000 preferred shares. As at May 20, 2003, 31,718,703 Trimble Common Shares and no preferred shares were issued and outstanding.
13. Trimble Holdings is a direct wholly-owned subsidiary of Trimble. Trimble Holdings was incorporated under the laws of the Province of Nova Scotia on June 12, 2003 solely to hold all of the common shares of Trimble Exchangeco, and to hold, along with Trimble and its affiliates, the various call rights related to the Exchangeable Shares.
14. Trimble Holdings has no assets and does not carry on any business. Aside from holding all of

- the common shares of Trimble Exchangeco and certain call rights related to the Exchangeable Shares, Trimble Holdings will have no other business.
15. The registered office of Trimble Holdings is located at 1601 Lower Water Street, Halifax, Nova Scotia.
 16. The authorized capital of Trimble Holdings consists of 100 billion common shares, 100 billion first preferred shares, issuable in series and 100 billion second preferred shares, issuable in series. As at the date hereof, all of the common shares issued by Trimble Holdings are held directly by Trimble and there are no preferred shares issued and outstanding. The Support Agreement requires Trimble to hold, directly or indirectly, all of the issued and outstanding voting shares in the capital of Trimble Holdings so long as any Exchangeable Share is held by any person, other than Trimble or an affiliate of Trimble.
 17. Trimble Exchangeco is a direct wholly-owned subsidiary of Trimble Holdings. Trimble Exchangeco was incorporated under the laws of the Province of Ontario on June 12, 2003 solely for purposes of the Acquisition.
 18. Trimble Exchangeco has no assets and does not carry on any business.
 19. The registered head office of Trimble Exchangeco is located at 199 Bay Street, Suite 2800, Toronto, Ontario.
 20. The authorized capital of Trimble Exchangeco consists of an unlimited number of common shares (the "Common Shares"), an unlimited number of Exchangeable Shares, an unlimited number of preferred shares designated as first preferred shares, issuable in series (the "First Preferred Shares") and an unlimited number of preferred shares designated as second preferred shares, issuable in series (the "Second Preferred Shares"). As at the date hereof, all of the Common Shares issued by Trimble Exchangeco are held directly by Trimble Holdings and all of the Exchangeable Shares issued by Trimble Exchangeco are held by the Exchangeable Shareholders. As at the date hereof, no First Preferred Shares or Second Preferred Shares are issued and outstanding. The Support Agreement requires Trimble to hold, directly or indirectly, all of the issued and outstanding voting shares in the capital of Trimble Exchangeco so long as any Exchangeable Share is held by any person, other than Trimble or an affiliate of Trimble.
 21. The Exchangeable Shares are securities of Trimble Exchangeco, each having economic attributes, including dividend rights and liquidation entitlements, which are, as nearly as practicable, equivalent to those of a Trimble Common Share. The Exchangeable Share Provisions are set out in the constating documents of Trimble Exchangeco. This economic equivalency enabled the Vendors to complete the Acquisition without triggering an immediate tax liability that would otherwise arise if the Vendors received as consideration Trimble Common Shares.
 22. Subject to the overriding call right of Trimble and its affiliates, Trimble Exchangeco may redeem the outstanding Exchangeable Shares on or after June 30, 2008 or on an earlier date in certain circumstances as set forth in the Exchangeable Share Provisions.
 23. The Exchangeable Share Provisions contain anti-dilution provisions to ensure that the Exchangeable Shareholders' economic interests in Trimble will not be adversely affected by the occurrence of events such as a subdivision, consolidation or other change in the capital of Trimble affecting the Trimble Common Shares, a distribution of Trimble Common Shares to holders thereof by way of stock dividend, option, right or warrant, or any other distribution of securities, assets or indebtedness of Trimble or its subsidiaries to holders of Trimble Common Shares.
 24. Except as required by applicable law and the Exchangeable Share Provisions, Exchangeable Shareholders are not entitled to receive notice of or to attend any meeting of the shareholders of Trimble Exchangeco or to vote at any such meeting.
 25. Under the Exchange Right Agreement, Trimble granted to the Exchangeable Shareholders an exchange right (the "Insolvency Exchange Right") that may be exercised by the Exchangeable Shareholders upon the insolvency of Trimble Exchangeco. Subject to the overriding call right of Trimble and its affiliates, the Insolvency Exchange Right, when exercised, will require Trimble to purchase from an Exchangeable Shareholder all or any part of the Exchangeable Shares held by the Exchangeable Shareholder.
 26. Under the Exchange Right Agreement, the Exchangeable Shares will be automatically exchanged (the "Automatic Exchange Right") by Trimble for Trimble Common Shares in the event of a voluntary or involuntary liquidation, dissolution or winding-up of Trimble (an "Automatic Exchange Event"). In the event of an Automatic Exchange Event, each outstanding Exchangeable Share (except for those held by Trimble or its affiliates) will be automatically exchanged for Trimble Common Shares prior to the effective date of the Automatic Exchange Event.

27. Trimble, Trimble Holdings and Trimble Exchangeco have entered into a Support Agreement pursuant to which, among other things Trimble has agreed to ensure that:

- (a) Trimble Exchangeco (i) has sufficient assets available to pay simultaneous and equivalent dividends on the Exchangeable Shares as are paid by Trimble on the Trimble Common Shares, and (ii) simultaneously declares and pays such simultaneous and equivalent dividends on the Exchangeable Shares;
- (b) Trimble Exchangeco fulfils its obligations in respect of the redemption and retraction rights and dissolution entitlements that are attributes of the Exchangeable Shares; and
- (c) Trimble and its affiliates fulfil their obligations in respect of the various call rights related to the Exchangeable Shares.

28. The Support Agreement also provides that if a tender offer, share exchange offer, issuer bid, take-over bid or similar transaction with respect to the Trimble Common Shares (collectively, an "Offer") is effected with the consent or approval of the board of directors of Trimble, and the Exchangeable Shares are not redeemed by Trimble Exchangeco or purchased by Trimble or any of its affiliates pursuant to the Redemption Call Right, Trimble will in good faith attempt to enable the Exchangeable Shareholders (other than Trimble and its affiliates) to participate in such Offer on a basis economically equivalent to the holders of Trimble Common Shares.

29. The Support Agreement also provides that, without the prior approval of the holders of the Exchangeable Shares, actions such as distributions of stock dividends, options, rights and warrants for the purchase of securities or other assets, subdivisions, reclassifications, reorganizations and other changes cannot be taken in respect of the Trimble Common Shares without the same or an economically equivalent action being taken in respect of the Exchangeable Shares.

30. In addition, for so long as any outstanding Exchangeable Shares are held by persons other than Trimble or its affiliates, Trimble covenants to remain the direct or indirect beneficial owner of all of the issued and outstanding voting shares in the capital of Trimble Holdings and Trimble Exchangeco.

31. The Exchange Right Agreement, the Exchangeable Share Provisions, and the Support Agreement contemplate trades in (i) the

Exchangeable Shares, (ii) the Trimble Common Shares, and (iii) various rights to acquire the Exchangeable Shares and Trimble Common Shares (collectively, the "Trades"). There may be no registration or prospectus exemptions available under the Legislation for certain of the Trades that are subject to the Registration Requirement and the Prospectus Requirement.

32. Canadian residents would, as at the date hereof, constitute less than 10% of the total number of beneficial holders of Trimble Common Shares holding less than 10% of the total issued and outstanding Trimble Common Shares if all of the Exchangeable Shares were exchanged for Trimble Common Shares.

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 Registration Requirement and the Prospectus Requirement shall not apply to the Trades, provided that the first trade in Trimble Common Shares acquired under this Decision shall be a distribution unless such first trade complies with section 2.14 of Multilateral Instrument 45-102.

August 6, 2003.

"Harold P. Hands"

"Wendell S. Wigle"

2.1.6 Duvernay Oil Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – take-over bid offer and auditor's consent – applicant required to provide an auditor's report as part of take-over bid circular – auditors were Arthur Anderson – Arthur Anderson ceases practising public accounting and no longer consents to the use of previously issued auditors' reports – applicant's inability to obtain consent letter from Arthur Anderson an exceptional situation outside control of applicant – in the absence of a consent from Arthur Anderson, applicant included in the take-over bid circular certain prominent disclosure – applicant exempt from consent requirement in connection with the take-over bid.

Applicable Statutory Provision

Securities Act, R.S.O. 1990, c. S.5, as amended, s. 104(2)(c).

Applicable Regulatory Provision

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as amended, s. 196.

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

AND

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

AND

**IN THE MATTER OF
DUVERNAY OIL CORP.**

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan and Ontario (the "Jurisdictions") has received an application from Duvernay Oil Corp. ("Duvernay") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that Duvernay be exempt from the requirement in the Legislation to include a consent (the "Consent Requirement") of Segue Energy Corporation's ("Segue") former auditors, Arthur Andersen LLP ("Arthur Andersen") to the incorporation by reference of the auditors' reports of Arthur Andersen LLP on the financial statements of Segue for the fiscal year ended March 31, 2002 in a take-over bid circular dated July 7, 2003 (the "Circular") in connection with a proposed take-over bid (the "Bid") by Duvernay for all of the outstanding common shares of Segue;

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;

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

4.1 Duvernay is incorporated under the laws of the Province of Alberta and Duvernay's head office is located in Calgary, Alberta;

4.2 neither Duvernay nor Segue is a reporting issuer in any jurisdiction;

4.3 on June 20, 2003, Duvernay and Segue entered into a pre-acquisition agreement under which Duvernay agreed to purchase all of the issued and outstanding shares (the "Shares") of Segue on a basis of share consideration of 0.178571 of a Duvernay Class A Share for each Segue Share;

4.4 under the terms of the pre-acquisition agreement, Duvernay is required to mail the Circular to all holders of the Shares on or before July 15, 2003, or at such other time that is agreed to by Duvernay and Segue;

4.5 the proposed acquisition of the Shares constitutes a "significant probable acquisition" by Duvernay within the meaning of Legislation and accordingly, Duvernay is required to include or incorporate by reference in the Circular, among other things:

4.5.1 the audited financial statements of Segue and the notes thereto as at and for the fiscal year ended March 31, 2003, together with the report of the auditors thereon (the "Segue 2003 Audited Financial Statements"); and

4.5.2 the audited financial statements of Segue and the notes thereto as at and for the fiscal year ended March 31, 2002, together with the report of the auditors thereon (the "Segue 2002 Audited Financial Statements");

- 4.6 the audit report in respect of the Segue 2003 Audited Financial Statements was delivered by Deloitte & Touche LLP;
- 4.7 the consent of Deloitte & Touche LLP regarding the Segue 2003 Audited Financial Statements, as required by the Legislation, has been filed together with the Circular;
- 4.8 the audit report in respect of Segue's 2002 Audited Financial Statements was delivered by Arthur Andersen;
- 4.9 on June 3, 2002 Arthur Andersen ceased practising public accounting and as a result, Arthur Andersen will no longer consent to the use of previously issued auditors' reports for the purposes of securities filings;
- 4.10 the inability of Duvernay to obtain a consent letter from Arthur Andersen to the inclusion of its auditor's report on Segue's 2002 Audited Financial Statements is an exceptional situation that is outside of the control of Segue;
- 4.11 the Canadian Securities Administrators (the "CSA") issued CSA Staff Notices 43-304, 62-302, and 81-308 Prospectus Filing Matters – Arthur Anderson LLP Consent (the "Andersen Notice") to provide guidance to issuers with respect to the inclusion in, among other things, securities exchange take-over bid circulars of financial statements previously audited by Arthur Andersen;
- 4.11 the Andersen Notice states that CSA staff will consider applications from issuers to waive the requirement to obtain the consent of Arthur Andersen for audit reports relating to financial statements incorporated by reference in a prospectus, provided that the prospectus includes certain prominent disclosure; and
- 4.12 in the absence of a consent from Arthur Andersen, Duvernay has included on the cover page of the Circular the disclosure set forth in Appendix A attached hereto and included a cross-reference to such disclosure in the relevant paragraph of the list of documents incorporated by reference in the Circular;
5. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (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 Duvernay is exempt from the Consent Requirement in connection with the Bid.
- July 24, 2003.
- "Glenda A. Campbell" "Stephen R. Murison"

APPENDIX A

"Note with Respect to Arthur Andersen LLP

Arthur Andersen LLP is no longer engaged in the practice of public accounting in Canada. Accordingly, Duvernay is unable to obtain the consent of Arthur Andersen LLP with respect to the incorporation by reference in the Circular of the auditors' report of Arthur Andersen LLP on the consolidated financial statements of Segue Energy Corporation for the year ended March 31, 2002. Because Arthur Andersen LLP has not provided this consent, Shareholders of Segue will not have the statutory rights of action for damages against Arthur Andersen LLP prescribed by applicable securities legislation. Generally, in accordance with applicable securities legislation, holders of securities may only exercise a statutory right of action against a person or company that has prepared a report, opinion or statement that is included in a take-over bid circular if that person or company has filed a consent in respect of such report, opinion or statement and such right of action may only be exercised in respect of the report opinion or statement that has been made by such person or company. In addition, Arthur Andersen LLP may not have sufficient assets available to satisfy any judgments against it.

2.1.7 Sun Life Financial Services of Canada Inc. and Sun Life Assurance Company of Canada - 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.

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 BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, NEWFOUNDLAND AND LABRADOR, AND NOVA SCOTIA

AND

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

AND

IN THE MATTER OF SUN LIFE FINANCIAL SERVICES OF CANADA INC. AND SUN LIFE ASSURANCE COMPANY OF CANADA

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador, and Nova Scotia (collectively the "Jurisdictions") has received an application from Sun Life Financial Services of Canada Inc. ("SLF Inc.") and Sun Life Assurance Company of Canada ("SLACC" and, together with SLF Inc., "SLF" or the "SLF Applicants") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to file insider reports shall not apply to certain individuals who are insiders of the SLF Applicants by reason of having the title of Vice-President;

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 SLF Applicants have represented to the Decision Makers that:

1. SLF Inc. is an insurance company governed by the *Insurance Companies Act* (Canada). SLACC is a wholly-owned subsidiary of SLF Inc. and is an insurance company governed by the *Insurance Companies Act* (Canada).
2. SLF Inc. is a reporting issuer (or equivalent) in each province and territory of Canada. SLF Inc. is not in default of any requirements under the Legislation. SLACC is a reporting issuer (or equivalent) in each province and territory of Canada. SLACC is not in default of any requirements under the Legislation.
3. All of the directors and officers of SLF Inc. are also directors and officers of SLACC. Currently, 304 individuals are insiders of the SLF Applicants by reason of being a senior officer or director of the SLF Applicants or a major subsidiary of the SLF Applicants and are not otherwise exempt from the insider reporting requirements of the Legislation by reason of existing orders and/or the exemptions contained in National Instrument 55-101 *Exemption from certain Insider Reporting Requirements* ("NI 55-101").
4. The SLF Applicants have made this application to seek the requested relief in respect of approximately 210 individuals, who, in the opinion of the SLF Law Department, satisfy the Exempt VP Criteria (as defined below).
5. SLF has trading restrictions in place for all directors and employees in the SLF group of companies to ensure that such persons are aware that: 1) they are not permitted to buy or sell securities of the SLF Applicants when they have material information about the SLF Applicants that has not been released to the general public; and 2) they are not permitted to disclose, inadvertently or intentionally, material information about the SLF Applicants that has not been released to the general public, except to other employees on a need-to-know basis.
6. SLF has additional trading restrictions in place for senior officers as well as certain other employees who may receive or have access to non-public material information about the SLF Applicants. SLF developed these additional restrictions to ensure that its directors, senior officers and other employees are aware of their responsibilities under the Legislation and to assist them in complying with the Legislation.
7. The additional restrictions require that trades in securities of the SLF Applicants may occur only during certain time frames, generally for approximately 20 business days after SLF's financial results are announced. These additional restrictions will continue to apply to any individual who is exempted from the insider reporting requirements by the Decision Makers.
8. Designated staff in the SLF Law Department oversee administration of SLF's trading restrictions for senior officers and other employees.
9. Designated staff in the SLF Law Department, in consultation with the chief financial officers of each of SLF's five principal business groups and certain officers within SLF's Corporate Office with a policy-making function, reviewed 1) the organizational structure of SLF and its major subsidiaries; 2) the function of each vice-president; and 3) the distribution of non-public material information about SLF through each of its business groups and assessed whether non-public material information about SLF was provided to a particular vice-president function in the ordinary course based on criteria contained in Canadian Securities Administrators Staff Notice 55-306 *Applications for Relief from the Insider Reporting Requirements by Certain Vice-Presidents* (the "Staff Notice").
10. The SLF Applicants have made this application to seek relief from the insider reporting requirement for individuals who meet the following criteria set out in the Staff Notice (the "Exempt VP Criteria"):
 - (a) the individual is a vice-president;
 - (b) the individual is not in charge of a principal business unit, division or function of the SLF Applicants or a "major subsidiary" of the SLF Applicants (as that term is defined in NI 55-101);
 - (c) the individual does not in the ordinary course receive or have access to information regarding material facts or material changes concerning the SLF Applicants before the material facts or material changes are generally disclosed; and
 - (d) the individual is not an insider of the SLF Applicants in any capacity other than as a vice president;

11. The SLF Law Department applies the same analysis each time a new vice-president is appointed or an existing vice-president is promoted. The SLF Law Department will review and update SLF's Exempt VP analysis annually.
12. If an individual who is designated as an Exempt VP no longer satisfies the Exempt VP Criteria, designated staff of the SLF Law Department will ensure that the individual is informed about his or her renewed obligation to file an insider report on trades in securities of the SLF Applicants.
13. In connection with this application, the SLF Applicants have filed with the Decision Makers a copy of their internal policies and procedures relating to monitoring and restricting the trading activities of their insiders and other persons whose trading activities are restricted by SLF.

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 the SLF Applicants who satisfy the Exempt VP Criteria for so long as such insiders satisfy the Exempt VP Criteria provided that:

- (a) the SLF Applicants agree to make available to the Decision Makers, upon request, to the extent permitted by law, a list of all individuals who are relying on the exemption granted by this Decision as at the time of the request; and
- (b) the relief granted will cease to be effective on the date when NI 55-101 is amended.

July 29, 2003.

"Robert W. Korthals"

"H. Lorne Morphy"

2.1.8 Pivotal Energy Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - issuer deemed to be no longer a reporting issuer under the Act.

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 AND ONTARIO

AND

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

AND

IN THE MATTER OF PIVOTAL ENERGY LTD.

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of the Provinces of Alberta and Ontario (the "Jurisdictions") have received an application for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that Pivotal Energy Ltd. ("Pivotal") be deemed to have ceased to be a reporting issuer under the Legislation;
2. **AND WHEREAS** pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Alberta Securities Commission is the Principal Regulator for this application;
3. **AND WHEREAS** it has been represented by Pivotal to the Decision Makers that:
 - 3.1 Pivotal was formed pursuant to the *Business Corporations Act* (Alberta);
 - 3.2 Pivotal's head office is located in the City of Calgary, in the Province of Alberta;
 - 3.3 the authorized capital of Pivotal consists of an unlimited number of common shares ("Common Shares"), first and second preferred shares (collectively, "Preferred Shares") of which 21,807,708 Common Shares and no Preferred Shares are currently issued and outstanding;
 - 3.4 Pivotal is a reporting issuer in the Provinces of Alberta, British Columbia

and Ontario, and is not in default of any of its obligations as a reporting issuer under the securities legislation of such provinces;

3.5 pursuant to an arrangement agreement dated May 4, 2003 among Pivotal and Fairborne Energy Ltd. ("Fairborne") and Articles of Arrangement filed July 2, 2003 under section 193 of the *Business Corporations Act* (Alberta), Fairborne became the sole holder of the issued and outstanding Common Shares of Pivotal (the "Arrangement");

3.6 Fairborne is the sole registered securityholder of Pivotal and there are no securities of Pivotal, including debt obligations, currently outstanding other than the Common Shares;

3.7 the Common Shares of Pivotal have been delisted from trading on the Toronto Stock Exchange;

3.8 Pivotal does not intend to seek public financing by way of an offering of securities;

4. **AND WHEREAS** pursuant to the System, this MRRS Decision Document evidences the decisions of each Decision Maker (collectively, the "Decisions");

5. **AND WHEREAS** each of the Decision Makers is satisfied that the tests contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decisions has been met;

6. **AND WHEREAS** the Commission is satisfied that to do so would not be prejudicial to the public interest;

7. **THE DECISION** of the Decision Makers under the Legislation is Pivotal Energy Ltd. is deemed to have ceased to be a reporting issuer under the securities legislation of Alberta and Ontario effective as of the date of this Decision.

July 31, 2003.

"Patricia M. Johnston"

2.2 Orders

2.2.1 Acadian Gold Corporation - ss. 83.1(1)

Headnote

Reporting issuer in Alberta, British Columbia, Manitoba and Nova Scotia and is listed on TSX Venture Exchange deemed to be a reporting issuer for the purposes of Ontario securities law.

Statutes Cited

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

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

AND

**IN THE MATTER OF
ACADIAN GOLD CORPORATION**

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

UPON the application of Acadian Gold Corporation ("Acadian") for an order pursuant to subsection 83.1(1) of the Act deeming Acadian to be a reporting issuer for the purposes of Ontario securities law;

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

AND UPON Acadian representing to the Commission as follows:

1. Acadian is a corporation continued under the *Canada Business Corporations Act*.
2. Acadian has been a reporting issuer under the *Securities Act* (British Columbia) (the "BC Act") since March 26, 2001, under the *Securities Act* (Alberta) (the "Alberta Act") since March 26, 2001, under the *Securities Act* (Manitoba) (the "Manitoba Act") since January 19, 2001, and under the *Securities Act* (Nova Scotia) (the "Nova Scotia Act") since December 30, 2002. Acadian was granted permission to do business in the Province of New Brunswick under the *Security Fraud Prevention Act* (New Brunswick) (the "New Brunswick Act") on January 17, 2003.
3. Acadian's registered office is currently in Winnipeg, Manitoba and its principal offices are in Trenton, Nova Scotia. Acadian's minute books and related corporate records are maintained in Toronto, Ontario.
4. The authorized share capital of Acadian consists of an unlimited number of common shares and an

unlimited number of preference shares of which 23,820,750 common shares were issued and outstanding as at June 30, 2003.

5. Acadian's common shares are listed on the TSX Venture Exchange under the trading symbol "ADA" and Acadian is in compliance with the rules, regulations and policies of the TSX Venture Exchange.
6. Acadian is not in default under any of the BC Act, the Alberta Act, the Manitoba Act, the Nova Scotia Act and the New Brunswick Act.
7. The continuous disclosure requirements of the BC Act, the Alberta Act, the Manitoba Act, the Nova Scotia Act and the New Brunswick Act are substantially the same as the requirements under the Act.
8. The materials filed by Acadian under the BC Act, the Alberta Act, the Manitoba Act, the Nova Scotia Act and the New Brunswick Act are available on the System for Electronic Document Analysis Retrieval (SEDAR).
9. Neither Acadian nor any of its officers or directors, nor to the knowledge of Acadian and its officers and directors, any of its controlling shareholders, has:
 - (i) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;
 - (ii) entered into a settlement agreement with a Canadian securities regulatory authority; or
 - (iii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
10. Neither Acadian nor any of its officers or directors, nor to the knowledge of Acadian and its officers and directors, any of its controlling shareholders, is or has been subject to:
 - (i) any known ongoing or concluded investigations by a Canadian securities regulatory authority or a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or
 - (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with

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

11. Edmund F. Merringer, Secretary of Acadian, was a director of AlphaNet Telecom Inc. when it made a voluntary assignment in bankruptcy in February, 1999. Cease trade orders were issued against AlphaNet by the Commission on June 28, 1999, by the British Columbia Securities Commission on July 2, 1999 and by the Manitoba Securities Commission on July 8, 1999. Additionally, Mr. Merringer was a director of Cercal Minerals Corporation at the time cease trade orders were issued against Cercal by the Commission on May 31, 1995 and by the British Columbia Securities Commission on January 23, 1995.
12. Except for Mr. Merringer, none of the officers or directors of Acadian, nor to the knowledge of Acadian, its officers and directors, any of its controlling shareholders, is or has been at the time of such event an officer or director of any other issuer which is or has been subject to:
 - (i) any cease trade or similar orders, or orders that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or
 - (ii) any bankruptcy or insolvency proceedings, or other proceedings arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

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

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

August 6, 2003.

"Erez Blumberger"

2.2.2 Dundee Securities Corporation - Settlement Agreement

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

AND

**IN THE MATTER OF
DUNDEE SECURITIES CORPORATION**

**SETTLEMENT AGREEMENT
BETWEEN STAFF OF THE ONTARIO SECURITIES COMMISSION
AND DUNDEE SECURITIES CORPORATION**

I. INTRODUCTION

1. Pursuant to section 5(1) of the "Practice Guidelines - Settlement Procedures in Matters Before the Ontario Securities Commission" of the Ontario Securities Commission Rules of Practice, Staff of the Ontario Securities Commission and Dundee Securities Corporation propose to settle the matters described further below.

II. STATEMENT OF FACTS

Acknowledgement

2. Staff and Dundee agree with the facts set out in Part II of the Settlement Agreement. Paragraph numbers 4(iv), 6, 7, 17-19, 21, 23, 24, 26, 28, 29, the second sentence of 30 and 33 contain matters of which Staff has obtained evidence that support these assertions, which Dundee has no knowledge of, but for the purpose of this settlement does not dispute. Although Staff have no knowledge of the facts set out at paragraphs 10(c), 12, 14, 16, 39, 40, 41, 45 and 46 for the purpose of the settlement, Staff accepts the accuracy of these facts.

A. THE PARTIES

Dundee Securities Corporation

3. Dundee Securities Corporation is registered as a Dealer in the categories of Broker/Investment Dealer under the Act.

Brian Peter Verbeek

4. Brian Peter Verbeek's registration history with the Commission was as follows:
 - i. from January 16, 1996 to March 10, 1997, Verbeek was registered as a salesperson with Manulife Securities International Limited, a dealer in the category of Mutual Fund Dealer;
 - ii. from April 8, 1997 to August 27, 1999 Verbeek was registered as a salesperson with Fortune Financial Corporation, a dealer in the category of Securities Dealer. From January 3, 1997 to August 27, 1999, Verbeek was registered as a branch manager of 38 Auriga Drive, Suite 225, Nepean, Ontario. On February 2, 1998, the branch located at 38 Auriga Drive, Suite 225 moved to 57 Auriga Drive, Suite 204, Nepean, Ontario;
 - iii. from August 27, 1999 to May 1, 2000, Verbeek was registered as a registered representative with Dundee. From February 18, 2000 to May 1, 2000, Verbeek was registered as a branch manager of 57 Auriga Drive, Suite 204, Nepean, Ontario; and
 - iv. On August 21, 2000, Verbeek was registered as a salesperson with Buckingham Securities Corporation, a dealer in the category of Securities Dealer. Lloyd Hutchinson Ebenezer Bruce was appointed supervisor for Buckingham's sub-branch located at 57 Auriga Drive, Suite 204, Nepean, Ontario, from September 5, 2000 until June 21, 2001. Verbeek's registration was subject to the following terms and conditions:
 - (a) For a one-year period, Bruce was required to submit, on the prescribed form, quarterly reports to the General Manager, Registration, regarding Verbeek's sales and client service activities. The first report, covering the period from initial registration to October 30, 2000, was to be submitted no later than November 15, 2000. Each subsequent report was due on the 15th day of the month following each quarter.

- (b) Verbeek's activities with Buckingham were approved and supervised by Bruce, an approved officer of Buckingham. The Supervisory Report due November 21, 2000 was delivered to the Commission December 19, 2000. The Supervisory Reports due February 21, 2001 and May 21, 2001 were not submitted to the Commission.
- 5. Verbeek's securities industry proficiencies included the Canadian Securities Course, the Examination based on the Manual for Registered Representatives, the Partners/Directors/Officers Qualifying Examination, the Canadian Investment Funds Course, and the Branch Managers' Examination.

Buckingham Securities Corporation

- 6. By letter dated December 29, 2000, Buckingham suspended Verbeek from conducting business as a registered representative of Buckingham, pending the completion of an internal investigation and an investigation by the Ontario Securities Commission. By letter dated May 23, 2001, Verbeek was re-instated by Buckingham as a registered representative.
- 7. On June 21, 2001, Verbeek was terminated for cause by Buckingham due to numerous unresolved client complaints, concerns that he was violating the terms and conditions of his registration and concerns that he was involved in questionable private placements.

Fortune Financial Corporation

- 8. Prior to August 30, 1999, Fortune Financial Management Inc. and its two operating regulatory subsidiaries, Fortune Investment Corporation, then an OSC registrant mutual fund dealer, and Fortune Financial Corporation, a securities dealer registered with the Montreal Exchange (collectively, the "Fortune Companies") were experiencing serious financial and regulatory problems. The Commission had imposed terms and conditions on Fortune Investment Corporation. Fortune had applied for, but been refused, IDA membership.

B. Dundee's Acquisition of Assets of the Fortune Companies

- 9. On August 30, 1999, Dundee acquired selected assets of the Fortune Companies. The acquisition included the client assets of the Fortune Companies.
- 10. As a condition of obtaining regulatory approvals for the acquisition:
 - (a) Dundee was required by its regulators to bulk transfer all clients and remaining sales representatives of the Fortune Companies to the appropriate Dundee entity in order to ensure a seamless transition process for the Fortune clients;
 - (b) a regulatory escrow comprising monies and Dundee shares was established in order to satisfy client claims in respect of acts or omissions of Fortune dealers relating to accounts of clients;
 - (c) the Fortune Companies were required to undertake through Deloitte & Touche a negative confirmation of client accounts approximately concurrent with the closing date of the transaction (August 30, 1999), for 100% of the client accounts of the Fortune Companies, including Verbeek clients and clients of other Fortune sales representatives who had CCPC shares in their clients' self-directed RSP accounts.
- 11. At the time of the completion of the transaction, as a result of issues with respect to operational and compliance policies and procedures of the Fortune Companies known to Dundee through the due diligence undertaken by and on behalf of Dundee, Dundee sought and obtained limited regulatory relief from the IDA for the implementation of required operational and compliance changes to ensure compliance with industry standards in respect of the client accounts and sales representatives of the Fortune Companies acquired by Dundee.
- 12. As a result of the acquisition, approximately \$2.7 billion in client assets under administration and 208 sales representatives of the Fortune Companies were subject to the bulk transfer to Dundee. In addition, 240 sales representatives of the Fortune Companies were subject to the bulk transfer to Dundee Private Investors Inc.

C. Registered Saving Plan Qualified Investments in Shares of Canadian Controlled Private Corporations

- 13. Shares of Canadian Controlled Private Corporations ("CCPCs") can constitute a qualified investment for registered retirement savings plans ("RRSPs") and similar types of registered plans (LIRA, RRIF, LIF). The qualifications of a company as a CCPC are prescribed by tax laws and regulations.

14. At the time of the Dundee transaction (August 30, 1999), approximately 47 Fortune Company sales representatives had client self-directed RSP accounts which contained security positions consisting of CCPC shares, which on closing of the acquisition, were subject to the bulk transfer of accounts from Fortune to Dundee.
15. Included in this bulk transfer of accounts, were approximately \$3.8 million of CCPC shares in 149 of Verbeek's client accounts.
16. Dundee's due diligence of the Fortune Companies at the time of the Dundee transaction did not reveal in the Fortune Companies' files any evidence of any client complaint or other issues regarding Verbeek. The negative confirmation process referred to in paragraph 10(c) above did not result in any complaints or issues arising with respect to either Verbeek or Verbeek client accounts which held CCPC shares or in respect of the other 46 Fortune Companies sales representatives who had client self-directed RSP accounts which contained security positions consisting of CCPC shares.

D. The Scheme Involving Brian Verbeek

17. From approximately August of 1998 to June 2001, advertisements were placed by the scheme's promoters in newspapers throughout Ontario, Quebec and other provinces to attract clients. The advertisements offered "fast financial assistance" to persons wishing access to funds in their locked-in RRSPs. In some cases, Verbeek's office number was provided as the contact in the advertisement. In other cases, clients were referred to Verbeek.
18. The clients purchased shares of CCPCs using monies located in their locked-in RRSPs. The clients concurrently obtained a loan from the scheme's promoters representing a portion of the purchase price of the CCPC shares, varying from approximately 60% to 80%. The remaining portion, varying from approximately 20% to 40% was charged as an "administration fee" by the promoters of the scheme.
19. Verbeek, or clerical staff under his supervision, met directly with some clients. They explained that they would assist these individuals in accessing their funds held in their locked-in RRSPs. Verbeek, or clerical staff under Verbeek's supervision, advised these investors that the funds located in their locked-in RRSPs would be used to purchase shares of CCPCs that were purported to be qualified investments for locked-in RRSPs. In a few cases, Verbeek, or clerical staff under his supervision, met with the clients, explaining the loans and filling out the various documents. In other cases, Verbeek simply processed the documentation.
20. Dundee was not aware that Verbeek was facilitating the loans. Dundee had no knowledge of the loans.
21. Verbeek processed over 670 transactions, in excess of \$17 million through Fortune, Dundee and Buckingham. Verbeek processed some of these transactions while not registered.
22. Many of these individuals were low-income earners.
23. Generally, these clients contacted Verbeek because they were in financial difficulty and needed to access the funds located in their locked-in RRSPs.

E. Verbeek's Involvement with Messrs. Petrement and Rolland

24. Sometime in 1998, Verbeek became involved in these transactions with Messrs. Petrement and Rolland. Verbeek's role, while a registrant, was to explain and process the transactions.
25. Verbeek, through Dundee, facilitated the purchase of shares from the following companies:

	Province of	Activity		#	\$
Company Name	Incorporation	From	To	Clients	Amount
Atlas Mckenzie Inc.	Ontario	Sept-99	Apr-00	5	64,600
Data Safenet Inc.	Ontario	Sept-99	Apr-00	42	968,800
Distribution Perilandaie Inc.	Quebec	Sept-99	Apr-00	3	180,667
Eau-Necessaire Inc.	Quebec	Sept-99	Apr-00	13	298,625
Eurontario Inc.	Ontario	Sept-99	Apr-00	13	384,200
LMN Techno-Soft Inc.	Quebec	Sept-99	Apr-00	37	995,700
NAV et LOGI-CIEL Inc.	Quebec	Sept-99	Apr-00	11	442,700
Total				124	\$3,335,292

26. In most cases, the identity of the company that the clients purchased shares from was only disclosed after the purchase was made.

27. In total, Verbeek processed approximately 124 transactions through Dundee for a value of approximately \$3.3 million. The shares were deposited into the clients' locked-in RRSPs.

F. Verbeek's Involvement with Mr. Jean Tremblay

28. Sometime in late 1999, Verbeek became involved with Mr. Jean Tremblay, the President of Financiere Telco Inc., and CFM Consultant Financement Multiple ("CFM").
29. Advertisements were placed in a number of newspapers in Ontario to attract clients. The phone number of CFM, located in Montreal, was listed as a contact. Clients called the office of CFM in Montreal, Quebec. A telephone response form was completed. Subsequently, individuals hired by CFM were sent to meet with the clients to complete documentation necessary to process the purchase of CCPC shares. The documentation was then sent to Verbeek's office. Verbeek's name appears as the "registered representative" on all documentation. Verbeek did not meet with the clients but simply processed the necessary documentation.
30. Once again, the clients purchased shares of CCPCs using monies located in their locked-in RRSPs. The clients then obtained a loan from the scheme's promoters representing a portion of the purchase prices of the CCPC shares, varying from approximately 60% to 80%.
31. Verbeek, through Dundee, facilitated the purchase of shares from the following companies:

	Province of	Activity		#	\$
Company Name	Incorporation	From	To	Clients	Amount
Inter Technologie Inc.	Quebec	Dec-99	Apr-00	32	800,075
Intermax Technologie Inc.	Quebec	Dec-99	Apr-00	48	1,294,950
Via Net Tech Inc. CL-B	Quebec	Dec-99	Apr-00	46	1,113,125
Total				126	\$3,208,150

32. In most cases, the identity of the company that the clients purchased shares from was only disclosed after the purchase was made.
33. These transactions may be subject to taxation since the CCPC shares were used as collateral for the loans. The Canada Customs and Revenue Agency is in the process of identifying and notifying the clients whose "investment" has now become subject to taxation.
34. In total, Verbeek processed approximately 126 transactions through Dundee in an amount of approximately \$3.2 million.

G. The Dundee Period (September 1, 1999 to May 1, 2000)

35. During the Dundee Period, Verbeek was registered with Dundee as a registered representative and, from February 18, 2000 to May 1, 2000, as a branch manager. As the branch manager of the Nepean, Ontario office, Verbeek was supervised by Dundee's head office, as required by IDA policies.
36. During the Dundee Period, while Verbeek was registered as a registered representative with Dundee, Verbeek processed approximately 255 New Client Application Forms ("NCAFs") and facilitated the purchase of CCPC shares in locked-in RRSPs in an amount of approximately \$6.8 million. In total, Verbeek processed approximately 250 transactions (some clients were involved in more than one transaction).
37. Verbeek presented Dundee with the appropriate documentation to process these transactions in the clients' locked-in RRSPs account for CCPC shares. The documentation consisted of the following:
- (a) instructions from, and executed by, the client to Dundee instructing the purchase of CCPC shares, and certifying that the CCPC was a duly registered company, not a venture capital company, was owned and controlled by residents of Canada, certifying the current fair market value of the shares of the company, and stating that the investor had been advised of the income aspects of the investment in question by qualified counsellors;
 - (b) a document from, and executed by, the client to Dundee instructing the purchase and referencing the client's agreement to purchase the CCPC shares and the client's stockholder's agreement with the CCPCs;
 - (c) a letter of indemnity, signed by the client, containing the client's acknowledgements:

- (i) of the risks involved in holding CCPC shares in a locked-in RRSP;
 - (ii) that neither Verbeek nor Dundee had completed any due diligence regarding the investment merits of the company; and,
 - (iii) of the risk in investing in shares of a company whose shares were not publicly traded;
 - (d) a Certificate executed by a Chartered Accountant, certifying that the shares of the CCPC were a qualified investment in a locked-in RRSP;
 - (e) a further Certificate of a Chartered Accountant, confirming the shares constituted an admissible investment into a locked-in RRSP and confirming the fair market value of the shares;
 - (f) a Certificate for a specific number of shares in the CCPC;
 - (g) in some instances, a letter of compliance, executed by the client, acknowledging that the client had sought and obtained independent financial, investment, tax and legal advice, acknowledging the suitability of the transaction in respect of the client's personal investment objectives, and acknowledging that it was the client's sole responsibility to ensure that the transaction was a qualified investment for the client's locked-in RRSP.
38. On November 19, 1999 the Commission issued an Investor Alert titled "OSC Warns Against RRSP Scams", warning the public to "exercise extreme caution when considering whether to cash in money held in a Registered Plan in order to pay for shares in a company that offers to turn around and loan (or refund) some of the money back to the investor". The Investor Alert did not reference specific companies or persons involved in such a scam.
39. In late November 1999, the Senior Vice-President of Compliance of Dundee attended on Verbeek at his office in Nepean, Ontario for the purpose of addressing with Verbeek a number of concerns Dundee had at that time with Verbeek. During the meeting, the Senior Vice-President of Compliance provided Verbeek with a copy of the Investor Alert. Verbeek assured the Senior Vice-President of Compliance that he was not involved in any loan arrangements with clients and that he was not receiving any commission for these types of transactions occurring in his clients' accounts.
40. Up to May 1, 2000, Dundee did not receive any client complaints or client communications evidencing concern with these transactions, whether these had occurred during the Fortune Company time period, or subsequently at Dundee.
41. Dundee did not solicit purchases of shares in CCPCs, nor was it aware of any such solicitation being made on its behalf, nor the opening of accounts for this purpose. Advertisements placed in newspapers by Messrs. Petrement and Rolland or Jean Tremblay were not sponsored or paid for by Dundee, nor did Dundee's name or appear on such advertisements.
42. Dundee did not charge a commission for processing the purchase of CCPC shares for monies in a locked-in RRSP. In some instances the client was charged a service fee.
43. Dundee failed to adequately supervise these Verbeek accounts and Verbeek's actions in relation to these accounts given the following:
- i. Verbeek was the branch manager and the only registered representative located at 57 Auriga Drive, Suite 204, Nepean, Ontario;
 - ii. Through Dundee, Verbeek processed approximately 255 NCAFs for a total of approximately \$6.8 million;
 - iii. Many of the NCAFs submitted to Dundee by Verbeek should have resulted in Dundee making further inquiries of the suitability of the proposed transactions;
 - iv. Dundee compliance had returned to Verbeek NCAFs to address compliance concerns regarding documentation completeness, client objectives, and changed client objectives initialled purportedly by the client. The timeliness of Verbeek's responses to these concerns was a subject of the late November 1999 meeting between the Senior Vice-President of Compliance and Verbeek and the subject of a December 17, 1999 Memorandum from Dundee Compliance to Verbeek. Verbeek failed to correct or return the forms to Dundee head office in a timely manner;
 - v. Dundee did not adequately address compliance issues arising from the proposed inclusion of a "high risk" security in a client's self-directed RSP; and,

- vi. In November of 1999, the Senior Vice-President of Compliance attended Verbeek's office and provided him with a copy of an Alert issued by the Ontario Securities Commission dated November 19, 1999 regarding "OSC Warns Against RRSP Scams". Despite the fact that Verbeek denied any knowledge of any loans, Dundee did not adequately follow-up with concerns regarding Verbeek's involvement in these transactions.

H. Subsequent to the Dundee Period

- 44. On May 1, 2000, Verbeek resigned from Dundee Securities.
- 45. Subsequent to Verbeek's resignation, Dundee received a few client complaints, which Dundee communicated to the IDA. As a result, the Investment Dealers Association sent Verbeek a warning letter and various conditions were attached to Verbeek's registration throughout the time he was registered with Buckingham.
- 46. Subsequent to May 1, 2000, Dundee has reviewed its policies and procedures regarding the purchases of CCPC shares in clients' self-directed RSP accounts to address this type of scheme.

III. CONDUCT CONTRARY TO THE PUBLIC INTEREST

- 47. By engaging in the conduct described above, Dundee failed to adequately supervise these Verbeek accounts and Verbeek's actions in relation to these accounts, contrary to the public interest and contrary to section 3.1 of Ontario Securities Commission Rule 31-505, which requires a dealer to supervise each of its registered salespersons in accordance with Ontario securities law.

IV. COOPERATION OF DUNDEE

- 48. Dundee has fully cooperated with Staff of the Commission during the course of its investigation.

V. TERMS OF SETTLEMENT

- 49. Dundee agrees to the following terms of settlement:
 - (a) From the date of consent by the Executive Director to this settlement agreement, Dundee undertakes to review its current compliance function in respect of the issues identified in this Settlement Agreement, and within two months of the consent by the Executive Director to this settlement agreement, report to PricewaterhouseCoopers with respect to any required policies and procedures and an implementation plan, such plan to be approved by Staff of the Commission;
 - (b) Dundee undertakes to pay to the Commission the sum of \$150,000 in respect of the costs of the investigation in relation to Dundee, such payment to be made within seven days of consent by the Executive Director to this settlement agreement.
- 50. Dundee agrees that they will not, in any proceeding, refer to or rely upon this Settlement Agreement, the settlement discussions/negotiations or the process of obtaining the Executive Director's consent to this Settlement Agreement as the basis for any attack on the Commission's jurisdiction, alleged bias or appearance of bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

VI. STAFF COMMITMENT

- 51. If this settlement receives the consent of the Executive Director, Staff will not initiate any other proceeding under the Act against Dundee in relation to the facts set out in Part II of this Settlement Agreement unless Dundee fails to honour the undertaking contained in paragraphs 49 and 50 of this Settlement Agreement, Staff reserves the right to refer to this Settlement Agreement in any further proceeding.

VII. APPROVAL OF SETTLEMENT

- 52. If, for any reason whatsoever, the Executive Director does not consent to this settlement:
 - (a) this Settlement Agreement and its terms including all discussions and negotiations between Staff and Dundee leading up to the execution of this Settlement Agreement, shall be without prejudice to Staff and Dundee;
 - (b) Staff and Dundee shall be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of these matters before the Commission, unaffected by this Settlement Agreement or the settlement discussions/negotiations; and,

- (c) the terms of this Settlement Agreement will not be referred to in any subsequent proceeding, or disclosed to any person except with the written consent of Staff and Dundee or as may be required by law.

VIII. DISCLOSURE OF AGREEMENT

53. This Settlement Agreement and its terms will be treated as confidential by Staff and Dundee until consented to by the Executive Director, and forever, if for any reason whatsoever this settlement is not consented to by the Executive Director, except with the written consent of Staff and Dundee, or as may be required by law.
54. Any obligations of confidentiality attaching to this Settlement Agreement shall terminate upon the Executive Director's consent to this settlement.
55. Staff and Dundee agree that if the Executive Director does consent to this settlement, they will not make any public statement inconsistent with this Settlement Agreement.

IX. EXECUTION OF SETTLEMENT AGREEMENT

56. This Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement.
57. A facsimile copy of any signature shall be as effective as an original signature.

August 8, 2003.

"Don Charter"
Dundee Securities Corporation
Per: Don Charter

August 8, 2003.

"Michael Watson"
Staff of the Ontario Securities Commission
Per: Michael Watson

I hereby consent to the settlement of this matter on the terms contained in this Settlement Agreement.

August 8, 2003.

"Charles Macfarlane"
Ontario Securities Commission
Per: Charles Macfarlane

2.2.3 Crystallex International Corporation - s. 144

Headnote

Cease trade order revoked where the issuer has remedied its default in respect of disclosure requirements under the Act.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127(1)2, 127(5), 127(8), 144.

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

AND

**IN THE MATTER OF
CRYSTALLEX INTERNATIONAL CORPORATION**

**ORDER
(Section 144)**

WHEREAS the securities of **Crystallex International Corporation** (the "Reporting Issuer") are currently subject to an Order made by the Director on behalf of the Ontario Securities Commission (the "Commission") on the 9th day of July, 2003 pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, as extended by the Director on the 23rd day of July, 2003 pursuant to subsection 127(8) of the Act (collectively, the "Cease Trade Order") directing that trading in the securities of the Reporting Issuer cease until 5:00 p.m. (EST) on the second business day after the Company files its restated comparative financial statements for the year ended December 31, 2002;

AND WHEREAS the Cease Trade Order was made on the basis that the Reporting Issuer's audited financial statements for the year ended December 31, 2002 which included comparative amounts for the years ended December 31, 2000 and 2001 were not in accordance with generally accepted accounting principles;

AND WHEREAS the Reporting Issuer has filed on SEDAR on the 29th day of July, 2003 its restated audited financial statements for the year ended December 31, 2002;

AND WHEREAS the Reporting Issuer has applied to the Commission for revocation of the Cease Trade Order pursuant to section 144 of the Act;

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

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

AND NOW THEREFORE, IT IS ORDERED, pursuant to section 144 of the Act, that the Cease Trade Order be and it is hereby revoked.

July 30, 2003.

"Margo Paul"

2.2.4 Brazilian Resources, Inc. - s. 144

Headnote

Cease trade order revoked where the issuer has remedied its default in respect of disclosure requirements under the Act.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127(1)2, 127(5), 127(8), 144.

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

AND

**IN THE MATTER OF
BRAZILIAN RESOURCES, INC.**

**ORDER
(Section 144)**

WHEREAS the securities of **Brazilian Resources, Inc.** ("Brazilian") are subject to a temporary order of the Manager made on behalf of the Ontario Securities Commission (the "Commission"), pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, on June 12, 2003, as extended by a further order of the Manager on June 26, 2003 on behalf of the Commission pursuant to subsection 127(8) of the Act, that trading in the securities of the Corporation cease (collectively, the Cease Trade Order);

AND WHEREAS Brazilian has applied to the Commission for revocation of the Cease Trade Order pursuant to section 144 of the Act.

AND UPON Brazilian having represented to the Commission that:

1. Brazilian was incorporated under the laws of the State of New Hampshire on November 27, 1990 and is a reporting issuer in the Provinces of Ontario, British Columbia, and Alberta.
2. The Cease Trade Order was issued by reason of the failure of the Corporation to file with the Commission its audited annual financial statements for the year ended December 31, 2002 (the "Annual Financial Statements") and interim statements ("Interim Financial Statements") for the period ended March 31, 2003 as required by the Act.
3. Brazilian filed its Annual Financial Statements and its Interim Financial Statements, on June 24, 2003 and July 8, 2003, respectively, with the Commission through SEDAR. The Corporation has now brought its continuous disclosure filings up-to-date.

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

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

IT IS ORDERED pursuant to section 144 of the Act that the Cease Trade Order be revoked.

July 29, 2003.

"Charlie MacCready"

2.2.5 Mark Edward Valentine - s. 127

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

AND

**IN THE MATTER OF
MARK EDWARD VALENTINE**

**ORDER
(Section 127)**

WHEREAS on June 17, 2002 the Ontario Securities Commission (the "Commission") made a Temporary Order (the "Temporary Order") pursuant to section 127(1) of the Securities Act, R.S.O. 1990, c.S.5 as amended (the "Act");

AND WHEREAS the Temporary Order was extended on July 8, 2002, and further extended on January 31, 2003 and February 14, 2003;

AND WHEREAS on January 7, 2003, staff of the Commission issued an amended Statement of Allegations in this matter;

AND WHEREAS on July 22, 2003 the Commission issued a Notice of Hearing to consider whether, pursuant to section 127 of the Act, it is in the public interest for the Commission:

- a) to extend the temporary order dated February 14, 2003 pending further order of the Commission; and
- b) to make such other order as the Commission considers appropriate;

AND WHEREAS on July 28, 2003, the Commission heard the submissions of counsel for Valentine and for Staff of the Commission;

AND AS the Commission is of the opinion that it is in the public interest to make this order;

IT IS HEREBY ORDERED that the Temporary Order is continued on the following terms:

1. The registration of Valentine is suspended and the exemptions contained in Ontario securities law do not apply to Valentine for a period commencing from this date and ending January 31, 2004; provided that, during this period, Valentine may trade in certain securities for his own account or for the account of his registered retirement savings plan or registered retirement income fund (as defined in the Income Tax Act (Canada)) if:
 - a) the securities are securities referred to in clause 1 of subsection 35(2) of the Act; or

- b) in the case of securities other than those referred to in the foregoing paragraph (a):
 - (i) the securities are listed and posted for trading on The Toronto Stock Exchange or the New York Stock Exchange (or their successor exchanges); and
 - (ii) Valentine does not own directly, or indirectly through another person or company or through any person or company acting on his behalf, more than one (1) percent of the outstanding securities of the class or series of the class in question;
- c) Valentine must submit standing instructions to each registrant with whom he has an account, or through or with whom he trades any securities, directing that copies of monthly account statements be forwarded to the Commission; and
- d) for all personal trading Valentine must carry out permitted trading through accounts opened in his name only and must close any accounts in which he has any beneficial ownership or interest that were not opened in his name only.

2. If a hearing arising out of the Notice of Hearing dated June 24, 2002 in connection with the matters set out in the amended Statement of Allegations is not commenced for whatever reason on or before January 31, 2004, staff may apply to the Commission for an order extending this order for such further period as the Commission considers appropriate.
3. In this order, "Ontario securities law" has the meaning ascribed to that term in the Act.
4. Valentine must file with the Secretary to the Commission's office particulars of his compliance with paragraphs 1(c) and 1(d) of the order dated February 14, 2003.

July 28, 2003.

"Robert W. Shirriff" "Robert W. Davis" "Wendell S. Wigle"

2.3 Rulings

2.3.1 Fidelity Investments Canada Limited - ss. 74(1) and s. 4.1 of OSC Rule 31-505

Headnote

Certain trades in shares by a mutual fund dealer, in its capacity as a group plan administrator of an employee retirement savings program, made for or to program participants, exempted from the dealer registration requirement in clause 25(1)(a) of the Act – Shares are common shares of an affiliate of the employer – Program participants are employees, former employees, spouses of employees, spouses of former employees, and related plans registered under the Income Tax Act (Canada).

Mutual fund dealer, acting as group plan administrator of employee retirement savings program, exempted from “suitability” requirements in paragraph 1.5(b) of Rule 31-505 that would otherwise arise as a result of the dealer purchasing or selling common shares for or on behalf of program participants.

Applicable Ontario Statute

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

Applicable Ontario Securities Commission Rule

Rule 31-505 Conditions of Registration, ss. 1.5 and 4.1.

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

AND

**ONTARIO SECURITIES COMMISSION RULE 31-505
CONDITIONS OF REGISTRATION
(THE “REGISTRATION RULE”)**

AND

**IN THE MATTER OF
FIDELITY INVESTMENTS CANADA LIMITED**

AND

**GENERAL DYNAMICS LAND SYSTEMS
– CANADA CORPORATION**

**RULING AND DECISION
(Subsection 74(1) of the Act and Section 4.1
of the Registration Rule)**

UPON Fidelity Investments Canada Limited (“Fidelity”) having made an application (the “Registration Exemption Application”) to the Ontario Securities Commission (the “Commission”), for a ruling (the “Registration Exemption Decision”), pursuant to subsection 74(1) of the Act, that clause 25(1)(a) of the Act (the “Dealer

Registration Requirement”) shall not apply to certain trades in shares (“Common Shares”) of common stock of General Dynamics Corporation (“GD U.S.”) to be made by Fidelity for or to persons (each, a “Program Participant”) that are Employees, Spouses of Employees, Former Employees, Spouses of Former Employees, Employee EPSPs, Employee RRSPs, Employee Spouse RRSPs or Employee LIRAs (as such terms are defined below), in its capacity as a group plan administrator of the GDLS Canada Savings Stock Purchase Program (the “Program”) of General Dynamics Land Systems – Canada Corporation (“GD Canada”) (which Program includes the Employee EPSPs, Employee RRSPs, Employee Spouse RRSPs and Employee LIRAs);

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

AND UPON Fidelity having representing to the Commission that:

1. Fidelity, a corporation continued under the laws of Ontario, is registered under the Act as a dealer in the category of “mutual fund dealer” and is also registered as an “adviser” in the categories of “investment counsel” and “portfolio manager”. Fidelity Retirement Services (“FRS”) is the division of Fidelity currently responsible for servicing Group Retirement Clients (as defined below) (the “Group Retirement Business”).
2. By a decision dated March 14, 2002, *In the Matter of Fidelity Investments Canada Limited*, as varied by a decision dated December 23, 2003, the Director has exempted Fidelity from the following requirements of Ontario Securities Commission Rule 31-506 *SRO Membership Mutual Fund Dealers* (the “MFDA Mandatory Membership Rule”):
 - (i) to be a member of the Mutual Fund Dealers Association of Canada (the “MFDA”) on or after July 2, 2002, and
 - (ii) to file with the MFDA an application for membership and corresponding fees for membership before the deadline date specified in the MFDA Mandatory Membership Rule

subject to Fidelity complying with specific terms and conditions on its registration as a mutual fund dealer.
3. Fidelity’s registration under the Act as a “mutual fund dealer” has been restricted to certain trades which are incidental to its principal business. The restricted trading activity includes trades by Fidelity to a participant (a “Group Retirement Client”) in an employer-sponsored registered plan or other savings plan until the earlier of: (i) the assumption of such trading activity by Fidelity

- Intermediary Securities Company Limited ("FISCO"), a wholly-owned subsidiary of Fidelity; and (ii) December 31, 2003.
4. FISCO is registered under the Act as a dealer in the category of "investment dealer" and is a member of the Ontario District of the Investment Dealers' Association of Canada.
 5. For some time, Fidelity has been actively engaged in a project to determine the most appropriate regulatory platform for its Group Retirement Business. Until recently, Fidelity's plan has been to transfer FRS to FISCO by December 31, 2003. As part of its ongoing project, Fidelity is now considering a possible change of plans, but Fidelity does not expect to be able to finalize such plans until later in 2003, and, if necessary, application(s) will be made at that time for any necessary variations of existing related exemptive relief or new exemptive relief.
 6. GD U.S. is a corporation incorporated under the laws of the State of Delaware and is not a reporting issuer under the Act.
 7. GD Canada is a corporation incorporated under the laws of Nova Scotia and is not a reporting issuer under the Act.
 8. GD Canada is wholly-owned by GD U.S.
 9. The Common Shares are registered with the Securities and Exchange Commission in the United States of America (the "USA") under the Securities Exchange Act of 1934 and GD U.S. is subject to the reporting requirements thereunder.
 10. The Common Shares are listed and posted for trading on the New York Stock Exchange (the "NYSE").
 11. Under the Program, GD Canada selects mutual funds that persons (each an "Employee") who are employees of GD Canada, and who participate in the Program, may purchase through payroll deductions or through lump-sum payments.
 12. Investments made by Employees under the Program are made through the following plans (collectively, the "Component Plans"):
 - (i) an "employees profit sharing plan" (each, an "Employee EPSP"), as defined in the *Income Tax Act* (Canada) (the "Tax Act"), that has been established for the benefit of persons who are Employees;
 - (ii) "registered retirement savings plans" (each, an "Employee RRSP"), as defined in the Tax Act, that have been established by or for the benefit of persons who are Employees;
 - (iii) "registered retirement savings plans" (each, an "Employee Spouse RRSP"), as defined in the Tax Act, that have been established by or for the benefit of persons (collectively, "Spouses") who are legally married to or are the "common law partners" (as defined in the Tax Act) of persons who are Employees; and
 - (iv) "locked-in retirement accounts" (each, an "Employee LIRA") registered with the Canada Customs and Revenue Agency that have been established by or for the benefit of persons who are Employees.
 13. Under the Program, Spouses are also permitted to invest amounts in their Employee Spouse RRSPs in certain mutual funds offered through Fidelity.
 14. Under the Program, it is proposed that Fidelity carry out the following activities:
 - (i) receive orders from Employees to purchase Common Shares (including Common Shares to be purchased with employer matching contributions or upon the automatic reinvestment of dividends paid in respect of Common Shares) through their EPSP, their Employee RRSP, their Employee Spouse RRSP or their Employee LIRA;
 - (ii) receive orders from Spouses to purchase Common Shares (including Common Shares to be purchased upon the automatic reinvestment of dividends paid in respect of Common Shares) through their Employee Spouse RRSPs;
 - (iii) receive orders from Employees, and from persons ("Former Employees") that were, but have since ceased to be, Employees, to sell Common Shares held on their behalf through their EPSP, their Employee RRSPs or their Employee LIRA;
 - (iv) receive orders from Spouses, Former Employees or persons (each, a "Spouse of a Former Employee") who are legally married to or are the "common law partners" (as defined in the Tax Act) of a Former Employee, to sell Common Shares held through their Employee Spouse RRSPs;
 - (v) "match" the orders to purchase Common Shares, referred to in subparagraphs (i) or (ii), against orders to sell Common Shares, referred to in subparagraphs (iii) or (iv), with the offsetting purchases and sales (a "Matching Transaction") effected by way of book entries in the

- corresponding accounts maintained by Fidelity under the Program and the funds received in respect of the purchase remitted by Fidelity to the vendor;
- (vi) where purchases or sales of Common Shares cannot be effected in a Matching Transaction, and the aggregate number of such Common Shares is less than 50, if Fidelity deems it to be appropriate, Fidelity may satisfy the purchase or sale order by, depending upon the case, selling or purchasing the subject Common Shares as principal (a "Float Transaction");
- (vii) transmit orders to purchase or sell Common Shares, referred to above, which are not effected in a Matching Transaction or a Float Transaction, for execution through:
- (a) another dealer that is registered under the Act in a category that permits it to act as a dealer for the subject trade; or
- (b) another person or company that is outside of Canada, for their execution of the order through the facilities of the NYSE or another stock exchange outside of Canada, provided that the person or company is appropriately licensed to carry on the business of a broker/dealer under the applicable securities legislation in the jurisdiction where the trade is executed;
- (viii) maintain books and records in respect of the foregoing, reflecting, among other things: all related payments, receipts, account entries and adjustments;
15. Records of Common Shares held under the Program through the Component Plans will be maintained by Fidelity, and the Common Shares will be held by a custodian that is not affiliated with Fidelity, GD U.S. or GD Canada.
16. When an Employee becomes a Former Employee, the Former Employee, the Employee EPSP of the Former Employee, the Employee RRSP of the Former Employee, the Spouse of the Former Employee, the Employee Spouse RRSP of the Former Employee, and the Employee LIRA of the Former Employee will not be permitted to make further purchases of Common Shares under the Program, other than Common Shares to be purchased upon the automatic reinvestment of dividends paid in respect of Common Shares in the corresponding Component Plans, but, subject to time limitations in certain cases, the foregoing will be permitted to continue to hold, through Fidelity, Common Shares previously purchased on their behalf under the Program, to instruct Fidelity from time to time to sell Common Shares then held on their behalf by Fidelity, or to transfer such Common Shares to an account with another dealer.
17. To participate in the Program, Employees and Spouses must enrol through Fidelity by application, which may be completed: in writing; on the telephone, by way of a recorded call; or, through the Internet, by way of secure access to Fidelity's website.
18. Employees and Spouses who enrol in the Program on or after August 8, 2003 (the "Effective Date") will be required, when completing the enrolment application to acknowledge that Fidelity will not be performing any "suitability" analysis with respect to any purchase or sale of Common Shares on their behalf, or on behalf of their Spouse, under the Program: by signing the application form, where the application is completed in writing; orally, where the application is completed on the telephone; or, by making the appropriate selection on Fidelity's website, where the application is completed on the Internet.
19. Employees and Spouses who are or were enrolled in the Program before the Effective Date will be sent, not less than 5 days before the Effective Date, written or electronic notice from Fidelity (or GD Canada on behalf of Fidelity) that Fidelity will not perform "know-your-client" or "suitability" analysis with respect to any purchase or sale of Common Shares on their behalf under the Program.
20. No Program Participant will be charged any trading commissions, fees, costs or other expenses in respect of the purchase or sale of any Common Shares on behalf of the Program Participant under the Program.
21. No Employee or Spouse of an Employee will be induced to participate in the Program or purchase any Common Shares through the Program by expectation of the Employee's employment or continued employment by GD Canada or any of its affiliates.
22. For any trades that it makes under the Program to a Program Participant that is an Employee or an Employee RRSP, Fidelity intends to rely upon exemptions from the Dealer Registration Requirement of the Act contained in Commission Rule 45-503 *Trades to Employees, Executives and Consultants* (the "Employee Rule"), which defines an "employee" of an issuer, for the

purposes of the Employee Rule, to include an employee of an affiliated entity of the issuer.

23. For any trades that it makes under the Program with a Program Participant (an "Employee Rule Excluded Program Participant") that is not an "employee" of GD Canada, or the RRSP of an employee of GD Canada, and therefore an employee of GD U.S., for the purposes of the Employee Rule, Fidelity cannot rely on any exemptions from the Dealer Registration Requirement of the Act contained in the Employee Rule.

24. Except for obligations in section 1.5 of the Registration Rule that are made inapplicable pursuant to the below Suitability Exemption Decision of the Director, Fidelity will, with respect to any purchase, sale or holding of Common Shares, by Fidelity on behalf of Program Participants under the Program, comply with all conditions or other requirements that are contained in the Act or any regulations made thereunder that would be applicable to it as a registered mutual fund dealer if the Common Shares were shares or units of a mutual fund, including requirements relating to, but not limited to: capital requirements; record keeping; account supervision; segregation of funds and securities; confirmations of trades; "know your client" and statements of account.

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

IT IS RULED, pursuant to subsection 74(1) of the Act, that on or after the Effective Date, the Dealer Registration Requirement shall not apply to any trades made by Fidelity to, or on behalf of, Program Participants, that are referred to in paragraph 14, above, where the trade:

- (i) consists of the receipt by Fidelity of an order to purchase or sell Common Shares on behalf of a Program Participant that is an Employee Rule Excluded Participant, as referred to in paragraph 14(i) to (iv), above,
- (ii) consists of the sale by Fidelity of Common Shares, on behalf of a Program Participant, to another Program Participant, where either the selling Program Participant is an Employee Rule Excluded Participant or the Purchasing Program Participant is an Employee Rule Excluded Participant, in a Matching Transaction, as referred to in paragraph 14(v), above,
- (iii) consists of the sale by Fidelity of Common Shares to an Employee Rule Excluded Participant, in a Float

Transaction, as referred to paragraph 14(vi), above,

- (iv) consists of the sale by a Program Participant of Common Shares to Fidelity, in a Float Transaction, as referred to paragraph 14(vi), above,
- (v) consists of the sale by a Program Participant that is not an Employee Rule Excluded Participant, as referred to in subparagraph 14(vii)(a), above, or
- (vi) is a trade (an "Ex Juris Trade") referred to in subparagraph 14(vii)(b), above,

PROVIDED THAT

- A. Fidelity is, at the time of such trade, registered under the Act as a dealer in the category of "mutual fund dealer", and, the trade is made on behalf of Fidelity by a person that is registered under the Act to trade shares or units of mutual funds on behalf of Fidelity as a salesperson or officer;
- B. in the case of any trade that is an Ex Juris Trade, the requirements for the trade to be exempt from section 25 of the Act pursuant to section 2.4 of the Employee Rule that are specified in paragraph (b), (c) and (d) of section 2.4 of the Employee Rule are satisfied; and
- C. this Registration Exemption Decision will terminate on December 31, 2003.

July 30, 2003.

"Wendell S. Wigle"

"Paul K. Bates"

AND UPON Fidelity also making a contemporaneous application (the "Suitability Exemption Application") to the Director for a decision (the "Suitability Exemption Decision") of the Director, pursuant to section 4.1 of the Registration Rule, exempting Fidelity from the requirements (the "Suitability Requirements") of section 1.5 of the Registration Rule to make enquiries of a Program Participant to determine:

- (a) the general investment needs and objectives of the Program Participant, and
- (b) the suitability of a proposed purchase or sale of Common Shares for the Program Participant,

that would otherwise arise as a result of Fidelity purchasing or selling Common Shares to or for the Program

Participant, as described in the Registration Exemption Decision, above, shall not apply to Fidelity;

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

AND UPON Fidelity having made to the Director in the Suitability Exemption Application the same representations it has made to the Commission in the Registration Exemption Application;

THE DECISION of the Director, pursuant to section 4.1 of the Registration Rule, is that, on or after the Effective Date, as defined in the above Registration Exemption Decision, the Suitability Requirements of the Registration Rule shall not apply to Fidelity as a result of Fidelity purchasing or selling Common Shares to or for Program Participants, as described in the above Registration Exemption Decision, provided that, in the circumstances of each such purchase or sale:

- D. the Program Participant, or, in the case of a Program Participant that is an EPSP, an Employee RRSP, an Employee Spouse RRSP or an Employee LIRA, the corresponding Employee or Spouse, has given the corresponding acknowledgement or has been sent the corresponding notice, referred to in paragraphs 18 and 19, of the above Registration Exemption Decision;
- E. Fidelity does not make any recommendation or give any investment advice with respect to the purchase or sale; and
- F. this Suitability Exemption Decision will terminate on December 31, 2003.

July 30, 2003.

"David M. Gilkes"

2.3.2 Toyota Motor Corporation - ss. 74(1)

Headnote

Canadian joint venture corporation of Japanese issuer not technically an "affiliate" - distribution of options by Japanese issuer as part of share option plan exempt from registration and prospectus requirements - distribution of shares underlying options to local executives of Canadian joint venture corporation exempt from registration and prospectus requirement - first trade in shares deemed a distribution unless de minimis Canadian market and trade executed on an exchange outside of Canada.

Applicable Statutory Provisions

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

Applicable Rules

OSC Rule 45-503 - Trades to Employees, Executives and Consultants.

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

AND

IN THE MATTER OF TOYOTA MOTOR CORPORATION

RULING (Subsection 74(1))

UPON the application (the Application) of Toyota Motor Corporation (Toyota Japan) to the Ontario Securities Commission (the Commission) for a ruling pursuant to subsection 74(1) of the Act that certain trades in options (Options) and underlying common shares of Toyota Japan (Shares) in connection with Toyota Japan's 2003 share option plan (the Plan) shall not be subject to sections 25 or 53 of the Act;

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

AND UPON Toyota Japan having represented to the Commission that:

1. Toyota Japan is a limited liability, joint-stock company governed by the Commercial Code of Japan. Its principal and executive office is located at 1 Toyota-cho, Toyota City, Aichi Prefecture 471-8571, Japan. Toyota Japan is the largest producer of automobiles in Japan and the third largest automobile producer in the world. Toyota Japan's automotive operations include the design, manufacture, assembly and sale of motor vehicles and related parts and accessories. As of March 31, 2003, Toyota Japan and its consolidated subsidiaries and affiliated companies employed

- approximately 264,096 persons worldwide, including 30,775 employees in North America, of which less than 3,608 are resident in Ontario.
2. As of March 31, 2003, Toyota Japan's authorized share capital consisted of 9,740,185,400 common shares (Shares), of which 3,609,997,492 Shares were issued and outstanding. Toyota Japan's paid-in capital is JPY 397,049,999,885. Approximately 18,582,144 Shares are represented by American Depositary Receipts (ADRs). Each ADR represents two Shares.
3. The Shares are widely held and are listed for trading on the Tokyo, Nagoya, Osaka, Fukuoka and Sapporo Stock Exchanges under the code "7203" and on the London Stock Exchange under the symbol "TYT". The ADRs trade on the New York Stock Exchange under the symbol "TM".
4. The Shares are not listed on any stock exchange in Canada nor is there any other market for the Shares in Canada and none is expected to develop. Toyota Japan is not a reporting issuer in any jurisdiction in Canada and does not have any present intention of becoming a reporting issuer under the securities laws of any jurisdiction in Canada.
5. As at May 15, 2003, the number of Shares held by shareholders of record with addresses in Canada represented less than 10% of the number of outstanding Shares, and the number of shareholders of record with addresses in Canada was less than 10% of the total number of shareholders of record. It is expected that the operation of the Plan will not result in any material change to the number of outstanding Shares held by Shareholders of record with addresses in Canada or the number of shareholders with addresses in Canada.
6. The Shares carry the standard rights applicable to shares of Japanese companies, including a right to receive dividends as and when declared at a shareholders' meeting, and a right to one vote per Share provided that the holder holds at least 100 Shares.
7. Toyota Japan is subject to the reporting requirements of the Securities and Exchange Law of Japan and files annual, semi-annual and, if appropriate, extraordinary reports required under applicable Japanese law with the Kanto Finance Bureau. Toyota Japan also complies with the reporting requirements of the U.S. Securities Exchange Act of 1934 with respect to the ADRs and files reports, proxy statements and other information required under applicable U.S. law with the Securities and Exchange Commission ("SEC").
8. Toyota Motor Manufacturing Canada Inc. (TMMC), Toyota Credit Canada Inc. (TCCI) and Canadian Autoparts Toyota Inc. (CAPTIN, and together with TMMC and TCCI, the Subsidiaries) are wholly-owned subsidiaries of Toyota Japan and are corporations governed by the *Canada Business Corporations Act*. TMMC and TCCI have their principal and executive offices in Ontario. CAPTIN has its principal and executive office in British Columbia.
9. The Subsidiaries are engaged in the following businesses: TMMC manufactures automobiles and four-cylinder engines; TCCI provides finance and credit services to Toyota Canada Inc.'s (TCI) dealers and to vehicle owners who purchase from TCI's dealers; and CAPTIN manufactures aluminum wheels for Toyota Japan's manufacturing facilities in Canada, the United States and Japan.
10. TCI is a 50/50 joint venture between Toyota Japan and Mitsui & Co. Ltd., a Japanese international trading company, and is governed by the *Canada Business Corporations Act*. TCI is the exclusive importer and distributor in Canada of Toyota Japan's motor vehicles, industrial equipment, replacement parts and accessories. TCI's primary business is importing and distributing Toyota Japan's products. As such, TCI's business operations including its marketing, distribution and supply systems are integrated with those of Toyota Japan. TCI also imports and distributes products of a joint venture between Toyota Japan and General Motors Corporation as well as a small number of other manufacturers. Toyota Japan provides certain staff members to TCI on an ongoing basis to coordinate Toyota Japan's and TCI's marketing, distribution and supply systems.
11. Toyota Japan has adopted the Plan on a worldwide basis to encourage its Japanese secondees abroad (the Secondees) and its foreign subsidiaries' executives (the Local Executives, and together with the Secondees, the Participants) to further promote the best interests of Toyota Japan and its subsidiaries by providing them with options, which when exercised, will result in such Participants holding Shares. The Secondees are employed by Toyota Japan and a certain number of Local Executives are employed by each of the Subsidiaries and by TCI. The proposed Participants are all residents of Ontario and British Columbia. Proposed Participants who are Local Executives of TCI are all resident in Ontario.
12. Each Participant will enter into a written agreement with Toyota Japan (Option Agreements) pursuant to which the Participant will be granted options (Options) to acquire Shares. The grant of Options to the Local Executives of

TCl is conditional upon the granting of the relief requested herein.

13. The reports, proxy statements and other information that Toyota Japan is required to provide to its shareholders will be provided or made available upon request to Participants.
14. The Options carry the right to subscribe for Shares of Toyota Japan. Upon the exercise of an Option, Toyota Japan will either issue new Shares or transfer existing Shares to the Participants. The holders of the Options may exercise the Options at any time during the period from August 1, 2005 to July 31, 2009. The Options are non-transferable.
15. The Option Agreements provide for the grant of Options to each Participant. Entering into the Option Agreement and participating in the Plan is voluntary on the part of the Participant and Participants are not induced to enter the Option Agreement or participate in the Plan by expectation of employment or continued employment. No payment is required by the Participant to enter the Option Agreement or for the grant of the Options, although upon exercise of the Options, Participants will pay the exercise price therefor.
16. The grants of Options by Toyota Japan and the issue of Shares by Toyota Japan upon exercise of Options to the Secondees and to the Local Executives of TMMC and TCCI are exempt from sections 25 and 53 of the Act pursuant to the exemption contained in Ontario Securities Commission Rule 45-503 (Rule 45-503), section 3.3 for trades by a foreign-listed issuer of securities of its own issue to its executives and pursuant to exemptions under subsections 35(1)(12)(iii) and 72(1)(f)(iii) of the Act for trades by an issuer in securities of its own issue distributed pursuant to a right to purchase, convert or exchange securities previously granted by the issuer. Such exemptions are not available for the grants of Options by Toyota Japan and the issue of Shares by Toyota Japan upon exercise of Options to the Local Executives of TCI as TCI is not an "affiliated entity" of Toyota Japan because it is a 50/50 joint venture and not a "subsidiary" of Toyota Japan under Rule 45-503. The definition of "subsidiary" in Rule 45-503 refers to the beneficial ownership of more than 50% of the voting securities of the subsidiary, whereas Toyota Japan owns exactly 50% of the voting securities of TCI. The "accredited investor" exemption contained in Ontario Securities Commission Rule 45-501, section 2.3 for trades to such investors is also not available as some of the Local Executives of TCI do not meet the applicable criteria for an "accredited investor".

17. The "*de minimis*" registration exemption contained in Rule 45-503, section 3.5 with respect to trades by executives of the issuer or an affiliated entity of the issuer is not available to the Local Executives of TCI as TCI is not an "affiliated entity" of Toyota Japan under Rule 45-503.

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

IT IS RULED pursuant to subsection 74(1) of the Act that:

1. sections 25 and 53 of the Act shall not apply to the issue of Options by Toyota Japan to the Local Executives of TCI;
2. sections 25 and 53 of the Act shall not apply to the issue of Shares by Toyota Japan to the Local Executives of TCI upon the exercise of Options in connection with the Plan;
3. section 25 of the Act shall not apply to a first trade in Shares acquired pursuant to the Plan by the Local Executives of TCI if:
 - (a) at the time of the granting of the corresponding Option, both Toyota Japan and TCI are not reporting issuers under the Act;
 - (b) at the time of the granting of the corresponding Option, holders of Shares whose last address as shown on the books of Toyota Japan as being in Canada did not own more than 10% of the outstanding Shares and did not represent in number more than 10% of the total number of holders of Shares; and
 - (c) such first trades are executed through the facilities of a stock exchange outside of Canada.

July 29, 2003.

"W.S. Wigle"

"P.K.Bates"

Chapter 4

Cease Trading Orders

4.1.1 Temporary, Extending & Rescinding Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/Revoke
Blake River Explorations Ltd.	25 Jul 03	06 Aug 03		08 Aug 03
Commercial Consolidators Corp.	01 Aug 03	13 Aug 03	13 Aug 03	
FT Capital Ltd.	30 Jul 03	12 Aug 03	12 Aug 03	
Globetel Communications Limited	31 Jul 03	12 Aug 03	12 Aug 03	
Unilink Tele.com Inc.	06 Aug 03	18 Aug 03		
Waseco Resources Inc.	29 Jul 03	11 Aug 03		12 Aug 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	03 Jun 03	08 Aug 03	
National Construction Inc.	25 Jul 03	07 Aug 03	07 Aug 03		
Wastecorp. International Investment Inc.	23 Jul 03	05 Aug 03	05 Aug 03		

4.3.1 Issuer CTO's Revoked

Company Name	Date of Revocation
Crystallex International Corporation	30 Jul 03
Brazilian Resources, Inc.	29 Jul 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>
01-Aug-2003	Bank of Montreal	1293551 Ontario Inc. - Preferred Shares	218,751.00	58,733.00
24-Jul-2003	3 Purchasers	Abingworth Bioventure IV L.P. - Capital Commitment	20,239,099.00	3.00
01-Aug-2003	Barmorel Holdings Ltd.;Margo S. Durbin Holdings Inc.	ABC Fully-Managed Fund - Units	300,000.00	34,764.46
01-Aug-2003	5 Purchasers	ABC Fundamental - Value Fund - Units	1,170,578.75	78,033.00
29-Jul-2003	G. Scott Paterson	ABX Resources Inc. - Common Shares	25,000.00	500,000.00
23-Jul-2003 01-Aug-2003	Sueco Ltd. Reg Swain	Acuity Funds Ltd. - Trust Units	330,000.00	20,790.00
23-Jul-2003 25-Jul-2003	Michael Campolieto;Karen Adolph	Acuity Pooled Conservative Asset Allocation - Trust Units	330,000.00	24,761.00
21-Jul-2003 31-Jul-2003	9 Purchasers	Acuity Pooled High Income Fund - Trust Units	1,389,319.00	87,361.00
23-Jul-2003	Robert Balfour	Acuity Pooled Income Trust Fund - Trust Units	33,893.14	2,880.00
07-May-2003	5 Purchasers	Air Tran - Notes	1,250,000.00	5.00
30-Jul-2003	Ontario Teachers' Pension Plan Board	AltaLink Investments, L.P. - Debentures	282,500,000.00	2.00
31-Jul-2003	4 Purchasers	Alternum Capital - North American Value Hedge Fund - Limited Partnership Units	1,694.00	541.00
03-Jul-2003	4 Purchasers	American Color Graphics - Notes	100,000.00	100,000.00
28-Jul-2003	9 Purchasers	Atikwa Mineral Corporation - Flow-Through Shares	155,000.00	775,000.00

Notice of Exempt Financings

28-Jul-2003	23 Purchasers	Atikwa Mineral Corporation - Units	1,480,000.00	9,866,667.00
07-Jul-2003	7 Purchasers	AXIS Capital Holdings Limited - Common Shares	2,420,000.00	110,000.00
08-Jul-2003	Templeton Investment	Bank Austriad Creditanstalt - Shares	1,474,745.12	59,000.00
14-May-2003 28-May-2003	BMO Nesbitt Burns Inc.	Barclays Canada S&P/TSX Institutional Index Fund - Units	180,915,640.00	19,230,051.00
09-Jun-2003	7 Purchasers	Blues Royale Limited Partnership - Limited Partnership Units	358,000.00	358.00
16-Jul-2003	4 Purchasers	Calpine Corporation - Notes	6,000,000.00	4.00
22-Jul-2003	Mirabaud Canada Inc.	Caxton Global Pref. Nvtg. -E- - Preferred Shares	352,948.91	620.00
03-Jun-2003	3 Purchasers	Celgene Corporation - Notes	1,750,000.00	3.00
24-Jun-2003	4 Purchasers	Chicago Mercantile - Common Shares	1,461,600.00	21,000.00
23-Jul-2003	4 Purchasers	Chunghwa Telecom Co., Ltd. - Common Shares	180,848.00	12,700.00
18-Jul-2003	4 Purchasers	Commonwealth Telephone Enterprises - Notes	2,750,000.00	4.00
28-Jul-2003	Kroy International Inc.	ConceptWave Software Inc. - Preferred Shares	355,000.00	741,620.00
31-Jul-2003	39 Purchasers	Cranston, Gaskin, O'Reilly & Vernon - Units	575,696.93	48,393.00
31-Jul-2003	20 Purchasers	Cranston, Gaskin, O'Reilly & Vernon - Units	121,111.28	9,924.00
31-Jul-2003	15 Purchasers	Cranston, Gaskin, O'Reilly & Vernon - Units	837,331.30	68,621.00
29-Jul-2003	45 Purchasers	Cumberland Resources Ltd. - Units	17,710,195.00	5,773,050.00
31-Jul-2003	11 Purchasers	Custom Direct Income Fund - Units	29,638,040.00	2,963,804.00
01-Aug-2003	Sam Brown;Dallas Coppell LP Inc.	Dallas Coppell Limited Partnership - Units	1,242,000.00	18.00
24-Jul-2003	6 Purchasers	Datawire Communication Networks Inc. - Preferred Shares	17,217,250.00	366,666,666.00
24-Jul-2003	16 Purchasers	Defiant Energy Corporation - Flow-Through Shares	4,000,000.00	1,000,000.00
24-Jul-2003	58 Purchasers	Defiant Energy Corporation - Special Warrants	11,088,000.00	3,360,000.00

Notice of Exempt Financings

07-May-2003	4 Purchasers	Duke Energy - Notes	4,258,000.00	40.00
01-Aug-2003	Credit Risk Advisors	Dynegy Holdings, Inc. - Notes	2,083,684.00	1,500,000.00
29-Jul-2003	Credit Risk Advisors and Bank of Montreal	Energy Partners, Ltd. - Notes	2,770,800.00	2,000,000.00
28-Jul-2003	14 Purchasers	Euston Capital Corp. - Common Shares	61,050.00	20,350.00
31-Jul-2003	GATX/MN Venture Finance Partnership	EZEDIA INC. - Notes	1,351,008.00	1.00
31-Jul-2003	TD Asset Management and Canadian Imperial Bank of Commerce	Falls Management Company - Notes	27,000,000.00	1.00
17-Jun-2003	11 Purchasers	FormFactor - Common Shares	650,174.00	46,441.00
29-Jul-2003	CMP 2003 Resource Limited Partnership	Fortune Minerals Limited - Flow-Through Shares	251,250.00	375,000.00
31-Jul-2003	552429 Ontario Limited	F.R. Insurance Ltd. - Common Shares	55,000.00	1.00
03-Jul-2003	Credit Risk Advisers	General Motors Acceptance Corporation - Notes	999,230.00	1,001,000.00
02-Jul-2003	5 Purchasers	General Motors Corporation - Convertible Debentures	16,000,000.00	640,000.00
31-Jul-2003	4 Purchasers	Glacier Ventures International Corp. - Common Shares	800,003.10	615,387.00
24-Jul-2003	36 Purchasers	Gold Summit Corporation - Units	1,321,500.00	4,405,001.00
31-Jul-2003	Casurina Limited Partnership and Synergy Asset Management Inc.	Great Canadian Gaming Corporation - Units	12,320,000.00	1,120,000.00
28-Jul-2003	Royal Bank of Canada	HCA Inc. - Notes	996,890.00	1,000,000.00
23-Jul-2003	Cinram International Inc.	HSBC Short Term Investment Fund - Units	1,500,000.00	149,390.00
28-Jul-2003	Carida Investments Inc.	HydroPoint Data Systems, Inc. - Convertible Debentures	228,112.00	1.00
31-Jul-2003	Hamblin Watsa Investment Counsel Ltd.	H&R Real Estate Investment Trust - Units	24,999,999.78	1,889,302.00
24-Jul-2003	Stephen Robinson	IMAGIN Diagnostics, Inc. - Shares	2,000.00	2,000.00
18-Jul-2003	45 Purchasers	Jaguar Nickel Inc. - Units	1,023,500.00	4,094,000.00
15-Jun-2003	Salida Capital Corp.;Polar Securities Inc.	Jet Blue Airways - Notes	1,250,000.00	1,250,000.00
30-Jul-2003	Shari Maltz	J.C. Clark Commonwealth Loyalist Trust - Units	15,500.00	133.00

Notice of Exempt Financings

01-Jan-2002 31-Dec-2002	8 Purchasers	Leeward Bull & Bear Fund L.P. - Units	854,323.00	673.00
30-Jul-2003	Steelcase Canada Ltd.	Leith Wheeler Investment Counsel Ltd. - Units	21,111,136.17	20,773,963.00
29-Jul-2003	3 Purchasers	Liberty Mineral Exploration Inc. - Common Shares	60,000.00	600,000.00
21-Jul-2003	Candor Ventures Corp.	Maude Lake Exploration Limited - Units	120,000.00	1,000,000.00
22-Jul-2003	3 Purchasers	Microbonds Inc. - Shares	850,000.00	4,473,680.00
31-Jul-2003	Wes Durie	Microsource Online, Inc. - Common Shares	18,000.00	3,000.00
31-Jul-2003	Leslie A. Potter	Microsource Online, Inc. - Common Shares	1,800.00	300.00
31-Jul-2003	Stan Lazarski	Microsource Online, Inc. - Common Shares	6,000.00	1,000.00
31-Jul-2003	Sandra Baker	Microsource Online, Inc. - Common Shares	6,000.00	1,000.00
31-Jul-2003	Wes Durie	Microsource Online, Inc. - Common Shares	18,000.00	3,000.00
31-Jul-2003	Chris Abrams and Rick Paquin	Milano Investments Limited Partnership - Limited Partnership Units	184,618.00	3.00
21-Jul-2003	3 Purchasers	Minco Mining and Metals Corporation - Units	108,850.00	311,000.00
01-Aug-2003	3 Purchasers	MMCAP Limited Partnership Fund - Limited Partnership Units	1,285,000.00	1,285.00
02-Aug-2003	Guy Laberge	Mountain Boy Minerals Ltd. - Flow-Through Shares	3,600.00	20,000.00
28-Jul-2003	Frank Pellerino and Safety Dimensions Int'l	Nevada Geothermal Resources Inc. - Units	45,000.00	150,000.00
30-Jul-2003	FNX Mining Company Inc.	Nevada Star Resource Corp. - Common Shares	15,000.00	150,000.00
27-May-2003	Salida Capital Corp.	Newfield Exploration Company - Common Shares	754,000.00	20,000.00
13-May-2003	Salida Capital Corp.	Nextel Partners, Inc. - Notes	200,000.00	1.00
24-Jul-2003	Franklin Templeton Investment Corp.; Canadian Pacific Investment Management Limited	NEC Electronics Corporation - Common Shares	369,600,000.00	88,000.00
17-Jun-2003	Nesbitt Burns Securities Inc., Silvercreek Management	NPS Pharmaceuticals - Notes	350,000.00	350,000.00
28-Jul-2003	4 Purchasers	Payless ShoeSource, Inc. - Notes	4,061,029.00	4,130,000.00

Notice of Exempt Financings

29-May-2003	AGF Management Limited	PETCO Animal Supplies, Inc. - Common Shares	342,008.25	17,405.00
29-Jul-2003	3 Purchasers	Platmin Limited - Preferred Shares	1,385,499.00	160,000.00
10-Jun-2003	4 Purchasers	Premcor Refining Group Inc. (The) - Notes	2,000,000.00	2,000,000.00
27-May-2003	4 Purchasers	Providian Financial Corporation - Notes	1,200,000.00	1,200,000.00
29-Jul-2003	Scepter Holdings Inc.	Putting Edge Corporation, The - Common Shares	1,000,000.00	81.00
29-Jul-2003	Scepter Holdings Inc.	Putting Edge Corporation, The - Debentures	7,000,000.00	7,000,000.00
01-Aug-2003	1278055 Ontario Limited; Commonwealth Financial Corporation	Quorum Information Technologies Inc. - Warrants	60,000.00	120,000.00
23-Jul-2003	Royal Bank of Canada	RBC Capital Trust - Units	1,000,000.00	1,000.00
25-Jul-2003	Open Visions Ltd.	Recognia Inc. - Common Shares	41,040.00	61,254.00
25-Jul-2003	15 Purchasers	RNC Gold Inc. - Special Warrants	4,100,000.00	2,050,000.00
23-Jul-2003	RBC Capital Trust II	Royal Bank of Canada - Notes	900,000,000.00	1.00
23-Jul-2003	RBC Capital Trust II	Royal Bank of Canada - Notes	38,000,000.00	1.00
22-Jul-2003	Joan Vaughan	Royal Standard Minerals Inc. - Units	25,000.00	100,000.00
25-Jul-2003	OPG Ventures Inc. and E-2 Venture Fund Inc.	RuggedCom Inc. - Preferred Shares	2,000,000.00	5,406,867.00
29-Jul-2003	Credit Risk Advisors and T.A.L. Investment Counsel; Ltd.	Seabulk International, Inc. - Notes	4,156,200.00	3,000,000.00
01-Jul-2003	Polar Securities Inc.	Sealed Air Corporation - Notes	1,000,000.00	1.00
23-Jun-2003 18-Jul-2003	68 Purchasers	Second World Trader Inc. - Units	49,434.00	239.00
10-Jun-2003	AGF Management Inc. Royal Bank of Canada Global	Sirius Satellite Radio Inc. - Common Shares	73,800.00	41,000.00
10-Jun-2003	4 Purchasers	Sirius Satellite Radio Inc. - Common Shares	313,200.00	174,000.00
23-May-2003	4 Purchasers	Sirius Satellite Radio Inc. - Notes	1,250,000.00	4.00
22-Jul-2003	1378346 Ontario Inc.	Skywave Mobile Communications Inc. - Preferred Shares	1,150,000.00	871,740.00
09-Jul-2003	6 Purchasers	Taiwan Semiconductor Manufacturing Company Limited - Common Shares	936,000.00	90,000.00

Notice of Exempt Financings

30-Jul-2003	Prints of Print Inc.	Tango Energy Inc. - Preferred Shares	10,000.00	10,000.00
18-Oct-2002	2016969 Ontario Inc.	TD Capital Private Equity Investors (Canada) L.P. - Limited Partnership Units	71,048.00	30.00
17-Jun-2003	BMO Nesbitt Burns; Silvercreek Management Inc.	Tekelec - Notes	500,000.00	2.00
04-Aug-2003	Bank of Montreal	The Goldman Sachs Group Inc. - Notes	7,969,120.00	8,000,000.00
19-May-2003	4 Purchasers	Triarc Companies, Inc. - Notes	1,250,000.00	4.00
24-Aug-2003	5 Purchasers	True Energy Inc. - Common Shares	3,967,500.00	3,450,000.00
01-Aug-2003	Ontario Teachers Pension Plan Board	VHC European Event Driven Fund Limited - Shares	20,979,000.00	144,872.00
23-Jul-2003	AGF Management Limited	Vicuron Pharmaceuticals Inc. - Common Shares	69,250.00	5,000.00
25-Jul-2003	28 Purchasers	VoiceResearch Inc. - Common Shares	77.00	5,215,004.00
16-Jul-2003	Noranda; Inc.	Western Wireless Corporation - Notes	285,000.00	1.00
31-Jul-2003	Stan Hawkins	Yangarra Resources Inc. - Units	5,000.00	25,000.00

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>
28-Jul-2003	CIBC Capital Partners	Roman Corporation Limited - Warrants		125,700.00
07-Aug-2003	Temex Resources Corp.	Temex Resource Corp. - Common Shares		25,000.00
07-Aug-2003	Temex Resources Corp.	Temex Resource Corp. - Common Shares		40,000.00

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

<u>Seller</u>	<u>Security</u>	<u>Number of Securities</u>
Quest Capital Corp.	Channel Resources Ltd. - Common Shares	7,076,850.00
Glen R. Estill	EMJ Data Systems Ltd. - Common Shares	9,334.00
Estill Holdings Limited	EMJ Data Systems Ltd. - Common Shares	344,500.00
Kingfield Investments Limited	Extendicare Inc. - Common Shares	42,900.00
Taronga Holdings Limited	Extendicare Inc. - Common Shares	85,800.00
Conrad M. Black	Hollinger Inc. - Preferred Shares	1,611,039.00
Mustang Minerals Corp.	JML Resources Ltd. - Common Share Purchase Warrant	697,483.00
Mustang Minerals Corp.	JML Resources Ltd. - Common Shares	2,431,999.00
Steven Hulaj	Nextair Inc. - Common Shares	2,304,000.00
Targa Group Inc.	Plaintree Systems Inc. - Common Shares	34,315,760.00

REPORTS MADE UNDER SUBSECTION 2.7(1) OF MULTILATERAL INSTRUMENT 45-102 RESALE OF SECURITIES WITH RESPECT TO AN ISSUER THAT HAS CEASED TO BE A PRIVATE COMPANY OR PRIVATE ISSUER - FORM 45-102F1

<u>Issuer</u>	<u>Date the Company Ceased to be a Private Company or Private Issuer</u>
Canadian Public Venture Capital I Inc.	5/13/03
RuggedCom Inc.	7/25/03

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Eldorado Gold Corporation
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated August 8, 2003
Mutual Reliance Review System Receipt dated August 8, 2003

Offering Price and Description:

20,000,000 UNITS - Cdn \$62,000,000.00 Price : Cdn\$3.10 per Unit

Underwriter(s) or Distributor(s):

Orion Securities Inc.
National Bank Financial Inc.
Sprott Securities Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Salman Partners Inc.
Westwind Partners Inc.
Research Capital Corporation

Promoter(s):

-

Project #562960

Issuer Name:

EnCana Corporation
Principal Regulator - Alberta

Type and Date:

Preliminary Shelf Prospectus dated August 6, 2003
Mutual Reliance Review System Receipt dated August 7, 2003

Offering Price and Description:

\$1,000,000,000.00 - Medium Term Notes (unsecured)

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #562373

Issuer Name:

Southwestern Resources Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated August 8, 2003
Mutual Reliance Review System Receipt dated August 8, 2003

Offering Price and Description:

\$10,250,000.00 - 1,025,000 Common Shares

Underwriter(s) or Distributor(s):

Raymond James Ltd.
Octagon Capital Corporation

Promoter(s):

-

Project #563048

Issuer Name:

Stake Technology Ltd.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated August 11, 2003
Mutual Reliance Review System Receipt dated August 11, 2003

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

Desjardins Securities Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.

Promoter(s):

-

Project #563152

Issuer Name:

Wheaton River Minerals Ltd.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated August 11, 2003
Mutual Reliance Review System Receipt dated August 11, 2003

Offering Price and Description:

Cdn.\$80,000,001.90 - 38,095,239 Units Price : \$2.10 per Unit

Underwriter(s) or Distributor(s):

Griffiths McBurney & Partners
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
Orion Securities Inc.
Sprott Securities Inc.

Promoter(s):

-

Project #563250

Issuer Name:

Baytex Energy Ltd.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated August 7, 2003
Mutual Reliance Review System Receipt dated August 7, 2003

Offering Price and Description:

Exchange Offer for US\$179,699,000 of our 9.% Senior Notes Due 2010

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #559881

Issuer Name:

Chemtrade Logistics Income Fund
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated August 8, 2003
Mutual Reliance Review System Receipt dated August 8, 2003

Offering Price and Description:

\$86,435,000.00 - 5,860,000 Subscription Receipts, each representing the right to receive one trust unit Subscription Receipts @\$14.75 per Subscription Receipt

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Scotia Capital Inc.
RBC Dominion Securities Inc.
Canaccord Capital Corporation
Westwind Partners Inc.
First Associates Investments Inc.
Octagon Capital Corporation

Promoter(s):

-

Project #560704

Issuer Name:

[CORRECTED]

CIBC Canadian T-Bill Fund
CIBC Premium Canadian T-Bill Fund
CIBC Money Market Fund
CIBC U.S. Dollar Money Market Fund
CIBC High Yield Cash Fund
CIBC Mortgage Fund
CIBC Canadian Bond Fund
CIBC Monthly Income Fund
CIBC Global Bond Fund
CIBC Euro Short-Term Income Fund
CIBC Balanced Fund
CIBC Dividend Fund
CIBC Core Canadian Equity Fund
Canadian Imperial Equity Fund
CIBC Capital Appreciation Fund
CIBC Canadian Small Companies Fund
CIBC Canadian Emerging Companies Fund
CIBC U.S. Small Companies Fund
CIBC Global Equity Fund
CIBC European Equity Fund
CIBC Japanese Equity Fund
CIBC Emerging Economies Fund
CIBC Far East Prosperity Fund
CIBC Latin American Fund
CIBC International Small Companies Fund
CIBC Financial Companies Fund
CIBC Canadian Resources Fund
CIBC Energy Fund
CIBC Canadian Real Estate Fund
CIBC Precious Metals Fund
CIBC North American Demographics Fund
CIBC Global Technology Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Bond Index Fund
CIBC Global Bond Index Fund
CIBC Canadian Index Fund
CIBC U.S. Equity Index Fund
CIBC U.S. Index RRSP Fund
CIBC International Index Fund
CIBC International Index RRSP Fund
CIBC European Index Fund
CIBC European Index RRSP Fund
CIBC Japanese Index RRSP Fund
CIBC Emerging Markets Index Fund
CIBC Asia Pacific Index Fund
CIBC Nasdaq Index Fund
CIBC Nasdaq Index RRSP Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated August 7, 2003
Mutual Reliance Review System Receipt dated August 11, 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:

CIBC Managed Income Portfolio
CIBC Managed Income Plus Portfolio
CIBC Managed Balanced Portfolio
CIBC Managed Balanced Growth Portfolio
CIBC Managed Balanced Growth RRSP Portfolio
CIBC Managed Growth Portfolio
CIBC Managed Growth RRSP Portfolio
CIBC Managed Aggressive Growth Portfolio
CIBC Managed Aggressive Growth RRSP Portfolio
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated August 7, 2003 to the Annual Information Form dated December 4, 2002
Mutual Reliance Review System Receipt dated August 12, 2003

Offering Price and Description:

Mutual Funds Net Asset Value

Underwriter(s) or Distributor(s):

CIBC Securities Inc.
CIBC Securities Inc.

Promoter(s):

Canadian Imperial Bank of Commerce

Project #481642

Issuer Name:

CIBC U.S. Dollar Managed Income Portfolio
CIBC U.S. Dollar Managed Balanced Portfolio
CIBC U.S. Dollar Managed Growth Portfolio
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated August 7, 2003 to the Annual Information Form dated October 2, 2002
Mutual Reliance Review System Receipt dated August 12, 2003

Offering Price and Description:

Mutual Funds Net Asset Value

Underwriter(s) or Distributor(s):

CIBC Securities Inc.
CIBC Securities Inc.

Promoter(s):

Canadian Imperial Bank of Commerce

Project #470333

Issuer Name:

Defiant Energy Corporation
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated August 8, 2003
Mutual Reliance Review System Receipt dated August 8, 2003

Offering Price and Description:

4,360,000 Common Shares Issuable on Exercise of
4,360,000 Special Warrants

Underwriter(s) or Distributor(s):

Research Capital Corporation
Salman Partners Inc.
Canaccord Capital Corporation
CIBC World Markets Inc.
Lightyear Capital Inc.
Octagon Capital Corporation
Raymond James Ltd.

Promoter(s):

-

Project #559743

Issuer Name:

Espoir Exploration Corp.
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated August 8, 2003
Mutual Reliance Review System Receipt dated August 8, 2003

Offering Price and Description:

Minimum: 6,000 Units (\$6,000,000); Maximum: 9,000 Units (\$9,000,000) - Price: \$1,000 per Unit Minimum
Subscription: 5 Units (\$5,000)

Underwriter(s) or Distributor(s):

Griffiths McBurney & Partners

Promoter(s):

Bruce M. Beynon
Harley L. Winger
A. Scott Dawson

Project #556403

Issuer Name:

Frontiers Canadian Short Term Income Pool
Frontiers Canadian Fixed Income Pool
Frontiers Canadian Equity Pool
Frontiers U.S. Equity Pool
Frontiers U.S. Equity RSP Pool
Frontiers International Equity Pool
Frontiers International Equity RSP Pool
Frontiers Emerging Markets Equity Pool
Frontiers Global Bond Pool
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated August 7, 2003 to the Final
Simplified Prospectus and Annual Information Form dated
November 26, 2002
Mutual Reliance Review System Receipt dated August 12,
2003

Offering Price and Description:

Mutual Funds Net Asset Value

Underwriter(s) or Distributor(s):

CIBC Securities Inc.
CIBC Securities Inc.
CIBC Securities Inc..

Promoter(s):

CIBC Asset Management Inc.

Project #488610

Issuer Name:

Golden Star Resources Ltd.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated August 7, 2003
Mutual Reliance Review System Receipt dated August 7,
2003

Offering Price and Description:

\$31,980,000.00 - 8,200,000 Common Shares @Cdn\$3.90
per Common Share

Underwriter(s) or Distributor(s):

Orion Securities Inc.
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
National Bank Financial Inc.
RBC Dominion Securities Inc.
Westwind Partners Inc.

Promoter(s):

-

Project #560012

Issuer Name:

Imperial Money Market Pool
Imperial Short-Term Bond Pool
Imperial Canadian Bond Pool
Imperial International Bond Pool
Imperial Canadian Dividend Income Pool
Imperial Canadian Equity Pool
Imperial Registered U.S. Equity Index Pool
Imperial U.S. Equity Pool
Imperial Registered International Equity Index Pool
Imperial International Equity Pool
Imperial Emerging Economies Pool
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated August 7, 2003 to the Final
Simplified Prospectus and Annual Information Form dated
May 6, 2003
Mutual Reliance Review System Receipt dated August 12,
2003

Offering Price and Description:

Mutual Funds Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Canadian Imperial Bank of Commerce

Project #519850

Issuer Name:

Miramar Mining Corporation
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated August 7, 2003
Mutual Reliance Review System Receipt dated August 7,
2003

Offering Price and Description:

\$30,030,000.00 - 14,300,000 Common Shares \$2.10 per
Common Share

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
Salaman Partners Inc.
Haywood Securities Inc.
Westwind Partners Inc.

Promoter(s):

-

Project #560052

Issuer Name:

Noranda Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated August 11, 2003
Mutual Reliance Review System Receipt dated August 11, 2003

Offering Price and Description:

\$313,720,000.00 - 24,800,000 Common Shares @ \$12.65 per Share

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
UBS Securities Canada Inc.
Canaccord Capital Corporation
Griffiths McBurney & Partners
HSBC Securities (Canada) Inc.
Trilon Securities Corporation

Promoter(s):

-

Project #561006

Issuer Name:

Wi-LAN Inc.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated August 5, 2003
Mutual Reliance Review System Receipt dated August 6, 2003

Offering Price and Description:

\$9,010,000.00 - 3,400,000 Units @\$2.65 per Unit

Underwriter(s) or Distributor(s):

Orion Securities Inc.
First Associates Investments Inc.

Promoter(s):

-

Project #560369

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Change of Name	From: Hawk Capital Corporation	Limited Market Dealer	Jul 24/03
	To: Brook Capital Corporation		

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 IDA Discipline Penalties Imposed on Frederick Kenneth Walsh – Violations of Regulations 1300.1(c), 1300.4 and 200.1(i)(3)

Contact:
Kathryn Andrews
Enforcement Counsel
(416) 865-3048

BULLETIN #3182
August 7, 2003

DISCIPLINE

DISCIPLINE PENALTIES IMPOSED ON FREDERICK KENNETH WALSH – VIOLATIONS OF REGULATIONS 1300.1(C), 1300.4 AND 200.1(I)(3)

Person Disciplined	The Ontario District Council of the Investment Dealers Association of Canada (the "Association") has imposed discipline penalties on Frederick Kenneth Walsh, at the relevant time a Registered Representative Options employed by a Hamilton office of CIBC World Markets Inc. ("CIBC"), a Member of the Association.
By-laws, Regulations, Policies Violated	<p>On July 29, 2003 the Ontario District Council considered and accepted a Settlement Agreement negotiated between Mr. Walsh and Association staff.</p> <p>Pursuant to the Settlement Agreement, Mr. Walsh admitted that he failed to use due diligence to ensure that certain recommendations made in four client accounts were appropriate for those clients and in keeping with their investment objectives, contrary to Association Regulation 1300.1(c).</p> <p>He also admitted that he engaged in discretionary trading in respect of seven trades in three client accounts, contrary to Association Regulation 1300.4 and that he effected a trade in a client's account based on third party instructions without a trading authorization on file, contrary to Association Regulation 200.1(i)(3).</p>
Penalty Assessed	<p>The discipline penalty assessed against Mr. Walsh is:</p> <ul style="list-style-type: none">• a fine in the amount of \$50,000;• disgorgement of commission in the amount of \$2,006.25; and• strict supervision for one year. <p>Mr. Walsh is also required to pay the Association's costs in the amount of \$15,000.</p>
Summary of Facts	<p>Star Data:</p> <p>On 8 occasions in 1997 and 1998, Mr. Walsh recommended and purchased shares of Star Data Inc. ("Star Data") in 3 client accounts. All of these clients are currently in their mid 60's to early 70's, were facing retirement and had limited prior investment experience. GF was seeking medium to long term growth with low to medium risk. She and RB/PB, who were husband and wife, all wanted to maintain conservative investments in their portfolios to provide for their retirement. PW's investment objective was for a reasonable rate of growth. Her risk tolerance was for low to medium risk investments.</p> <p>Financial statements for Star Data indicate that it was a small cap company, it had never paid dividends and had a low revenue base. Star Data was a high risk security for these clients. The use of margin to purchase Star Data in their accounts increased the risk level of the purchase. By the summer of 1998 Star Data made up from between 20% to 40% of these clients' portfolios. There were unrealized losses for Star Data of \$7,214 (GF), \$13,316 (PB/RB) and \$7,296 (PW). The Star Data trades were unsuitable for GF, PB/RB and PW given their age, investment objectives and risk factors.</p>

Luscar Coal:

Client JT is a retired widow in her mid 70's, with limited investment experience. She wanted her money to grow to prepare for her retirement and she did not want high risk.

A recommendation and purchase in June 1996 of Luscar Coal Income Trust, on installment, was not suitable for JT, given her investment objectives and her portfolio at the time, as the purchase accounted for some 30% of her portfolio and was an excessive concentration. As of December 31, 1999, the value of Luscar Coal was \$2.73/unit for an unrealized loss of \$21,810.

Discretionary trading:

From time to time, Mr. Walsh had general discussions with clients GF, PB/RB and JT about their investments. The clients received monthly statements and trade confirmation slips and became aware of the above transactions after they had occurred, but they did not know that Mr. Walsh was required to obtain their prior consent. They assumed that Mr. Walsh was authorized to conduct the above transactions in their accounts.

In June, 1996 and on occasion in 1997 and 1998, Mr. Walsh used his discretion with respect to the quantity, price and/or timing of the above 7 trades in the accounts of JT, GF and PB/RB, without their written authorization, and without the accounts having been accepted and approved as discretionary accounts by CIBC.

Third party trading instructions:

AP is in her mid 30's and married. In 1998, Mr. Walsh effected a trade in her investment account. Rather than obtaining her authorization, he accepted trading instructions from AP's husband, without there being on file an executed third party trading authorization.

Other:

Mr. Walsh was previously disciplined by the Ontario District Council in August 1996, as seen in Association Bulletin No. 2292.

Mr. Walsh has been registered since 1983 with CIBC and is currently employed as a Vice President and Associate Portfolio Manager Options, at a Hamilton office of CIBC.

Kenneth A. Nason
Association Secretary

13.1.2 IDA Discipline Penalties Imposed on Steven Mathew White – Violation of By-law 19.5

Contact:

Kathryn Andrews
Enforcement Counsel
(416) 865-3048

BULLETIN #3181

August 6, 2003

DISCIPLINE

**DISCIPLINE PENALTIES IMPOSED ON STEVEN MATHEW WHITE
– VIOLATION OF BY-LAW 19.5**

Person Disciplined	The Ontario District Council of the Investment Dealers Association of Canada has imposed discipline penalties on Steven Mathew White, at the relevant time a Registered Representative with Scotia Capital Inc., a Member of the Association.
By-laws, Regulations, Policies Violated	Following a hearing on July 30, 2003, the Ontario District Council found that Mr. White violated Association By-law 19.5 by failing to attend and give information in respect of an investigation being conducted by the Association's Enforcement Department.
Penalty Assessed	The discipline penalties assessed against Mr. White are a permanent prohibition on re-approval in any capacity, a fine of \$50,000 and costs of \$9,200 payable to the Association.
Summary of Facts	<p>The Association had commenced an investigation into Mr. White's conduct while he was employed at Scotia Capital Inc. Mr. White was notified of the investigation by letter dated May 9, 2003.</p> <p>On May 21, 2003, Mr. White was asked to attend an interview and answer the Association's questions. The interview was scheduled for June 5th and was re-scheduled to June 10th. On June 9th White's lawyer advised that Mr. White would not attend for the interview. On June 12th, 2003, Mr. White's lawyer confirmed that Mr. White had decided to refuse to co-operate.</p> <p>At the hearing on July 30, 2003, Mr. White's lawyer admitted that he had failed to co-operate. The Ontario District Council determined that Mr. White's conduct constituted a violation of Association By-law 19.5 and assessed the above penalties against him. Reasons for decision will follow.</p> <p>Mr. White has not been registered with the Association since April 3, 2003.</p>

Kenneth A. Nason
Association Secretary

13.1.3 IDA Discipline Hearing Regarding John Patrick O'Malley – Penalty Hearing Put Over, Terms Imposed

Contact:

Leigh Ann Gillies
Enforcement Counsel
(416) 943-5891

BULLETIN #3183

August 7, 2003

DISCIPLINE

DISCIPLINE HEARING REGARDING JOHN PATRICK O'MALLEY – PENALTY HEARING PUT OVER, TERMS IMPOSED

Person Disciplined	On July 30, 2003 a panel of the Ontario District Council of the Investment Dealers Association of Canada (the "Association") was convened for the discipline hearing in the matter of John Patrick O'Malley ("O'Malley"), at the relevant times a registered representative with TD Securities Inc., a Member of the Association.
By-laws, Regulations, Policies Violated	Mr. O'Malley admitted to failing to co-operate with the Association by failing to attend and provide information in respect of an investigation contrary to Association By-law 19.5.
Penalty Assessed	Following the hearing, the Ontario District Council directed that the penalty hearing related to the violation take place October 24, 2003 at 9:00 a.m. During the interim, Mr. O'Malley is required to co-operate with the Association by attending an interview and providing information related to the investigation into his conduct while an employee at TD Securities Inc. Mr. O'Malley is also required to pay the Association's costs of the hearing in the amount of \$4,000 on or before September 19, 2003.
Summary of Facts	On July 14, 2003 a Notice of Hearing was issued alleging that Mr. O'Malley had violated By-Law 19.5 by failing to co-operate with an ongoing investigation in refusing to attend and give information to Association staff. The matter was spoken to on July 30, 2003 at which time Mr. O'Malley admitted the alleged violation, agreed to provide his full cooperation in the future and to pay the Association's costs of the hearing of \$4,000 on or before September 19, 2003.

The District Council advised that written reasons regarding this decision would be forthcoming.

Kenneth A. Nason
Association Secretary

13.1.4 IDA Charge Brought Against Donald Greco Not Sustained – Alleged Violation of By-law 29.1

Contact:

Elsa Renzella
Enforcement Counsel
(416) 943-5877

BULLETIN #3180

August 1, 2003

DISCIPLINE

CHARGE BROUGHT AGAINST DONALD GRECO NOT SUSTAINED – ALLEGED VIOLATION OF BY-LAW 29.1

Nature of Proceeding	On July 21, 2003, a discipline hearing was held before the Ontario District Council ("District Council") of the Investment Dealers Association ("the Association") in relation to an allegation that Donald Greco, formerly a registered representative at the Toronto office of Griffiths McBurney & Partners, engaged in conduct unbecoming contrary to By-law 29.1.
By-laws, Regulations, Policies Violated	The Association alleged that Mr. Greco while employed at the Toronto office of Griffiths McBurney & Partners, attempted to obstruct, pervert or defeat the course of justice by willfully attempting to influence or persuade a person by threats, intimidation or other corrupt means, to give false or misleading evidence and/or statements during the course of a regulatory proceeding of Market Regulations Services Inc., thereby engaging in conduct unbecoming contrary to By-law 29.1.
Decision of District Council	The District Council held that the case that had been presented by the IDA was insufficient to establish clearly and convincingly that Mr. Greco is guilty of the charge as alleged. In arriving at this decision, the District Council stated that the Association's only witness, Garrett Prins, was not credible.

Kenneth A. Nason
Association Secretary

**13.1.5 Notice of Commission Approval –
Amendments to MFDA Rule 3.2.1 Regarding
Client Lending and Margin**

**THE MUTUAL FUND DEALERS ASSOCIATION (MFDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENTS TO MFDA RULE 3.2.1
REGARDING CLIENT LENDING AND MARGIN**

The Ontario Securities Commission approved amendments to MFDA Rule 3.2.1 regarding the Client Lending and Margin. In addition, the Alberta Securities Commission, Saskatchewan Financial Services, Nova Scotia Securities Commission approved and the British Columbia Securities Commission did not object to the amendments. The proposal prohibits MFDA members from lending or extending credits to clients and prohibits the purchase of securities by clients on margin. The amendments are housekeeping in nature.

**MFDA NOTICE – HOUSEKEEPING AMENDMENT TO
MFDA RULE 3.2.1 – CLIENT LENDING AND MARGIN**

Current Rule

Rule 3.2.1 currently provides that no Member shall lend or extend credit to a client or permit the purchase of securities by a client on margin, except as provided for in Rule 3.2.3.

Reason for Amendment

Rule 3.2.1 was intended to prohibit Members and their Approved Persons from lending or extending credit to clients and providing margin accounts. The reference to Members only in Rule 3.2.1 was a drafting oversight.

Description of Amendment

The amendment will clarify that Approved Persons are also not permitted to lend or extend credit to clients or permit the purchase of securities by a client on margin except as provide in Rule 3.2.3. The amendment is housekeeping in nature in that it involves the correction of a typographical drafting error.

The amendment was approved by the MFDA Board of Directors on June 13, 2003.

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MFDA Rule 3.2.1 (Client Lending and Margin)

On June 13, 2003, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to Rule 3.2.1:

- 3.2.1** Client Lending and Margin. No Member or Approved Person shall lend or extend credit to a client or permit the purchase of securities by a client on margin, except as provided for in Rule 3.2.3.

13.1.6 MFDA Notice – Housekeeping Amendment to MFDA Rule 2.2.3 (New Account Approval)

MFDA NOTICE – HOUSEKEEPING AMENDMENT TO MFDA RULE 2.2.3 (NEW ACCOUNT APPROVAL)

Current Rule

Rule 2.2.3 currently requires that each Member designate a partner, director, officer or branch manager to approve the opening of new accounts.

Reason for Amendment

As currently drafted, Rule 2.2.3 permits any partner, director or officer to approve new accounts. Rule 2.2.3 was intended to require that new accounts be approved by a *trading* partner, director or officer who is registered or licensed under applicable securities legislation.

Description of Amendment

The amendment will clarify that new accounts must be approved by a partner, director, officer or branch manager who is registered or licensed under applicable securities legislation by the addition of the word “trading” before “partner, director or officer”. The amendment is housekeeping in nature in that it involves the correction of a typographical drafting error.

The amendment was approved by the MFDA Board of Directors on June 13, 2003.

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MFDA Rule 2.2.3 (New Account Approval)

On June 13, 2003, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to Rule 2.2.3:

2.2.3 New Account Approval. Each Member shall designate a trading partner, director or officer or, in the case of a branch office, a branch manager reporting directly to the designated partner, director or officer, who shall be responsible for approval of the opening of new accounts and the supervision of account activity. The designated person shall prior to or promptly after the completion of any initial transaction specifically approve the opening of such account in writing and a record of such approval shall be maintained in accordance with Rule 5.

13.1.7 MFDA Notice – Housekeeping Amendment to MFDA Rule 1.2.2(a) (Branch Managers)

MFDA NOTICE – HOUSEKEEPING AMENDMENT TO MFDA RULE 1.2.2(A) (BRANCH MANAGERS)

Current Rule

MFDA Rule 1.2.2(a) prescribes proficiency requirements for individuals designated by a Member as a branch manager or an alternate branch manager.

Reason for Amendment

Rule 1.2.2(a) incorrectly cross-references Rule 2.5.2(a) and (c). The reference should be to Rule 2.5.3(a) and (c), which deals with the designation of branch managers and alternate branch managers.

Description of Amendment

The amendment will correct the reference in Rule 1.2.2(a) from Rule 2.5.2(a) and (c) to Rule 2.5.3(a) and (c). The amendment is housekeeping in nature in that it involves the correction of an inaccurate cross-reference.

The amendment was approved by the MFDA Board of Directors on June 13, 2003.

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MFDA Rule 1.2.2 (Branch Managers)

On June 13, 2003, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to Rule 1.2.2(a):

1.2.2 Branch Managers

(a) **Proficiency Requirements.** An individual may not be designated by the Member as a branch manager pursuant to Rule 2.5.23(a) or an alternate branch manager pursuant to Rule 2.5.23(c) unless the individual has:

(i) been licensed or registered previously under applicable securities legislation as a trading partner, director, officer or compliance officer of a mutual fund dealer; or

(ii) has successfully completed any one of the following courses:

(A) the Canadian Securities Course offered by the Canadian Securities Institute,

(B) the Canadian Investment Funds Course offered by the Investment Funds Institute of Canada, or

(C) the Investment Funds in Canada Course offered by the Institute of Canadian Bankers,

and, any one of the following courses:

(D) the Branch Managers' Course offered by the Canadian Securities Institute,

(E) the Mutual Fund Branch Managers' Course offered by the Investment Funds Institute of Canada, or

(F) the Branch Compliance Officers Course offered by the Institute of Canadian Bankers.

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Chapter 25

Other Information

25.1 Approvals

25.1.1 First Asset Funds Inc. - cl. 213(3)(b) of the LTCA

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application for approval to act as trustee.

Statutes Cited

Loan and Trust Corporations Act, R.S.O. 1990, c. L.25, as am., clause 213(3)(b).

August 1, 2003

McMillan Binch LLP
Suite 3500
South Tower, Royal Bank Plaza
Toronto, Ontario M5J 2J7

Dear Walter Lehman:

**Re: Application by First Asset Funds Inc. (“First Asset”) for approval to act as trustee of First Asset Global Bond Trust to be established in connection with an offering of units of First Asset Yield Opportunity Trust, and any future trusts to be established by First Asset from time to time (together, the “Pooled Funds”).
App. No. # 03/489**

Further to the application dated July 21, 2003 (the “Application”) filed on behalf of First Asset, and based on the facts set out in the Application, pursuant to the authority conferred on the Ontario Securities Commission (the “Commission”) in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that First Asset may act as trustee of the Pooled Funds which First Asset manages.

“Harold P. Hands”

“Wendell S. Wigle”

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