The Ontario Securities Commission

OSC Bulletin

September 5, 2003

Volume 26, Issue 36

(2003), 26 OSCB

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

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Published under the authority of the Commission by:
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One Corporate Plaza
2075 Kennedy Road
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The OSC Bulletin is published weekly by Carswell, under the authority of the Ontario Securities Commission.

Subscriptions are available from Carswell at the price of $549 per year.

Subscription prices include first class postage to Canadian addresses. Outside Canada, these airmail postage charges apply on a current subscription:

U.S.	$175
Outside North America	$400

Single issues of the printed Bulletin are available at $20 per copy as long as supplies are available.

ISSN 0226-9325

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

SEPTEMBER 5, 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
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20 Queen Street West
Toronto, Ontario
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- -

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Paul K. Bates	—	PKB
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 10:00 a.m.	**Brian Anderson, Leslie Brown, Douglas Brown, David Sloan and flat Electronic Data Interchange (a.k.a. F.E.D.I.)**
	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 10:00 a.m.	**Ricardo Molinari, Ashley Cooper, Thomas Stevenson, Marshall Sone, Fred Elliott, Elliott Management Inc. and Amber Coast Resort Corporation**
	s. 127
	E. Cole in attendance for Staff
	Panel: RLS/HPH

October 20 to November 7, 2003	**M.C.J.C. Holdings Inc. and Michael Cowpland**
10:00 a.m.	s. 127
	M. Britton in attendance for Staff
	Panel: WSW/PKB/RWD
November 3-10, 12 and 14-21, 2003	**Patrick Fraser Kenyon Pierrepont Lett, Milehouse Investment Management Limited, Pierrepont Trading Inc., BMO Nesbitt Burns Inc.*, John Steven Hawkyard+ and John Craig Dunn**
10:00 a.m.	s. 127
	K. Manarin in attendance for Staff
	Panel: HLM/MTM/ST

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

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

1.1.2 Notice of Commission Approval - Amendments to TSX Rule 4-802 and to Rule 1-101(2) Regarding Cross Interference Exempt Marker

THE TORONTO STOCK EXCHANGE INC. (TSX)
NOTICE OF COMMISSION APPROVAL
AMENDMENTS TO TSX RULE 4-802 AND TO RULE 1-101(2) REGARDING
CROSS INTERFERENCE EXEMPT MARKER

On August 26, 2003, the Commission approved amendments to TSX Rules 4-802 and 1-101 to allow for the entry and execution of certain types of trades which will be exempt from same firm interference if entered as part of an intentional cross. These trades will be marked with a special marker ("Cross Interference Exempt Marker"). The amendments were initially published for comment on July 5, 2002 at (2002) 25 OSCB 4350. Some changes have been made to the amendments since the time they were previously published. The amendments are being republished in Chapter 13 of this Bulletin, along with a summary of comments received and responses from the TSX. The amendments have been black lined to indicate the changes from the previously published version.

1.1.3 OSC Staff Notice 45-705 – Interpretation of Section 130.1 of the Securities Act

ONTARIO SECURITIES COMMISSION STAFF NOTICE 45-705 – INTERPRETATION OF SECTION 130.1 OF THE *SECURITIES ACT*

Section 130.1 (*Liability for misrepresentation in offering memorandum*) was introduced in the *Securities Act* through the *More Tax Cuts for Jobs, Growth and Prosperity Act, 1999*. The section was intended to replace the contractual rights of action required by the Regulation under the *Securities Act* to be conferred by issuers upon investors who purchase securities pursuant to certain prospectus exemptions for misrepresentations in an offering memorandum. Section 130.1 also created, for the first time, a statutory right of action for damages or rescission against "a selling security holder on whose behalf the distribution is made".

We understand that some securities practitioners are taking the view that the reference in Section 130.1 to "a selling security holder on whose behalf the distribution is made" could be read to include an underwriter where it purchases securities for resale on a private placement basis. Under this interpretation, the underwriter in an underwritten private placement would be liable to purchasers for a misrepresentation in the offering memorandum and, incidentally, would not have a due diligence defence under Section 130.1. The term "selling security holder" is not defined in the Act.

Staff have been asked for their views on this question. Staff discussed the issue with a group of senior securities lawyers and considered that it would be helpful to underwriters, issuers and their advisors to set forth our views on this matter.

- The extension of rights of action to include both issuers and selling security holders as defendants was intended to overcome a long standing problem under the contractual rights of action provision of the Regulations which, in effect, required that purchasers be given a right against an issuer even in circumstances where the private placement was entirely a secondary offering by a selling shareholder.

- Had the legislation intended to include underwriters in the defendant class, it would have done so expressly, as does Section 130(1)(b) of the *Securities Act*.

- There is no apparent policy rationale for drawing a distinction, as the suggested interpretation of Section 130.1 would require, between underwriters who purchase as principal securities for distribution by private placement and underwriters who act merely as agents in a distribution by private placement. It is noteworthy that under Section 130, underwriters' liability does not turn on whether the underwriter purchases as principal, or sells as agent, but rather whether the underwriter signs the certificate in the prospectus.

- As a matter of statutory interpretation, Section 130.1 must be read in the context of the entire *Securities Act*, including Section 130. Section 130 has always included in the defendant class a selling security holder. It has never been suggested, however, that an underwriter (including one that did not sign the prospectus) might be liable under Section 130(1)(a) as a selling security holder rather than under Section 130(1)(b) as an underwriter. The significance of the distinction under Section 130 is that if the underwriter were liable under (a) it would have no due diligence defence but would have such a defence under (b). The common interpretation of a "selling security holder" and "underwriter" under Section 130 is that they are mutually exclusive.

- Had the intention been to create underwriter liability under Section 130.1, the legislation would have included a due diligence defence for underwriters as there would be no policy basis for subjecting underwriters to a higher standard of liability in the private placement context than in the public offering context.

For the foregoing reasons, Staff is of the view that Section 130.1 was not intended to impose liability for misrepresentations in an offering memorandum on an underwriter in an underwritten private placement.

Questions may be referred to:

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1.1.4 Multilateral Instrument 45-105 Trades to Employees, Senior Officers, Directors, and Consultants and OSC Rule 45-801 Implementing Multilateral Instrument 45-105 Trades to Employees, Senior Officers, Directors, and Consultants

MULTILATERAL INSTRUMENT 45-105
TRADES TO EMPLOYEES, SENIOR OFFICERS, DIRECTORS, AND CONSULTANTS

AND

RULE 45-801 IMPLEMENTING
MULTILATERAL INSTRUMENT 45-105
TRADES TO EMPLOYEES, SENIOR OFFICERS, DIRECTORS, AND CONSULTANTS

The Commission is publishing in today's Bulletin amendments (the "Amendments") to:

- Multilateral Instrument 45-105 *Trades to Employees, Senior Officers, Directors, and Consultants* (the "Instrument"); and
- Rule 45-801 *Implementing Multilateral Instrument 45-105 Trades to Employees, Senior Officers, Directors, and Consultants* (the "Implementing Rule").

The Commission made the Amendments on September 2, 2003 and delivered them to the Minister of Finance on September 3, 2003. If the Minister approves the Amendments, they will come into force 15 days after the Amendments are approved. If the Minister does not approve or reject the Amendments by November 3, 2003, they will come into force on November 18, 2003.

The Amendments will amend the Instrument in Ontario only. The Commission expects that the securities regulatory authorities in the other participating jurisdictions will publish similar amendments for comment. In the meantime, the securities regulatory authorities in the other participating jurisdictions may adopt blanket rulings or similar instruments to address the existing technical problems with the Instrument.

The Amendments are published in Chapter 5 of the Bulletin.

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Corinthian Colleges, Inc. and Corinthian Canada Acquisition Inc. - MRRS Decision

Headnote

Mutual Reliance Review System - take-over bid - employment agreement to be entered into between offeror and selling security holders who are also senior officers of offeree – bonus payments under agreements payable upon achievement of performance targets and in lieu of change of control payments – agreements negotiated at arm's length and on commercially reasonable terms – arrangements consistent with those between offeror and its employees - decision that the employment agreements are being entered into for reasons other than to increase the value of the consideration paid to the selling security holders for their shares and that the employment agreements may be entered into despite the prohibition against collateral benefits.

Statute Cited

Securities Act R.S.O. 1990, c. S.5, as amended, ss. 97(2) and 104(2)(a).

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

AND

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

AND

IN THE MATTER OF
CORINTHIAN COLLEGES, INC.,
CORINTHIAN CANADA ACQUISITION INC.
and
CDI EDUCATION CORPORATION

MRRS DECISION DOCUMENT

WHEREAS Corinthian Colleges, Inc. ("Corinthian"), through its wholly owned subsidiary Corinthian Canada Acquisition Inc. (the "Applicant"), has made a take-over bid (the "Offer") to acquire all of the issued and outstanding common shares (the "Common Shares") of CDI Education Corporation (the "Offeree");

AND WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of Ontario, British Columbia, Alberta, Manitoba, Saskatchewan, Quebec, Nova Scotia, and Newfoundland and Labrador (the "Jurisdictions") has received an application from the Applicant for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the employment agreements (the "Employment Agreements") which the Applicant has entered into, or may hereafter enter into, with William Rasberry ("Rasberry"), Desmond Soye ("Soye"), Mark Korol ("Korol"), and the employee retention bonuses (the "Retention Bonuses") which the Applicant has offered to, or may hereafter offer to, certain employees ("Key Personnel") of the Offeree to encourage such Key Personnel's continued employment with the Applicant following successful completion of the Offer are made for reasons other than to increase the value of the consideration paid to Rasberry, Soye, Korol and the Key Personnel that hold Common Shares or "in-the-money" options to purchase Common Shares (the "Key Personnel Shareholders"), and that the Employment Agreements and Retention Bonuses may be entered into or paid notwithstanding the requirement contained in the Legislation which prohibits, in the context of a take-over bid, the entering into of any collateral agreement with any holder of the offeree issuer that has the effect of providing to the holder a consideration of greater value than that offered to the other holders of the same class of securities ("Prohibition on Collateral Agreements");

AND WHEREAS under the Mutual Reliance System for Relief (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 Quebec Commission Notice 14-101;

AND WHEREAS the Applicant and Corinthian have represented to the Decision Makers that:

1. Corinthian is a corporation existing under the laws of Delaware and is not a reporting issuer in any of the Jurisdictions.

2. The Applicant is a wholly owned subsidiary of Corinthian and is a corporation existing under the laws of Ontario. The Applicant is not a reporting issuer in any of the Jurisdictions.

3. Corinthian has made the Offer indirectly through the Applicant. The Offer is for all of the issued and outstanding Common Shares of the Offeree at $4.33 in cash per Common Share.

4. The Offer was made by way of a take-over bid circular sent to all shareholders of the Offeree (the "Offeree Shareholders") on July 14, 2003. The Offer will expire at 12:01 a.m. on August 19, 2003, unless extended or varied.

5. Neither Corinthian nor the Applicant will, as a result of the Offer, become a reporting issuer under the Legislation.

6. As at June 23, 2003, the Offeree had 9,936,401 Common Shares issued and outstanding. The Common Shares are listed and posted for trading on the Toronto Stock Exchange.

7. Rasberry is the President of the Offeree. Rasberry holds or controls 239,515 Common Shares and "in-the-money" options to acquire Common Shares of the Offeree or approximately 2.3% of the outstanding Common Shares and "in-the-money" options. Under the Offer, Rasberry will receive $1,037,100 as consideration for his Common Shares and "in-the-money" options.

8. Korol is the Chief Financial Officer of the Offeree. Korol holds or controls 15,600 Common Shares and "in-the-money" options to acquire Common Shares of the Offeree or approximately 0.2% of the outstanding Common Shares and "in-the-money" options. Under the Offer, Korol will receive $67,548 as consideration for his Common Shares and "in-the-money" options.

9. Soye is the Chief Operating Officer of the post-secondary school business of the Offeree. Soye directly holds or controls 165,131 Common Shares and "in-the-money" options to acquire Common Shares of the Offeree or approximately 1.6% of the outstanding Common Shares and "in-the-money" options. The Applicant understands that Soye also has an indirect interest in the Offeree that, added to his direct interest, results in Soye having a total economic interest representing approximately 2.7% of the outstanding Common Shares. Under the Offer, Soye will receive $715,017 as consideration for his Common Shares and "in-the-money" options.

10. The 17 Key Personnel are senior employees in various areas of the Offeree's business and operations. There are eight Key Personnel Shareholders holding 20,733 Common Shares, which together amount to 0.2 % of the issued and outstanding Common Shares of the Offeree, and thirteen Key Personnel Shareholders holding an aggregate of 195,000 "in-the-money" options to acquire Common Shares representing 1.9% of the outstanding Common Shares. The total "in-the-money" options and Common Shares held by the Key Personnel Shareholders represent 2.1 % of the outstanding Common Shares and "in-the-money" options. To the knowledge of the Applicant, three Key Personnel hold neither Common Shares nor "in-the-money" options.

11. Rasberry, Korol and Soye and certain of the Key Personnel Shareholders have agreed with the Applicant to tender their Common Shares (including Common Shares to be issued upon exercise of their "in-the-money" options) under the Offer. The aggregate number of Common Shares subject to lock-up agreements represents 6,901,341 Common Shares or approximately 67% of the outstanding Common Shares and Common Shares issuable upon the exercise of "in-the-money" options.

12. If the Offer is completed the Applicant intends to make, or has already conditionally made, the following employment arrangements:

    (a) the Employment Agreements with Rasberry, Korol and Soye; and,

    (b) the Retention Bonuses payable to the Key Personnel.

13. The Employment Agreements which have been, or may be, entered into with Rasberry, Korol and Soye are on substantially the same terms as their current arrangements with the Offeree other than the following material modifications:

    (a) Under the Employment Agreements with Rasberry and Soye, the Applicant will pay a Retention Bonus of $252,000 to Rasberry, being 100% his proposed salary, and a Retention Bonus of $165,000 to Soye, being 75% of his existing salary, in the event that they remain employed by the Applicant for twelve (12) months from the date of the close of the Offer. These Agreements also provide for post-acquisition performance bonuses of up to a maximum of $63,000 and $55,000 respectively (the "Post-Acquisition Performance Bonuses") should Rasberry and Soye meet the individual revenue and profitability targets to be agreed upon with the President and Chief Operating Officer of Corinthian; and

    (b) The proposed Employment Agreement with Korol sets out an express termination provision which would entitle Korol to 6 months notice of termination and 6 months salary upon termination.

14. The purpose of paying Rasberry and Soye Retention Bonuses and Post-Acquisition Performance Bonuses is to provide them with an incentive to continue their involvement with the Offeree and improve the Offeree's performance

after the Offer is completed. The Applicant believes these two individuals have been important to the development of the business of the Offeree to date and they are very important to the relationship between the Offeree and many of its principal clients. The Applicant believes that it is important to the long-term success and growth of the Offeree that both Rasberry and Soye be retained as employees.

15. In addition, Rasberry has conditionally waived a twelve month total compensation change of control payment which could otherwise provide him with an incentive to leave the Offeree immediately upon completion of the Offer. Although the Offeree has agreed to pay Rasberry a bonus on the completion of the Offer of $120,000 (which is one third of the value of such change of control payment), the payment of Rasberry's Retention Bonus (which is equal to two-thirds of the change of control payment that he has waived) has been deferred for a year and is contingent upon Rasberry continuing to be employed with the Offeree twelve months following completion of the Offer.

16. The value to accrue to each of Rasberry and Soye in respect of the Post-Acquisition Performance Bonuses will only be paid if the Offeree meets certain revenue and profit targets for the two quarters immediately following the completion of the Offer. The Post-Acquisition Performance Bonuses, therefore, are only payable if there is an enhancement in the performance of the Offeree over and above the performance that is reasonably expected at the time the targets are established.

17. It is anticipated that the terms of the Employment Agreements will provide both Rasberry and Soye with long-term incentives to support and grow the business of the Offeree and to assist with the transition of the business to new ownership.

18. The Employment Agreements have been negotiated with each of Rasberry and Soye at arm's length and have been made on terms and conditions that are commercially reasonable. The salary entitlements for each of Rasberry and Soye are substantially similar to the salaries they are entitled to under their current compensation arrangements with the Offeree and are commensurate with the salary entitlement of employees of Corinthian with similar levels of responsibility.

19. The purpose of the proposed amendment to Korol's current employment arrangement is to clarify the rights and obligations of the parties on a termination of employment. The Applicant has been advised by counsel that the proposed termination provision in Korol's Employment Agreement represents a termination entitlement that is within the range which Korol would likely be entitled at common law.

20. The Applicant believes that the Key Personnel have been an integral part of the successful development of the Offeree's business and have substantial and valuable experience and expertise in the private education industry. The Applicant views the retention of the Key Personnel as important to the success of the Offer, as the Key Personnel have contributed to the development of the Offeree business and have performed significant work on its current business products and services. The Retention Bonuses will be paid for the primary purpose of ensuring the Key Personnel's continued participation in the successful management and development of the Offeree's business within Corinthian's operations following the consummation of the Offer and will assist with the transition of the business to new ownership.

21. The Retention Bonuses payable to each employee of the Offeree who has been identified as Key Personnel for this purpose will represent a minority component of their total compensation and are reasonable in light of the services to be rendered by each of the Key Personnel following completion of the Offer.

22. Corinthian has provided similar retention and incentive packages in the comparable acquisitions it has undertaken to ensure management continuity so as to preserve and grow the value of the acquired business. Corinthian believes that these performance bonuses and retention bonuses are customary in the industry. Further, the performance bonuses are consistent with bonuses made available to similarly situated Corinthian employees. As this is the first acquisition that Corinthian has undertaken outside of the United States and as the corporate training segment of the Offeree's business represents a substantial expansion of that business segment for Corinthian, retention of key senior officers and other key management is very important to the success of the acquisition.

23. In the context of the Offer, Corinthian's control of the Offeree is assured as it has tender commitments from Offeree Shareholders holding at least two-thirds of the outstanding Common Shares (including those to be issued upon exercise of "in-the-money" options), excluding Common Shares held by Rasberry, Soye, Korol and the Key Personnel Shareholders. Therefore, there is no intent by the Applicant to provide any minority Offeree Shareholders with consideration for his or her Common Shares which is greater than that provided to other Offeree Shareholders.

24. The entering into of the Employment Agreements and the payment of the Retention Bonuses are

made for valid business reasons unrelated to Rasberry's, Soye's, Korol's or the Key Personnel Shareholders' holdings of Common Shares or options (if any) and not for the purpose of conferring an economic or collateral benefit that the other Offeree Shareholders do not enjoy or to increase the value of the consideration to be paid to Rasberry, Soye, Korol or the other Key Personnel Shareholders for their Common Shares tendered under the Offer.

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

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

THE DECISION of the Decision Makers in the Jurisdictions under the Legislation is that, in connection with the Offer, the entering into of the Employment Agreements and the payment of the Retention Bonuses is being done for reasons other than to increase the value of the consideration to be paid to Rasberry, Soye, Korol and the Key Personnel Shareholders in respect of the Common Shares or "in-the-money" options held by such employees and may be entered into or paid notwithstanding the Prohibition on Collateral Agreements.

August 15, 2003.

"Paul M. Moore" "Robert L. Shirriff"

2.1.2 GenSci Regeneration Sciences Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Application – relief granted from the requirement to send copies of an information circular to the latest address known for the issuer's shareholders – issuer permitted to send a summary of the information circular, form of proxy, and a notice of meeting to its shareholders, and post the full information circular on its web page – the notice of meeting will state that the full information circular is available electronically or, on request, in printed form – issuer recently emerged from bankruptcy protection and its operating subsidiary is still in bankruptcy protection, so cost of mail out would be prohibitive.

Applicable Ontario Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 86, 88(2)(b).

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

AND

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

AND

IN THE MATTER OF
GENSCI REGENERATION SCIENCES INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta and Ontario (collectively, the "Jurisdictions") has received an application from GenSci Regeneration Sciences Inc. (the "Filer") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to send copies of an information circular (the "Joint Information Circular"), prepared in connection with a proposed plan of arrangement (the "Plan of Arrangement") involving the Filer and IsoTis S.A., to the latest address known for each of the Filer's shareholders shall not apply to the Filer in connection with the meeting of its shareholders to be held to consider the Plan of Arrangement;

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

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

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

1. the Filer was amalgamated under the British Columbia *Company Act* (the "Company Act") and has its head office in Irvine, California;

2. the Filer is a reporting issuer in each of the Jurisdictions and is up to date with all its filings under the Legislation and under the Company Act;

3. the Filer will be calling an extraordinary general meeting (the "Meeting") to obtain shareholder approval of the Plan of Arrangement;

4. the Filer will be required to send over 4,321 copies of the Joint Information Circular, estimated to be over 250 pages in length, to its shareholders in connection with the Meeting;

5. the estimated costs per shareholder associated with the printing and mailing of the Joint Information Circular will be greater than the current value of the shares owned by many of the Filer's shareholders;

6. the Filer emerged from United States Chapter 11 bankruptcy protection on August 1, 2003, but its material subsidiary, GenSci OrthoBiologics, Inc., which operates most of the Filer's business, is still under United States Chapter 11 bankruptcy protection;

7. the cost of sending the Joint Information Circular to all of the Filer's shareholders would be prohibitive to the Filer;

8. in accordance with National Policy 11-201 *Delivery of Documents by Electronic Means*, the Filer will ensure that:

    (a) its shareholders receive written notice, by mail, that the Joint Information Circular is electronically available to them;

    (b) its shareholders are provided with a summary of the Joint Information Circular (the "Summary") which will contain a succinct and clear outline of the Plan of Arrangement, with references to where and how the full text of the Joint Information Circular may be accessed electronically or provided to the shareholder in printed form, free of charge;

    (c) its shareholders have easy access to the Joint Information Circular through SEDAR and through the Filer's website designated in the notice referred to in paragraph (a) or by requesting and receiving a printed copy, free of charge, from the Filer; and

    (d) the Joint Information Circular available electronically to shareholders is identical in its content to the printed copy;

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 send printed copies of the Joint Information Circular to the latest address known for each of the Filer's shareholders shall not apply to the Filer in connection with the Meeting, provided that the Filer ensures that:

(a) it sends by mail to its shareholders, at the latest address known to the Filer, copies of the notice of meeting, the Summary, and a form of proxy;

(b) the notice of meeting states that the Joint Information Circular is available to the shareholders electronically or, by request, in its printed form;

(c) its shareholders have access to the Joint Information Circular through SEDAR and through the Filer's website designated in the notice of meeting or by requesting and receiving from the Filer, a printed copy, free of charge; and

(d) the Joint Information Circular available electronically to shareholders is identical in its content to the printed copy.

August 18, 2003.

"Joyce Maykut"

2.1.3 Canada Pension Plan Investment Board - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – directors and senior officers of Government-owned investment manager who are insiders of a reporting issuer solely as a result of being directors or senior officers of the investment manager exempted from the insider reporting requirements provided that the investment manager complies with reporting and filing requirements as if it were an "eligible institutional investor" under National Instrument 62-103.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am. ss. 107 and 121(2).

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

AND

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

AND

IN THE MATTER OF
THE CANADA PENSION PLAN INVESTMENT BOARD

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the **Decision Maker**) in each of Saskatchewan, British Columbia, Alberta, Ontario, Manitoba, Québec, Nova Scotia and Newfoundland and Labrador (the **Jurisdictions**) has received an application from the Canada Pension Plan Investment Board (**CPP Investment Board** or the **Applicant**) for a decision under the securities legislation (the **Legislation**) of the Jurisdictions that the Applicant's directors and senior officers be exempt from the Insider Reporting Requirements in cases where they are insiders of a reporting issuer solely as a result of being a director or senior officer of the Applicant;

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

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

(a) The CPP Investment Board was established as a corporation under the *Canada Pension Plan Investment Board Act* (the **CPP Investment Board Act**) and is governed by the CPP Investment Board Act and the Regulations made thereunder (**Regulations**). All of the share capital of the CPP Investment Board is held by the Minister of Finance of Canada (the **Minister of Finance**).

(b) The objects of the CPP Investment Board under the CPP Investment Board Act are to manage amounts that are transferred to it by the Canada Pension Plan and to invest its assets with a view to achieving a maximum rate of return, without undue risk of loss, having regard to the factors that may affect the funding of the Canada Pension Plan and the ability of the Canada Pension Plan to meet its financial obligations. The CPP Investment Board does not manage any assets, other than those that are transferred to it under the Canada Pension Plan.

(c) The CPP Investment Board is the sole provider of investment management services to the Canada Pension Plan. It currently manages approximately $14.6 billion, mostly invested in index funds, and expects to manage in excess of $130 billion in assets by 2012.

(d) The CPP Investment Board has the capacity of a natural person and its business is managed and supervised by a board of directors (the **Board of Directors**) appointed by the Governor in Council on the recommendation of the Minister of Finance. The Board of Directors is required to establish, and has established, an audit committee and an investment committee.

(e) The CPP Investment Board provides investment management services to the Canada Pension Plan which are comparable to the services provided by "investment managers", as that term is defined in National Instrument 62-103 – Early Warning System and Related Take-Over Bid and Insider Reporting Issues (**NI 62-103**). The CPP Investment Board is not an investment manager for purposes of NI 62-103 because the CPP Investment Board is not, and is not required to be, registered as an "adviser" under the Legislation. Therefore, the

CPP Investment Board is not an "eligible institutional investor" under NI 62-103.

(f) On October 25, 2002, the Decision Makers have granted a decision relieving the Applicant from (i) the requirements triggered by the acquisition of 10% or more of a class of voting or equity securities under the provisions of securities legislation listed in Appendix B of NI 62-103; (ii) the restrictions regarding further acquisitions of securities under the provisions of securities legislation listed in Appendix C of NI 62-103; and (iii) the requirement for an insider of a reporting issuer to file reports disclosing the insider's direct or indirect beneficial ownership of, or control or direction over, securities of a reporting issuer, in each case, as if the Applicant is an "eligible institutional investor" under NI 62-103.

(g) As the CPP Investment Board is not an "eligible institutional investor" under NI 62-103, its directors and senior officers are not entitled to the exemption from the Insider Reporting Requirements available to directors and senior officers of "eligible institutional investors" in Section 8.3 of NI 62-103. Consequently, the directors and officers of the CPP Investment Board are subject to the Insider Reporting Requirements in cases when they become insiders of a reporting issuer solely as a result of being a director or senior officer of the CPP Investment Board.

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

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

THE DECISION of the Decision Makers under the Legislation is that every director or senior officer of the Applicant who is an insider of a reporting issuer solely as a result of being a director or senior officer of the Applicant, who is itself an insider of the reporting issuer, is exempt from the Insider Reporting Requirements, provided that the Applicant continues to comply with, and to meet, the applicable reporting and filing requirements and other applicable conditions enumerated in NI 62-103 as if the Applicant is an "eligible institutional investor" thereunder.

August 6, 2003.

"W.S. Wigle" "P.K. Bates"

2.1.4 Mackenzie Financial Corporation - MRRS Decision

Headnote

Revocation and replacement of MRRS decision document dated July 26, 2002. New decision document providing the same exemptions from the mutual fund self-dealing prohibitions of clauses 111(2)(a) and (c) and 111(3) of the Securities Act (Ontario) but relief expanded to include new related parties and additional funds as a result of a merger. Mutual funds allowed to hold securities of companies that are related to the mutual funds and to make further purchases and sales of those securities and retain those securities provided that a fund governance mechanism is used to oversee the holdings, purchases or sales of securities of related companies for the mutual funds and to ensure that such holdings, purchases or sales have been made free from any influence by a related company and without taking into account any consideration relevant to a related company.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990 c. S.5, as am., 111(2)(a) and (c) and 111(3) and 144.

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

AND

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

AND

IN THE MATTER OF
MACKENZIE FINANCIAL CORPORATION
MACKENZIE UNIVERSAL CANADIAN GROWTH FUND
MACKENZIE UNIVERSAL CANADIAN
GROWTH CAPITAL CLASS
MACKENZIE SHORT-TERM BOND FUND
LLIM BALANCED STRATEGIC GROWTH FUND
LLIM CANADIAN DIVERSIFIED EQUITY FUND
LLIM CANADIAN GROWTH SECTORS FUND
LLIM CANADIAN BOND FUND
LLIM INCOME PLUS FUND
GWLIM CORPORATE BOND FUND
KEYSTONE AGF BOND FUND
MACKENZIE MAXXUM PENSION FUND
MACKENZIE MAXXUM CANADIAN VALUE FUND
MACKENZIE BALANCED FUND
MACKENZIE MAXXUM DIVIDEND FUND
MACKENZIE MAXXUM DIVIDEND GROWTH FUND
MACKENZIE INCOME FUND
MACKENZIE IVY ENTERPRISE FUND
MACKENZIE IVY GROWTH AND INCOME FUND
MACKENZIE IVY CANADIAN FUND

MACKENZIE HORIZON CAPITAL CLASS
MACKENZIE IVY CANADIAN CAPITAL CLASS
MACKENZIE IVY ENTERPRISE CAPITAL CLASS
MACKENZIE PREMIER INTERNATIONAL
INVESTMENT CANADIAN EQUITY FUND
MACKENZIE UNIVERSAL FUTURE CAPITAL CLASS
MACKENZIE UNIVERSAL SELECT MANAGERS
CANADA CAPITAL CLASS
MACKENZIE UNIVERSAL
CANADIAN BALANCED FUND
MACKENZIE UNIVERSAL FUTURE FUND
MACKENZIE UNIVERSAL SELECT
MANAGERS CANADA FUND
CLARICA SUMMIT EQUITY FUND
CLARICA SUMMIT GROWTH AND INCOME FUND
CLARICA SUMMIT DIVIDEND GROWTH FUND
KEYSTONE AIM/TRIMARK CANADIAN EQUITY FUND
KEYSTONE AGF EQUITY FUND
KEYSTONE SPECTRUM EQUITY FUND

AND

TOGETHER WITH SUCH OTHER FUNDS AS ARE OR MAY BE ESTABLISHED AND POSSIBLYADVISED BY MACKENZIE FINANCIAL CORPORATION FROM TIME TO TIME

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") issued a decision on April 17, 2001 which was replaced by an amended decision on July 26, 2002 (the "First Amended Decision") pursuant to the securities legislation of the Jurisdictions (the "Legislation") that certain provisions of the Legislation do not apply so as to prevent certain funds established and possibly advised by Mackenzie from investing in, or continuing to hold an investment in, the securities of Power Corporation of Canada ("PCC"), Power Financial Corporation ("PFC") and Great-West Lifeco Inc. ("Lifeco") (collectively, the "Initial Related Companies"), subject to certain conditions;

AND WHEREAS Lifeco has entered into a securities exchange transaction (the "Exchange Transaction") with Canada Life Financial Corporation ("CLFC") whereby Lifeco will acquire all of the outstanding common shares of CLFC pursuant to a transaction agreement made as of February 14, 2003;

AND WHEREAS the Decision Makers wish to rescind the First Amended Decision dated July 26, 2002;

AND WHEREAS Mackenzie has made a further application for a decision (the "Decision") pursuant to Legislation as a result of the Exchange Transaction that the following provisions do not apply so as to prevent the funds listed in Schedule A (the "New Funds") together with the funds set out in the First Amended Decision listed in Schedule B and such other funds that are or may be established and possibly advised by Mackenzie from time to time (individually a "Fund" and collectively the "Funds") from investing in, or continuing to hold an investment in, securities of the Related Companies (as hereinafter defined):

(a) the provisions prohibiting a mutual fund from knowingly making or holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company; and

(b) the provision prohibiting a mutual fund from knowingly making or holding an investment in an issuer in which a substantial security holder of the mutual fund, its management company or its distribution company has a significant interest (the provisions of (a) and (b) being collectively, the "Investment Restrictions");

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

AND WHEREAS it has been represented to the Decision Makers as follows:

1. The Funds are open-ended mutual fund trusts established or mutual fund corporations incorporated, under the laws of the Province of Ontario.

2. Mackenzie is the manager, registrar and advisor of each of the New Funds and will also be the advisor to the Funds and may also be the manager of the Funds. Mackenzie is a corporation incorporated under the laws of Ontario and is registered as an investment counsel and portfolio manager/commodity trading manager under the securities legislation in Ontario, as an investment portfolio manager and investment counsel under the securities legislation in Alberta and as a portfolio manager under the securities legislation in Manitoba.

3. The securities of the Funds are or will be offered for sale in all of the provinces and territories of Canada. Each of the Funds is or will be a reporting issuer or equivalent under the Legislation and is not on a list of defaulting issuers maintained under the Legislation.

4. On April 17, 2001, Investors Group Inc. ("IG") purchased all of the outstanding common shares of Mackenzie.

5. As a result of the First Amended Decision granted by the Decision Makers dated July 26, 2002, the Funds are permitted to purchase and hold securities of the Initial Related Companies.

6. Lifeco is a company incorporated under the *Canada Business Corporations Act* and is a reporting issuer or equivalent in each of the Jurisdictions.

7. As at April 8, 2003, PCC held 67.1% of the voting securities of PFC. As at February 14, 2003, PFC held 78.49% of the common equity share capital of Lifeco. PFC will hold approximately 69.21% of the common equity share capital of Lifeco after the completion of the Exchange Transaction. PFC holds, directly and indirectly, more than 58% of the outstanding common shares in the capital of IG and IG owns 100% of the outstanding common shares of Mackenzie.

8. CLFC is an insurance company incorporated under the *Insurance Companies Act* (Canada) and is a reporting issuer or equivalent in each of the provinces and territories in Canada. CLFC's registered office is located at 330 University Avenue, Toronto, Ontario M5G 1R8.

9. The authorized share capital of CLFC consists of an unlimited number of CLFC Common Shares and an unlimited number non-voting preferred shares, issuable in series ("CLFC Preferred Shares"). As of April 8, 2003, there were no more than 160,440,000 CLFC Common Shares and 6,000,000 CLFC Preferred Shares issued and outstanding. The CLFC Preferred Shares are currently listed and posted for trading on the Toronto Stock Exchange ("TSX") and the CLFC Common Shares are currently listed and posted for trading on the TSX and the New York Stock Exchange.

10. The Canada Life Assurance Company ("CLA") is a direct subsidiary of CLFC and CLFC owns all of the outstanding common shares of CLA. CLA has issued and outstanding a $250 million principal amount 8% subordinated debenture, a $200 million principal amount 5.8% subordinated debenture, Series A, and a $100 million principal amount 6.4% subordinated debenture, Series B (collectively, the "CLA Debentures").

11. CLA has a significant interest in Canada Life Capital Trust (the "Trust"). The Trust issued Canada Life Capital Securities ("CLiCS") pursuant to a prospectus dated March 7, 2002. Each CLiCS represents an undivided beneficial ownership interest in the assets of the Trust. Holders of CLiCS have the right at any time to surrender their CLiCS for CLA Shares. The CLiCS will automatically be exchanged into CLA Shares if certain capital ratios are not maintained in the Trust or upon the occurrence of certain insolvency events. Starting in 2012, the CLA Shares are exchangeable for CLFC Common Shares.

12. It is anticipated that Lifeco will acquire all of the outstanding common shares of CLFC through the Exchange Transaction.

13. The Exchange Transaction will be effected through a reorganization of CLFC's capital structure. The Exchange Transaction was approved by more than 66-2/3% of the holders of common shares of CLFC who voted at a special meeting held on May 5, 2003.

14. Subject to the satisfaction of all closing conditions and obtaining all applicable regulatory approvals, it is anticipated that the Exchange Transaction will be completed on July 10, 2003.

15. As at April 8, 2003 each of the New Funds owned securities in CLFC, CLA and/or the Trust (collectively, the "CL Companies").

16. At the time the securities of the CL Companies were initially purchased, the CL Companies were not affiliated with the Funds or Mackenzie, and each investment by the Funds in the securities of the CL Companies represented the business judgment of professional portfolio advisers uninfluenced by considerations other than the best interests of the investors of the Funds.

17. Mackenzie believes that it is in the best interests of investors in the New Funds to retain the investments in the securities of the CL Companies.

18. Mackenzie believes that it would be in the best interests of investors of the Funds to be permitted to invest in the securities of the Initial Related Companies and the CL Companies (collectively, the "Related Companies"), in keeping with the investment objectives of the Funds, up to the limits allowed by applicable Legislation.

19. Mackenzie has established an Independent Review Committee (the "Independent Committee"), comprised entirely of individuals who are wholly independent of Mackenzie, to oversee the holdings, purchases or sales of securities of Related Companies for the Funds.

20. The Independent Committee shall review the holdings, purchases or sales of securities of the Related Companies to ensure that they have been made free from any influence by a Related Company and without taking into account any consideration relevant to a Related Company.

21. The Independent Committee will take into consideration the best interests of unitholders of the Funds and no other factors.

22. Compensation to be paid to members of the Independent Committee will be paid by the Funds

based on the relative size of holdings of the Related Companies in a Fund.

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

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

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

1. the First Amended Decision is hereby rescinded;

2. the Funds are exempt from the Investment Restrictions so as to enable the Funds to invest, or continue to hold an investment in, securities of a Related Company; and

3. this Decision, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation or rule of that Decision Maker dealing with mutual fund governance in a manner that conflicts with or makes inapplicable any provision of this Decision;

provided that:

(a) Mackenzie has appointed the Independent Committee to review the Funds' purchases, sales and continued holdings of securities of a Related Company;

(b) the Independent Committee has at least three members, none of whom is an associate, employee, director or officer of (i) Mackenzie, (ii) any portfolio manager of the Funds, or (iii) any associate or affiliate of Mackenzie or the portfolio managers of the Funds;

(c) the Independent Committee has a written mandate describing its duties and standard of care which, as a minimum, sets out the conditions of this Decision;

(d) the members of the Independent Committee exercise their powers and discharge their duties honestly, in good faith and in the best interests of investors in the Funds and, in doing so, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;

(e) none of the Funds relieves the members of the Independent Committee from liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph (d);

(f) none of the Funds indemnifies the members of the Independent Committee against legal fees, judgments and amounts paid in settlement as a result of a breach of the standard of care set out in paragraph (d);

(g) none of the Funds incurs the cost of any portion of liability insurance that insures a member of the Independent Committee for a liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph (d);

(h) the cost of any indemnification or insurance coverage paid for by Mackenzie, any portfolio manager of the Funds, or any associate or affiliate of Mackenzie or the portfolio managers of the Funds to indemnify or insure the members of the Independent Committee in respect of a loss that arises out of a failure to satisfy the standard of care set out in paragraph (d) is not paid either directly or indirectly by the Funds;

(i) the Independent Committee reviews the Funds' purchases, sales and continued holdings of securities of a Related Company on a regular basis, but not less frequently than every three months;

(j) the Independent Committee forms the opinion, after reasonable inquiry, that the decisions made on behalf of each Fund by Mackenzie or the Fund's portfolio manager to purchase, sell or continue to hold securities of a Related Company were and continue to be in the best interests of the Fund, and:

(i) represent the business judgment of Mackenzie or the Fund's portfolio manager, uninfluenced by considerations other than the best interest of the Fund,

(ii) have been made free from any influence by a Related Company and without taking into account any consideration relevant to a Related Company, and

(iii) do not exceed the limitations of the applicable legislation;

(k) the determination made by the Independent Committee pursuant to

paragraph (j) is included in detailed written minutes provided to Mackenzie not less frequently than every three months;

(l) the reports required to be filed pursuant to the Legislation with respect to every purchase and sale of securities of a Related Company are filed on SEDAR in respect of the relevant mutual fund;

(m) the Independent Committee advises the Decision Makers in writing of:

(i) any determination by it that the condition set out in paragraph (j) has not been satisfied with respect to any purchase, sale or holding of securities of a Related Company,

(ii) any determination by it that any other condition of this Decision has not been satisfied,

(iii) any action it has taken or proposes to take following the determinations referred to above, and

(iv) any action taken, or proposed to be taken, by Mackenzie or a portfolio manager of the Funds in response to the determinations referred to above; and

(n) the existence, purpose, duties and obligations of the Independent Committee, the names of its members, whether and how they are compensated by the Funds, and the fact that they meet the requirements of the condition set out in paragraph (b) are disclosed:

(i) in a press release issued, and a material change report filed, prior to reliance on the Decision,

(ii) in item 12 of Part A of the simplified prospectus of the Funds, excluding the names of the members of the Independent Committee which will be provided in the annual information form of the Funds, and

(iii) on Mackenzie's internet website.

July 9, 2003.

"Paul M. Moore" "Lorne Morphy"

SCHEDULE A

NEW FUNDS

Mackenzie Universal Canadian Growth Fund,
Mackenzie Universal Canadian Growth Capital Class,
Mackenzie Short-Term Bond Fund
LLIM Balanced Strategic Growth Fund
LLIM Canadian Diversified Equity Fund
LLIM Canadian Growth Sectors Fund
LLIM Canadian Bond Fund
LLIM Income Plus Fund
GWLIM Corporate Bond Fund
Keystone AGF Bond Fund

SCHEDULE B

FUNDS SET OUT IN FIRST AMENDED DECISION

Mackenzie Maxxum Pension Fund
Mackenzie Maxxum Canadian Value Fund
Mackenzie Balanced Fund
Mackenzie Maxxum Dividend Fund
Mackenzie Maxxum Dividend Growth Fund
Mackenzie Income Fund
Mackenzie Ivy Enterprise Fund
Mackenzie Ivy Growth And Income Fund
Mackenzie Ivy Canadian Fund
Mackenzie Horizon Capital Class
Mackenzie Ivy Canadian Capital Class
Mackenzie Ivy Enterprise Capital Class
Mackenzie Premier International Investment Canadian Equity Fund
Mackenzie Universal Future Capital Class
Mackenzie Universal Select Managers Canada Capital Class
Mackenzie Universal Canadian Balanced Fund
Mackenzie Universal Future Fund
Mackenzie Universal Select Managers Canada Fund
Clarica Summit Equity Fund
Clarica Summit Growth And Income Fund
Clarica Summit Dividend Growth Fund
Keystone AIM/Trimark Canadian Equity Fund
Keystone AGF Equity Fund
Keystone Spectrum Equity Fund

2.1.5 Stackpole Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer has only one security holder as a result of a take-over bid - issuer deemed to have ceased being a reporting issuer.

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

Applicable Ontario Statutory Provisions and Rules

Securities Act, R.S.O. 1990, c. S.5, as am. s. 83.
Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 1(6), s. 188.
National Instrument 21-101 Marketplace Operation, (2001) 24 OSCB 6591.

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

AND

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

AND

IN THE MATTER OF
STACKPOLE LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the Decision Maker) in each of Alberta, Saskatchewan, Ontario, Quebec, Nova Scotia, and Newfoundland and Labrador (the Jurisdictions) has received an application from Stackpole Limited (the Filer) for:

(a) a decision pursuant to the securities legislation of each of the Jurisdictions (the Legislation) that the Filer be deemed to cease to be a reporting issuer or its equivalent under the Legislation; and

(b) in Ontario only, an order pursuant to the *Business Corporations Act* (Ontario) (the OBCA) that the Filer be deemed to have ceased to be offering its securities to the public.

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

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

1. The Filer is incorporated under the OBCA and its principal executive office is located at 2381 Bristol Circle, Suite B-203, Oakville, Ontario L6H 5S9.

2. The Filer's authorized capital consists of an unlimited number of common shares and an unlimited number of first preference shares and second preference shares. The Filer currently has 10,361,092 common shares (the Common Shares) issued and outstanding and no first preference shares or second preference shares issued and outstanding.

3. The Filer is a reporting issuer or its equivalent in each of the Jurisdictions and is not in default of any requirement of the Legislation.

4. An offer to purchase (the Offer) the Common Shares was made on May 12, 2003 by 2023103 Ontario Inc., an indirect wholly-owned subsidiary of Tomkins plc (the Offeror). Pursuant to the Offer, the Offeror offered to purchase each Common Share, including any Common Shares which became outstanding after the date of such Offer upon exercise of outstanding options, warrants or other rights to purchase Common Shares, at a price of Cdn. $33.25. The Offer expired at 11:59 p.m. (Toronto time) on June 17, 2003.

5. More than 97% of the Common Shares were deposited under the Offer (the Deposited Common Shares). On June 18, 2003, the Offeror took up and paid for the Deposited Common Shares. The Offer has exercised its right under section 188 of the OBCA and acquired the remaining Common Shares not deposited under the Offer.

6. The Offeror is the sole beneficial owner of the Common Shares.

7. Other than the Common Shares, the Filer has no securities, including debt securities, outstanding.

8. The Common Shares are no longer available for trading on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.

9. The Filer does not intend to offer securities to the public.

10. The Filer will not be a reporting issuer or its equivalent in any jurisdiction in Canada immediately following the granting this MRRS Decision Document.

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 Filer be deemed to have ceased to be a reporting issuer in each of the Jurisdictions.

August 21, 2003.

"John Hughes"

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

August 21, 2003.

"Paul M. Moore" "Robert W. Davis"

2.1.6 Schneider Electric S.A. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from prospectus requirements granted in respect of trades in units of an employee savings fund made pursuant to a leveraged offering by French issuer, provided that all sales of such units pursuant to the leveraged offering be made through a registrant - relief from registration and prospectus requirements upon the redemption of such units for shares of the issuer - relief from the registration and prospectus requirements granted in respect of first trade of such shares where such trade is made through the facilities of a stock exchange outside of Canada - relief granted to the manager of the Fund from the adviser registration requirement.

Applicable Ontario Statutory Provisions

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

Applicable Ontario Regulations

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

Applicable Rules

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

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

AND

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

AND

IN THE MATTER OF
SCHNEIDER ELECTRIC S.A.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador (collectively, the "**Jurisdictions**") has received an application from Schneider Electric S.A. (the "**Filer**") for a decision under the securities legislation (the "**Legislation**") of the Jurisdictions that:

(i) the prospectus requirements contained in the Legislation shall not apply to certain trades in units ("**Units**") of the Schneider International 2003 FCPE (the "**Fund**") made pursuant to the Employee Share Offering (as defined below) to or with Qualifying Employees (as defined below) resident in the Jurisdictions who elect to participate in the Employee Share Offering (the "**Canadian Participants**");

(ii) the registration requirements contained in the Legislation shall not apply to trades in Units of the Fund made pursuant to the Employee Share Offering to or with Canadian Participants not resident in Ontario or Manitoba;

(iii) the registration and prospectus requirements shall not apply to the trades of ordinary shares of the Filer (the "**Shares**") by the Fund to Canadian Participants upon the redemption of Units by Canadian Participants, nor to the issuance of units of a successor fonds communs de placement d'enterprise (an "FCPE") to holders of Units upon the transfer of the assets of the Fund to the FCPE at the end of the Lock-Up Period (as defined below);

(iv) the registration and prospectus requirements shall not apply to trades of Shares by the successor FCPE to Canadian Participants upon the redemption by Canadian Participants of units in the successor FCPE;

(v) the registration and prospectus requirements shall not apply to the first trade in any Shares acquired by Canadian Participants under the Employee Share Offering where such trade is made through the facilities of a stock exchange outside of Canada; and

(iv) the manager of the Fund, AXA Gestion Intéressement (the "**Manager**") is exempt from the requirements contained in the Legislation to be registered as an adviser (the "**Adviser Registration Requirements**") to the extent that its activities in relation to the Employee Share Offering require compliance with the Adviser Registration Requirements.

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "**System**"), the Commission des valeurs mobilières du Québec 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 Filer has represented to the Decision Makers that:

1. The Filer is a corporation formed under the laws of France. It is not and has no intention of becoming a reporting issuer (or equivalent) under the Legislation. The Shares are listed on Euronext Paris.

2. The Filer carries on business in Canada through its affiliates, Schneider Canada Inc. and INDE Electronics, Inc. (the "**Canadian Affiliates**" and, together with the Filer and other affiliates of the Filer, the "**Schneider Group**"). The Canadian Affiliates are direct or indirect controlled subsidiaries of the Filer and are not, and have no intention of becoming, reporting issuers under the Legislation.

3. The Filer has established a worldwide stock purchase plan for employees of the Schneider Group (the "**Employee Share Offering**").

4. Only persons who have been employees of a member of the Schneider Group for a minimum of three months prior to the close of the subscription/revocation period for the Employee Share Offering (the "**Qualifying Employees**") will be invited to participate in the Employee Share Offering.

5. The Fund is an FCPE, a collective employee shareholding vehicle of a type commonly used in France for the conservation or custodianship of shares held by employee investors. The Fund was established for the purpose of implementing the Employee Share Offering. The Fund is not and has no intention of becoming a reporting issuer. Only Qualifying Employees will be allowed to hold Units of the Fund in an amount proportionate to their respective investments in the Fund.

6. Under French law, all Units acquired in the Employee Share Offering will be subject to a hold period of approximately five years (the "**Lock-Up Period**"), subject to certain exceptions prescribed by French law (such as a release on death or termination of employment). At the end of the Lock-Up Period, a Canadian Participant may redeem Units in the Fund according to the Redemption Formula (described below), to be settled by delivery of the number of Shares equal to such amount or the cash equivalent.

7. In the event of an early unwind resulting from the Canadian Participant satisfying one of the exceptions to the Lock-Up Period, a Canadian Participant may redeem Units from the Fund using the Redemption Formula (described below), but

using the market value of the Shares at the time of unwind to measure the increase, if any, from the Reference Price (described below).

8. Under the Employee Share Offering, Canadian Participants will purchase Units in the Fund, which will subscribe for Shares on behalf of the Canadian Participants using the Employee Contribution (as described below) and certain financing made available by a major European bank, Credit Agricole Indosuez ("**CAI**"), at a purchase price that is equal to the average of the opening price of the Shares on 20 trading days prior to the date the price is set (the "**Reference Price**"), less a 15% discount (the "**Subscription Price**").

9. Canadian Participants in the Employee Share Offering enjoy the benefit of a 15% discount in the Reference Price. The Canadian Participants effectively receive a share appreciation entitlement in the increase in value, if any, of the Shares financed by the CAI Contribution (as described below).

10. Participation in the Employee Share Offering represents an opportunity for Qualifying Employees potentially to obtain significantly higher gains than would be available through participation in a traditional share purchase plan, by virtue of the Qualifying Employee's indirect participation in a financing arrangement involving a swap agreement (the "**Swap Agreement**") between the Fund and CAI. In economic terms, the Swap Agreement effectively involves the following exchange of payments: for each Share which may be purchased by the Canadian Participant's contribution (the "**Employee Contribution**") under the Employee Share Offering at the Subscription Price, CAI will lend to the Fund (on behalf of the Canadian Participant) an amount sufficient to enable the Fund (on behalf of the Canadian Participant) to purchase an additional four Shares (the "**CAI Contribution**") at the Subscription Price.

11. Under the terms of the Swap Agreement, at the end of the Lock-Up Period (the "**Settlement Date**"), a Canadian Participant may redeem his or her Units in consideration for a payment (to be settled in cash or Shares) from the Fund of one of the following amounts:

    (i) if the average closing price of the Shares for each trading day during a period of approximately six months, ending one month prior to the end of the Lock-Up Period (the "**Final Price**") is greater than the Reference Price, a Canadian Participant will receive, (A) 100% of his or her Employee Contribution in euros, and (B) an amount equal to approximately 47% of the increase, if any, in the value of the Shares (the "**Appreciation Amount**") determined as the difference between the Final Price of the Shares and the Reference Price.

    (ii) if, at the end of the Lock-Up Period, the Final Price of the Shares is between the Reference Price and the Subscription Price, a Canadian Participant will receive 100% of his or her Employee Contribution in euros.

    (iii) if, at the end of the Lock-Up Period, the Final Price of the Shares is lower than the Reference Price, a Canadian Participant will receive at least 85% of his or her Employee Contribution in euros. (collectively, the "**Redemption Formula**")

12. Under no circumstances will a Canadian Participant be entitled to receive less than 85% of his or her Employee Contribution at the end of the Lock-Up Period, nor be liable for any other amounts.

13. For purposes of determining the number of Shares a Canadian Participant will receive, such Shares will be valued on the basis of a 5 trading day average of the opening and closing prices of the Shares prior to the end of the Lock-Up Period.

14. If a Canadian Participant fails to make an election to redeem his or her Units, an amount in cash or Shares equal to the amount calculated under paragraph 11 will be transferred to a successor FCPE. Units will be issued to the applicable Canadian Participants in recognition of the assets transferred to the new FCPE. The Canadian Participants may redeem the new units for cash or Shares whenever they wish;

15. Under French law, an FCPE is a limited liability entity. The risk statement provided to Canadian Participants will confirm that, under no circumstances, will a Canadian Participant be liable to any of the Fund, CAI or the Filer for any amounts in excess of his or her Employee Contribution under the Employee Share Offering.

16. During the term of the Swap Agreement, dividends paid on the Shares held in the Fund will be reinvested by the Fund in Shares. At the end of the Lock-Up Period the Shares acquired through such reinvestment will be liquidated and the proceeds paid to CAI by the Fund as partial consideration for the obligations assumed by CAI under the Swap Agreement.

17. For Canadian federal income tax purposes, the Canadian Participants in the Fund will be deemed to receive all dividends paid on the Shares financed by either the Employee Contribution or the CAI Contribution, at the time such dividends

are paid to the Fund, notwithstanding the actual non-receipt of the dividends by the Canadian Participants by virtue of the terms of the Swap Agreement. Consequently, Canadian Participants will be required to fund the tax liabilities associated with the dividends from their own resources.

18. The declaration of dividends on the Shares remains at the sole discretion of the board of directors of the Filer. The Filer has not made any commitment to CAI in respect of dividends.

19. To respond to the fact that, at the time of the initial investment decision relating to participation in the Employee Share Offering, Canadian Participants will be unable to quantify their potential income tax liability resulting from such participation, the Filer will indemnify each Canadian Participant for all tax costs to the Canadian Participants associated with the payment of dividends in excess of a specified amount of euros per Share during the Lock-Up Period such that, in all cases, a Canadian Participant will, at the time of the original investment decision, be able to quantify, with certainty, his or her maximum tax liability in connection with dividends received by the Fund on his or her behalf under the Employee Share Offering.

20. At the time the Canadian Participant's obligations under the Swap Agreement are settled, the Canadian Participant will realize a capital gain (or capital loss) by virtue of having participated in the Swap Agreement to the extent that amounts received by the Fund, on behalf of the Canadian Participant, from CAI exceed (or are less than) amounts paid by the Fund, on behalf of the Canadian Participant, to CAI. Capital losses (gains) realized by a Canadian Participant under the Swap Agreement may be offset against (reduced by) any capital gains (losses) realized by the Canadian Participant on a disposition of the Shares, in accordance with the rules and conditions under the *Income Tax Act* (Canada) or comparable provincial legislation (as applicable).

21. The Manager is a portfolio management company governed by the laws of France. The Manager is registered with the French Commission des Opérations de Bourse (the "**COB**") to manage French investment funds, employee plans and other investment products, and complies with the rules of the COB. The Manager is not and has no intention of becoming a reporting issuer under the Legislation.

22. The Manager may, for the Fund's account, acquire, sell or exchange all securities in the portfolio of the Fund. The Fund's portfolio will consist of Shares and the Swap Agreement, and may include cash equivalents which the Fund may hold pending investments in Shares and for purposes of Unit redemptions. The Manager's portfolio management activities in connection with the Employee Share Offering and the Fund are limited to purchasing Shares from the Filer, selling such Shares as necessary in order to fund redemption requests, and such activities as may be necessary to give effect to the Swap Agreement.

23. The Manager is also responsible for preparing accounting documents and publishing periodic informational documents as provided by the rules of the FCPE. The Manager's activities in no way affect the underlying value of the Shares.

24. Shares issued in the Employee Share Offering will be deposited in the Fund through BNP-Paribas Service Securities (the "**Depositary**"), a large French commercial bank subject to French banking legislation.

25. Under French law, the Depositary must be selected by the Manager from among a limited number of companies identified on a list by the French Minister of the Economy, and its appointment must be approved by the COB. The Depositary carries out orders to purchase, trade and sell securities in the portfolio and takes all necessary action to allow the Fund to exercise the rights relating to the securities held in its portfolio.

26. Canadian Participants will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.

27. The total amount invested by a Canadian Participant through the Employee Share Offering, including any CAI Contribution, cannot exceed 25% of his or her estimated gross annual compensation for 2003, although a lower limit may be established by the Canadian Affiliates.

28. None of the Filer, the Manager, the Canadian Affiliates or any of their employees, agents or representatives will provide investment advice to the Qualifying Employees with respect to an investment in the Units.

29. The Filer will retain a securities dealer registered as a broker/investment dealer under the Legislation of Ontario and Manitoba (the "**Registrant**") to provide advisory services to Canadian Participants resident in Ontario or Manitoba and to make a determination, in accordance with industry practices, as to whether an investment in the Employee Share Offering is suitable for each such Canadian Participant based on his or her particular financial circumstances. The Registrant will establish accounts for, and will receive the initial account statements from the Fund on behalf of, such Canadian Participants.

30. The Units of the Fund will be issued by the Fund to Canadian Participants resident in Ontario or Manitoba solely through the Registrant.

31. The Units will be evidenced by account statements issued by the Fund.

32. The Canadian Participants will receive an information package in the French or English language, as applicable, which will include a summary of the terms of the Employee Share Offering and a tax notice containing a description of Canadian income tax consequences of subscribing to and holding the Units and redeeming Units at the end of the Lock-Up Period. The information package will also include a risk statement which will describe certain risks associated with an investment in Units pursuant to the Employee Share Plan.

33. Upon request, Canadian Participants may receive copies of the French *Document de Référence* filed with the COB in respect of the Shares and a copy of the relevant Fund's rules (which are analogous to company by-laws). The Canadian Participants will also receive upon request copies of the continuous disclosure materials relating to the Filer furnished to Schneider Electric shareholders generally.

34. The Filer will provide contractual rights of action to Canadian Participants if the offering documents provided to the Canadian Participants contain a material misrepresentation in respect of the Employee Share Offering.

35. There are approximately 1,064 Qualifying Employees resident in Canada, in the provinces of Québec (139), Ontario (673), British Columbia (109), Alberta (107), Saskatchewan (8), Nova Scotia (8), Newfoundland and Labrador (1), New Brunswick (8) and Manitoba (11), who represent in the aggregate less than 3% of the number of Qualifying Employees worldwide.

36. As of the date hereof and after giving effect to the Employee Share Offering, Canadian residents do not and will not beneficially own (which term, for the purposes of this paragraph, is deemed to include all Shares held by the Fund on behalf of Canadian Participants) more than 10% of the Shares and do not and will not represent in number more than 10% of the total number of holders of the Shares as shown on the books of the Filer.

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:

(a) the prospectus requirements shall not apply to trades in Units of the Fund to or with the Canadian Participants made pursuant to the Employee Share Offering, provided that the first trade in such Units acquired by Canadian Participants pursuant to this Decision, in a Jurisdiction, shall be deemed a distribution or a primary distribution to the public under the Legislation of such Jurisdiction;

(b) the registration requirements shall not apply to trades in Units of the Fund made pursuant to the Employee Share Offering to or with Canadian Participants not resident in Ontario and Manitoba;

(c) the registration and prospectus requirements shall not apply to:

(i) trades of Shares by the Fund to the Canadian Participants upon the redemption of Units by Canadian Participants pursuant to the Employee Share Offering;

(ii) the issuance of units of a successor FCPE to holders of Units upon the transfer of the assets of the Fund to the successor FCPE; and

(iii) trades of Shares by the successor FCPE to the Canadian Participants upon the redemption by Canadian Participants of units of the successor FCPE,

provided that the first trade in any such Shares or Units acquired by a Canadian Participant pursuant to this Decision, in a Jurisdiction, shall be deemed a distribution or a primary distribution to the public under the Legislation of such Jurisdiction;

(d) the registration and prospectus requirements shall not apply to the first trade in any Shares acquired by a Canadian Participant under the Employee Share Offering provided that such trade is:

(i) made through a person or company who/which is

appropriately licensed to carry on business as a broker/dealer (or the equivalent) under the applicable securities legislation in the foreign jurisdiction where the trade is executed; and

(ii) executed through the facilities of a stock exchange outside of Canada; and

(e) the Manager shall be exempt from the adviser registration requirements, where applicable, in order to carry out the activities described in paragraphs 22 and 23 hereof.

August 6, 2003.

"Josée Deslauriers"

2.1.7 GE Canada Enterprises Company and Triple G Systems Group, Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted, subject to certain conditions, from the prospectus and registration requirements in respect of trades in connection with a capital reorganization transaction.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25, 35(1)12.ii., 35(1)15., 53, 72(1)(f)(ii), 72(1)(i), 74(1).

Applicable Ontario Rule

Ontario Securities Commission Rule 45-501 Exempt Distributions.

Applicable Multilateral Instrument

Multilateral Instrument 45-102 Resale of Securities.

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

AND

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

AND

IN THE MATTER OF
GE CANADA ENTERPRISES COMPANY AND
TRIPLE G SYSTEMS GROUP, INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of Alberta, Ontario and Québec (collectively, the "**Jurisdictions**") has received an application from GE Canada Enterprises Company ("**GE Canada**") and Triple G Systems Group, Inc. ("**Triple G**") (collectively, the "**Filer**") for a decision pursuant to the securities legislation of the Jurisdictions (the "**Legislation**") that certain trades of securities contemplated by the proposed capital reorganization transaction (the "**Transaction**") involving GE Canada and Triple G to be effected by way of a reorganization of Triple G's capital structure shall be exempt from the dealer registration and prospectus requirements of the Legislation;

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

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

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

1. GE Canada and Triple G entered into a transaction agreement made as of June 25, 2003 (the "**Transaction Agreement**") providing for the Transaction to be effected by way of a reorganization of Triple G's capital structure (the "**Capital Reorganization**") involving the amending of the articles of incorporation of Triple G to change the common shares of Triple G ("**Triple G Common Shares**"), other than Triple G Common Shares held by Dissenting Shareholders (defined below), into a new class of exchangeable shares of Triple G (the "**Exchangeable Shares**") and the automatic transfer of the Exchangeable Shares to GE Canada in exchange for $3.30 in cash per share (the "**GE Canada Exchange Consideration**") through a series of transactions to holders of Triple G Common Shares ("**Triple G Shareholders**") all as more particularly described in representations 5 and 6 below.

2. GE Canada is an unlimited liability company incorporated pursuant to the laws of the province of Nova Scotia and is a wholly-owned subsidiary of General Electric Company. The authorized capital of GE Canada consists of 100,000,000 common shares and 1,000,000 tracking shares. To its knowledge, GE Canada is not in default of any applicable requirement of the Legislation. GE Canada's registered office is located at Suite 900, 1959 Upper Water Street, Halifax, Nova Scotia B3J 3N2.

3. Triple G is a company incorporated under the *Business Corporations Act* (Ontario) (the "**OBCA**") and is a reporting issuer or equivalent in British Columbia, Alberta and Ontario. Triple G is not a reporting issuer in Québec. To its knowledge, Triple G is not in default of any applicable requirement of the Legislation. Triple G's registered office is located at Suite 600, 3100 Steeles Avenue East, Markham, Ontario L3R 8T3.

4. The authorized share capital of Triple G consists of an unlimited number of Triple G Common Shares and an unlimited number of Class A preference shares ("**Triple G Preferred Shares**"). As of June 25, 2003, there were 22,602,739 Triple G Common Shares issued and outstanding and no Triple G Preferred Shares issued and outstanding. The Triple G Common Shares are currently listed and posted for trading on the Toronto Stock Exchange (the "**TSX**").

5. The Capital Reorganization will consist of the following:

   (a) an amendment will be made to the articles of incorporation of Triple G to create a new class of Exchangeable Shares ranking junior to the Triple G Preferred Shares and equal to the Triple G Common Shares and having the following principal conditions:

      (i) each Exchangeable Share will be automatically transferred to GE Canada at the Closing Date (defined below) in exchange for the GE Canada Exchange Consideration,

      (ii) the Exchangeable Shares will become convertible at the option of the holder thereof into Triple G Common Shares; and

   (b) an amendment to the articles of incorporation of Triple G to change the Triple G Common Shares (other than Triple G Common Shares held by any Dissenting Shareholders (defined below)) into Exchangeable Shares at the Closing Date on the basis of one Exchangeable Share for each Triple G Common Share.

6. Triple G Common Shares that are issued and outstanding immediately prior to the Closing Date and that are held by a Triple G Shareholder who, in connection with the Transaction, has exercised his or her right to dissent pursuant to and in compliance with the requirements of Section 185 of the OBCA ("**Dissent Right**"; holder of a Dissent Right a "**Dissenting Shareholder**"), will thereby become entitled to receive the fair value of his or her Triple G Common Shares from Triple G pursuant to Section 185 of the OBCA.

7. Subject to the approval of the amendments to the articles of incorporation by the Triple G Shareholders outlined in representation 5 above at a special meeting anticipated to be held on August 13, 2003 (the "**Triple G Meeting**") to consider a special resolution approving the Capital Reorganization (the "**Special Resolution**"), at the Closing Date, the Capital Reorganization will be implemented through the occurrence of the following steps in the following order:

   (a) each Triple G Common Share, other than Triple G Common Shares held by Dissenting Shareholders, will be changed into one Exchangeable Share;

   (b) each Exchangeable Share will be transferred automatically to GE Canada, in exchange for the GE Canada Exchange Consideration; and

(c) GE Canada may, at its option, convert the Exchangeable Shares acquired by it as contemplated above into Triple G Common Shares on a share-for-share basis in accordance with the share conditions of the Exchangeable Shares.

8. The steps outlined in representations 7(a) and (b) above (collectively, the "**Trades**") will occur automatically, without any further action being taken by Triple G Shareholders, upon filing the Triple G articles of amendment to effect the Capital Reorganization, no later than the second business day following all conditions precedent to the Transaction having been satisfied or waived or such other date as may be agreed to by Triple G and GE Canada (the "**Closing Date**").

9. Under the OBCA, the Special Resolution will require, among other things, the favourable vote of at least two-thirds of the votes cast by Triple G Shareholders ("**Shareholder Approval**").

10. In connection with the Triple G Meeting, Triple G mailed to Triple G Shareholders a management information circular (the "**Triple G Circular**"), a form of proxy and a letter of transmittal. In addition to containing a detailed description of the Transaction, the Triple G Circular has been prepared in conformity with the provisions of the *Securities Act* (Ontario) and contains information in sufficient detail to permit Triple G Shareholders to form a reasoned judgment concerning the matters to be placed before them at the Triple G Meeting. The Triple G Circular has been filed on SEDAR.

11. A Triple G Shareholder will make one fundamental investment decision at the time when such holder votes in respect of the Transaction and/or determines whether to dissent in respect thereof. As a result of this decision, a Triple G Shareholder will ultimately receive the GE Canada Exchange Consideration in exchange for the Exchangeable Shares held by such holder or payment of the fair value of the Triple G Common Shares formerly held by such holder.

12. As a consequence of the share terms for the Exchangeable Shares and the letter of the TSX granting conditional listing approval for the Exchangeable Shares, the Exchangeable Shares will be delisted from the TSX immediately following the Closing Date.

13. Upon the closing of the Transaction on the Closing Date, GE Canada will own 100% of the outstanding equity of Triple G.

14. GE Canada intends to cause Triple G to make an application to have Triple G deemed to have ceased to be a reporting issuer after the Closing Date.

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

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

THE DECISION of the Decision Makers pursuant to the Legislation is that the registration and prospectus requirements of the Legislation shall not apply to the Trades provided that:

A. Shareholder Approval is obtained at the Triple G Meeting; and

B. the first trade in any security acquired pursuant to this Decision in a Jurisdiction shall be deemed to be a distribution or primary distribution to the public under the Legislation of such Jurisdiction.

August 12, 2003.

"Harold P. Hands" "Paul K. Bates"

2.1.8 APF Energy 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, QUEBEC, NEW BRUNSWICK, NOVA SCOTIA, 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
APF ENERGY TRUST

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, (the "Jurisdictions") has received an application from APF Energy Trust (the "Trust") 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 certain trades in units of the Trust issued pursuant to a distribution reinvestment 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 Quebec 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 formed under the laws of the Province of Alberta and is governed by an amended and restated trust indenture dated January 3, 2003. The head office of the Trust is located at 2100, 144 - 4th Avenue S.W., Calgary, Alberta T2P 3N4.

2. The Trust was formed for the purposes of issuing trust units (the "Units") to the public and using the funds so raised to purchase royalties on oil and natural gas properties. The Trust's primary assets are royalties granted by APF Energy Inc. (“APF Energy”) and APF Energy Limited Partnership on their respective oil and gas properties.

3. Computershare Trust Company of Canada is the trustee of the Trust and the holders of the Units are the sole beneficiaries of the Trust.

4. The Trust has been a reporting issuer or the equivalent under the Legislation since December 17, 1996 and is not in default of any requirements of the Legislation. The Trust is a "qualifying issuer" within the meaning of Multilateral Instrument 45-102 *Resale of Securities*.

5. The Trust is not a "mutual fund" under the Legislation as the holders of Units 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 by the definition of "mutual fund" in the Legislation.

6. The Trust is authorized to issue a maximum of 500,000,000 Units, each of which represents an equal undivided beneficial interest in the Trust. All Units share equally in all distributions from the Trust and all Units carry equal voting rights at meetings of holders of Units ("Unitholders"). As of July 25, 2003 there were 32,387,491 Units issued and outstanding. The Trust is also authorized to issue an unlimited number of special voting units ("Special Voting Units") entitling the holders ("Special Unitholders") to the number of votes at a meeting of Unitholders as is prescribed by the Board of Directors of APF Energy in the resolution authorizing issuance of the Special Voting Units. The Special Voting Units do not confer any other rights on the Special Unitholders. None of the Special Voting Units have been issued.

7. The Units are listed and posted for trading on the Toronto Stock Exchange (the "TSX").

8. The Trust makes and expects to continue to make monthly cash distributions to its Unitholders in an amount per Unit equal to a *pro rata* share of all amounts received by the Trust in each month including, without limitation, dividends, interest or other distributions on securities held by the Trust, less: (i) costs and expenses of the Trust; (ii) all amounts which relate to the redemption of Units and which have become payable in cash by the Trust in the applicable distribution period; and (iii) any other interest expenses incurred by the Trust between distributions.

9. The Trust intends to establish a distribution reinvestment plan (the "Plan") pursuant to which eligible Unitholders may, at their option, direct that cash distributions paid by the Trust in respect of their existing Units ("Cash Distributions") be applied to the purchase of additional Units ("Additional Units") to be held for their account under the Plan (the "Distribution Reinvestment Option").

10. Alternatively, the Plan will enable eligible Unitholders who wish to reinvest their Cash Distributions to authorize and direct the trust company that is appointed as agent under the Plan (the "Plan Agent"), to pre-sell through a designated broker (the "Plan Broker"), for the account of the Unitholders who so elect, a number of Units equal to the number of Additional Units issuable on such reinvestment, and to settle such pre-sales with the Additional Units issued on the applicable distribution payment date in exchange for a premium cash payment equal to 102% of the reinvested Cash Distribution (the "Premium Distribution Option"). The Plan Broker will be entitled to retain for its own account the difference between the proceeds realized in connection with the pre-sales of such Units and the cash payment to the Plan Agent in an amount equal to 102% of the reinvested Cash Distributions.

11. Eligible Unitholders who have directed that their Cash Distributions be reinvested in Additional Units under either the Distribution Reinvestment Option or the Premium Distribution Option ("Participants") may also be able to directly purchase Additional Units under the Plan by making optional cash payments within the limits established thereunder (the "Cash Payment Option"). The Trust shall have the right to determine from time to time whether the Cash Payment Option will be available. The Cash Payment Option will only be available to Unitholders that are Participants.

12. All Additional Units purchased under the Plan will be purchased by the Plan Agent directly from the Trust on the relevant distribution payment date at a price determined by reference to the Average Market Price, being the arithmetic average of the daily volume weighted average trading prices of the Units on the TSX for a defined period prior to the distribution payment date.

13. Additional Units purchased under the Distribution Reinvestment Option or the Premium Distribution Option will be purchased at a 5% discount to the Average Market Price. Additional Units purchased under the Cash Payment Option will be purchased at the Average Market Price.

14. The Plan Broker's *prima facie* return under the Premium Distribution Option will be approximately 3% of the reinvested Cash Distributions (based on pre-sales of Units having a market value of approximately 105% of the reinvested Cash Distributions and a fixed cash payment to the Plan Agent, for the account of applicable Participants, of an amount equal to 102% of the reinvested Cash Distributions). The Plan Broker may, however, realize more or less than this *prima facie* amount, as the actual return will vary according to the prices the Plan Broker is able to realize on the pre-sales of Units. The Plan Broker bears the entire risk of adverse changes in the market, as Participants who have elected the Premium Distribution Option are assured a premium cash payment equal to 102% of the reinvested Cash Distributions.

15. All activities of the Plan Broker on behalf of the Plan Agent that relate to pre-sales of Units for the account of Participants who elect the Premium Distribution Option will be in compliance with applicable Legislation and the rules and policies of the TSX (subject to any exemptive relief granted). The Plan Broker will also be a member of the Investment Dealers Association of Canada and will be registered under the legislation of any Jurisdiction where the first trade in Additional Units pursuant to the Premium Distribution Option makes such registration necessary.

16. Unitholders who are resident in the United States will not be permitted under U.S. federal securities laws to participate in the Plan.

17. Participants may elect either the Distribution Reinvestment Option or the Premium Distribution Option in respect of their Cash Distributions. Eligible Unitholders may elect to participate in either the Distribution Reinvestment Option or the Premium Distribution Option at their sole option and are free to terminate their participation under either option, or to change their election, in accordance with the terms of the Plan.

18. Under the Distribution Reinvestment Option, Cash Distributions will be paid to the Plan Agent and applied by the Plan Agent to the purchase of Additional Units, which will be held under the Plan for the account of Participants who have elected to participate in that component of the Plan.

19. Under the Premium Distribution Option, Cash Distributions will be paid to the Plan Agent and applied by the Plan Agent to the purchase of Additional Units for the account of Participants who have elected to participate in that component of the Plan, but the Additional Units purchased thereby will be automatically transferred to the Plan Broker to settle pre-sales of Units made by the Plan Broker on behalf of the Plan Agent for the account of such Participants in exchange for a premium cash payment equal to 102% of the reinvested Cash Distributions.

20. Under the Cash Payment Option, a Participant may, through the Plan Agent, purchase Additional Units up to a specified maximum dollar amount per distribution period and subject to a minimum amount per remittance. The aggregate number of Additional Units that may be purchased under the Cash Payment Option by all Participants in any financial year of the Trust will be limited to a maximum of 2% of the number Units issued and outstanding at the start of the financial year.

21. No brokerage fees or service charges will be payable by Participants in connection with the purchase of Additional Units under the Plan.

22. Additional Units purchased and held under the Plan will be registered in the name of the Plan Agent (or its nominee) and credited to appropriate Participants' account, and all Cash Distributions on Units so held under the Plan will be automatically reinvested in Additional Units in accordance with the terms of the Plan and the current election of that Participant.

23. The Plan permits full investment of reinvested Cash Distributions and optional cash payments under the Cash Payment Option (if available) because fractions of Units, as well as whole Units, may be credited to Participants' accounts with the Plan Agent.

24. The Trust reserves the right to determine, for any distribution payment date, the amount of Unitholders' equity that may be issued pursuant to the Plan.

25. If, in respect of any distribution payment date, fulfilling all of the elections under the Plan would result in the Trust exceeding either the limit on Unitholders' equity set by the Trust or the aggregate annual limit on Additional Units issuable pursuant to the Cash Payment Option, then elections for the purchase of Additional Units on such distribution payment date will be accepted: (i) first, from Participants electing the Distribution Reinvestment Option; (ii) second, from Participants electing the Premium Distribution Option; and (iii) third, from Participants electing the Cash Payment Option (if available). If the Trust is not able to accept all elections in a particular category, then purchases of Additional Units on the applicable distribution payment date will be pro rated among all Participants in that category according to the number of Additional Units sought to be purchased.

26. If the Trust determines not to issue any Unitholders' equity through the Plan on a particular distribution payment date, then all Participants will receive the Cash Distribution announced by the Trust for that distribution payment date.

27. A Participant may terminate its participation in the Plan at any time by submitting a termination form to the Plan Agent, provided that a termination form received between a distribution record date and a distribution payment date will not become effective until after that distribution payment date.

28. The Trust reserves the right to amend, suspend or terminate the Plan at any time, provided that such action shall not have a retroactive effect that would prejudice the interests of the Participants. All Participants will be sent written notice of any such amendment, suspension or termination.

29. The distribution of Additional Units by the Trust under 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.

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 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 by the Trust to 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 trade;

(c) the Trust 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 Plan and to make an election to receive Cash Distributions instead of Additional Units, and

(ii) instructions on how to exercise the right referred to in paragraph (i) above;

(d) the aggregate number of Additional Units issued under the Cash Payment Option of the Plan in any financial year of the Trust shall not exceed 2% of the aggregate number of Units outstanding at the start of that financial year;

(e) except in Québec, the first trade in Additional Units acquired pursuant to this Decision will be a distribution or primary distribution to the public unless the conditions in paragraphs 2 through 5 of subsection 2.6(3) of Multilateral Instrument 45-102 *Resale of Securities* are satisfied; and

(f) in Québec, the alienation of Additional Units acquired pursuant to this Decision shall be deemed to be a distribution or primary distribution to the public unless all of the following are true:

(i) the Trust is and has been a reporting issuer in Québec for the 12 months preceding the alienation;

(ii) no unusual effort is made to prepare the market or to create a demand for the Additional Units that are the subject of the alienation;

(iii) no extraordinary commission or other consideration is paid in respect of the alienation;

(iv) if the seller of the Additional Units is an insider of the issuer, the seller has no reasonable grounds to believe that the Trust is in default of any requirement of the Legislation of Québec.

August 27, 2003.

"Robert W. Davis" "Paul K. Bates"

2.1.9 Rockwater Capital Corporation - 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.

Applicable Ontario Statutory Provisions

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

Regulations Cited

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

Rules Cited

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

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

AND

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

AND

IN THE MATTER OF
ROCKWATER CAPITAL CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of the Provinces of Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the "**Jurisdictions**") has received an application (the "**Application**") from Rockwater Capital Corporation ("**Rockwater**") for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") that the requirements contained in the Legislation for an insider of a reporting issuer or the equivalent thereof to file reports disclosing the insider's direct or indirect beneficial ownership of, or control or direction over, securities of the reporting issuer (the "**Insider Reporting Requirements**") shall not apply to certain individuals of a "major subsidiary" of Rockwater who are insiders of Rockwater by reason of having the title "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 Rockwater has represented to the Decision Makers that:

1. Rockwater is a corporation subsisting under the *Business Corporations Act* (Ontario).

2. Rockwater's head office is located in Toronto, Ontario.

3. Rockwater is authorized to issue an unlimited number of common shares (the "**Common Shares**").

4. Rockwater is a reporting issuer, or the equivalent thereof, in all of the provinces and territories of Canada.

5. Rockwater is not in default of any requirements under the Legislation.

6. The Common Shares are listed and posted for trading on Toronto Stock Exchange under the symbol "RCC".

7. Rockwater is a financial services company providing a broad range of financial products and services to individuals and corporations primarily through two wholly-owned operating subsidiaries: First Associates Investments Inc. ("**FAII**"), a dealer registered in the categories of broker and investment dealer, or the equivalent thereof, in all of the provinces and territories of Canada and a member of the Investment Dealers Association of Canada; and Rockwater Asset Management Inc., an adviser registered in the categories of investment counsel and portfolio manager in the Province of Ontario.

8. Rockwater has one "major subsidiary" as defined under National Instrument 55-101 *Exemption from Certain Insider Reporting Requirements* ("**NI 55-101**"), being FAII.

9. As at the date hereof, the number of individuals who are insiders of Rockwater by reason of being a senior officer or director of Rockwater or a major subsidiary of Rockwater and who are not exempt from the Insider Reporting Requirements is 66.

10. Rockwater has made this application to seek the requested relief in respect of approximately 50 individuals, who, in the opinion of Rockwater satisfy the Exempt VP Criteria (as defined below).

11. Rockwater has implemented internal policies and procedures relating to monitoring and restricting the trading activities of all of its directors and employees.

12. These internal policies and procedures are contained in Rockwater's Timely Disclosure, Confidentiality and Insider Trading Policy (the "**Rockwater Policy**") relating to trading in Rockwater's securities by all directors and employees who have knowledge of material undisclosed information about Rockwater.

13. The objective of the Rockwater Policy is to (a) ensure that communications to the investing public about Rockwater are timely, factual, accurate and broadly disseminated in accordance with all applicable legal and regulatory requirements and (b) to ensure that all directors and employees who routinely have access to material undisclosed information about Rockwater are aware of their responsibilities under the Legislation and to assist them in complying with the Legislation in this regard.

14. Rockwater has adopted, published and distributed the Rockwater Policy to all relevant persons and has filed the Rockwater Policy with the Decision Makers in connection with this Application.

15. Pursuant to the Rockwater Policy, all directors and employees with knowledge of material undisclosed information about Rockwater may not trade in securities of Rockwater. In addition, such directors and employees may not trade in securities of Rockwater during "black-out" periods around the release of Rockwater's financial results or any other "black-out" period as determined by the senior management of Rockwater from time to time.

16. Rockwater has made this application to seek relief from the Insider Reporting Requirements for individuals who meet the following criteria (the "**Exempt VP Criteria**") set out in Canadian Securities Administrators Staff Notice 55-306 *Applications for Relief from the Insider Reporting Requirements by Certain Vice-Presidents* (the "**Staff Notice**"):

    (a) the individual is a vice-president of FAII;

    (b) the individual is not in charge of a principal business unit, division or function of Rockwater or FAII;

    (c) the individual does not in the ordinary course receive, or have access to, information as to material facts or material changes concerning Rockwater before such material facts or material changes are generally disclosed, and;

(d) the individual is not an insider of Rockwater in any other capacity other than as a vice-president of FAII.

17. General Counsel to Rockwater, in consultation with members of Rockwater's senior management team, reviewed (a) the organizational structure of Rockwater and FAII; (b) the function of each vice-president; and (c) the distribution of non-public material information about Rockwater through each of its business units and assessed whether non-public material information about Rockwater is provided to a particular vice-president function in the ordinary course based on criteria contained in the Staff Notice.

18. Rockwater applies the same analysis each time a new vice-president is appointed or an existing vice-president is promoted. Rockwater will review and, as necessary, update this analysis annually.

19. If an individual no longer satisfies the Exempt VP Criteria, Rockwater will ensure that the individual is informed about his or her renewed obligation to file an insider report on trades in securities of Rockwater.

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 Insider Reporting Requirements shall not apply to insiders of Rockwater who satisfy the Exempt VP Criteria for so long as such insiders satisfy the Exempt VP Criteria, provided that:

1. Rockwater agrees to make available to the Decision Makers, upon request, a list of all individuals who are relying on the exemption granted by this Decision as at the time of the request; and

2. the relief granted will cease to be effective on the date when NI 55-101 is amended.

August 29, 2003.

"Robert W. Davis" "Paul M. Moore"

2.2 Orders

2.2.1 SunGard Data Systems Inc. et al. - cl. 104(2)(c)

Headnote

Cash take-over bid made in Ontario - Bid made in accordance with the laws of the United Kingdom and The City Code on Take-overs and Mergers - *De minimis* exemption unavailable because Ontario holders of offeree's shares hold approximately 2.47% of the class, which exceeds the 2% threshold and bid not made concurrently in Ontario - Bid exempted from the requirements of Part XX, subject to certain conditions.

Statutes Cited

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

Recognition Orders Cited

In the Matter of the Recognition of Certain Jurisdictions (Clauses 93(1)(e) and 93(3)(h) of Act) (1997) 20 OSCB 1035.

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

AND

IN THE MATTER OF
SUNGARD DATA SYSTEMS INC.,
SUNGARD INSURANCE SERVICES LIMITED
AND CITIGROUP GLOBAL MARKETS LIMITED

ORDER
(Clause 104(2)(c))

UPON the application (the "Application") of SunGard Data Systems Inc. ("SunGard"), its wholly-owned subsidiary SunGard Insurance Services Limited (the "Offeror") and Citigroup Global Markets Limited ("Citigroup") (collectively, the "Offering Parties") to the Ontario Securities Commission (the "Commission") for an order pursuant to clause 104(2)(c) of the Act exempting SunGard from the requirements of sections 95 through 100 of the Act (the "Take-over Bid Requirements") in respect of the extension of the offer (the "Offer") by SunGard, through the Offeror, to acquire all of the issued and to be issued shares (the "Sherwood Shares") of Sherwood International Plc ("Sherwood") to shareholders of Sherwood (the "Sherwood Shareholders") resident in Ontario (the "Ontario Sherwood Shareholders");

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

AND UPON the Offering Parties having represented to the Commission as follows (except that Citigroup does not make the representations in 1., 2., 4. and 11.):

1. SunGard is incorporated under the laws of the State of Delaware. SunGard's shares are listed for trading on the New York Stock Exchange. SunGard is not a reporting issuer in Ontario, nor is it a reporting issuer or the equivalent in any other province or territory of Canada.

2. The Offeror is a wholly-owned subsidiary of SunGard, newly incorporated under the laws of England and Wales for the purposes of the Offer.

3. Citigroup, which is regulated in the United Kingdom by the Financial Services Authority, is acting as financial adviser to SunGard and the Offeror.

4. Sherwood is incorporated under the laws of England and Wales. The Sherwood Shares are listed on the Official List of the UK Listing Authority and admitted to trading on the London Stock Exchange. Sherwood is not a reporting issuer in Ontario, nor is it a reporting issuer or the equivalent in any other province or territory of Canada.

5. The Offer is an all-cash offer to acquire all of the issued and to be issued share capital of Sherwood (the "Sherwood Shares") for a price of 140 pence per share.

6. The Offer is being made by Citigroup on behalf of the Offeror and complies with the applicable rules and regulations of the City Code on Takeovers and Mergers.

7. The Offer document was mailed to Sherwood Shareholders (other than Sherwood Shareholders in Canada, the United States, Australia and Japan) on July 10, 2003 with an initial closing date of July 31, 2003. The Offer was extended for a further period of 14 days.

8. SunGard announced on August 11, 2003 that (i) approximately 55.33% of the Sherwood Shares had been tendered pursuant to the Offer and (ii) the Offeror had acquired in the market 29.46% of the Sherwood Shares. The Offeror has reduced the percentage of Sherwood Shares required to satisfy the acceptance condition of the Offer and declared the Offer unconditional. The Offeror will be taking up and paying for the Sherwood Shares tendered pursuant to the Offer, resulting in SunGard owning, directly or indirectly, approximately 84.79% of the Sherwood Shares.

9. The Offer will remain open for acceptance until further notice and remains subject to the terms set out in the Offer document. The Offering Parties intend to make the extended Offer to Ontario Sherwood Shareholders. There are no Sherwood

Shareholders resident in any other jurisdiction in Canada other than Ontario.

10. All of the Sherwood Shareholders to whom the Offer is made, including the Ontario Sherwood Shareholders, will be treated equally.

11. SunGard intends to implement in due course the procedures provided in the UK Companies Act to acquire compulsorily any Sherwood Shares to which the Offer relates. In addition, SunGard intends to procure that Sherwood applies to the UK Listing Authority for cancellation of the listing of the Sherwood Shares on the Official List and to the London Stock Exchange for admission to trading of the Sherwood Shares to be cancelled. It is expected that such cancellations will take effect no earlier than 20 business days after August 11, 2003.

12. Based upon information provided to the Offering Parties by Sherwood from its share register, as at July 8, 2003 there were seven Ontario Sherwood Shareholders, holding an aggregate of 1,148,975 Sherwood Shares and representing an aggregate of 2.47% of the Sherwood Shares.

13. Although the Commission has recognized the laws of the United Kingdom for the purposes of clause 93(1)(e) of the Act, the Offering Parties cannot rely upon the exemption in Clause 93(1)(e) from the Take-over Bid Requirements because the aggregate number of Sherwood Shares held by Ontario Sherwood Shareholders is more than 2% and the Offer document is not being mailed to Ontario Sherwood Shareholders concurrently with the mailing of the Offer document to Sherwood Shareholders resident in the United Kingdom.

14. All materials relating to the Offer sent by or on behalf of the Offering Parties to Sherwood Shareholders resident in the United Kingdom will be (i) sent to all Ontario Sherwood Shareholders; and (ii) filed with the Commission.

15. The Offer will be open for acceptance by Ontario Sherwood Shareholders for a minimum of 15 days following mailing of the Offer document to such shareholders.

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

IT IS ORDERED, pursuant to clause 104(2)(c) of the Act that, in connection with the Offer, the Offering Parties be exempt from the Take-over Bid Requirements, provided that

(a) all materials relating to the Offer sent by or on behalf of the Offering Parties to Sherwood Shareholders resident in the United Kingdom be:

(i) sent to all Ontario Sherwood Shareholders; and

(ii) filed with the Commission; and

(b) the Offer be open for acceptance by Ontario Sherwood Shareholders for a minimum of 15 days following mailing of the Offer document to such shareholders.

August 19, 2003.

"Paul M. Moore" "Paul K. Bates"

2.2.2 DB Capital Advisers Inc - ss. 38(1) of the CFA

Headnote

Subsection 38(1) of the Commodity Futures Act (Ontario) (the **CFA**) - relief from the registration requirements of paragraph 22(1)(b) of the CFA granted to an extra-provincial adviser in respect of the provision of investment advisory services relating to commodity futures activities to a Fund in Ontario, subject to certain terms and conditions in which DB Capital Advisers Inc. accepts legal responsibility for the advisory services provided under such exemption.

Applicable Ontario Statutory Provisions

Commodity Futures Act, R.S.O. 1990. c. C.20, as am., ss. 22(1)(b) and 38(1).

Applicable Ontario Securities Commission Rule

Rule 35-502 – Non-Resident Advisors.

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, CHAPTER C. 20, AS AMENDED
(the "CFA")

AND

REGULATION 90 UNDER
THE COMMODITY FUTURES ACT,
R.R.O. 1990, AS AMENDED (THE "REGULATION")

AND

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

AND

IN THE MATTER OF
DB CAPITAL ADVISERS INC.

ORDER
(Subsection 38(1) of the CFA)

UPON the application of DB Capital Advisers Inc. ("**DBCA**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to subsection 38(1) of the CFA that DBCA and its officers are exempt, for a period of three years effective as of the date of this order, from the requirements of paragraph 22(1)(b) of the CFA in respect of advising certain mutual funds and non-redeemable investment funds in Ontario in respect of trades in commodity futures contracts traded on commodity futures exchanges outside Canada and cleared through clearing corporations outside Canada, subject to certain terms and conditions set forth below;

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

AND UPON DBCA having represented to the Commission that:

1. DBCA is a Delaware corporation that is a wholly owned, indirect subsidiary of Deutsche Bank AG, a financial services group with operations worldwide whose shares are widely held and are traded on German stock exchanges.

2. DBCA is registered with the U.S. Commodities Futures Trading Commission (the "**CFTC**") as a commodity trading adviser and is a member of the U.S. National Futures Association (the "**NFA**").

3. DBCA is proposing to advise mutual funds and non-redeemable investment funds in Ontario, described in paragraph 14 of the definition of "permitted client" in section 1.1 of Ontario Securities Commission Rule 35-502, *Non Resident Advisers* ("**OSC Rule 35-502**") (a "**Permitted Fund**"), in respect of investments in or the use of commodity futures contracts traded on commodity futures exchanges outside Canada and cleared through clearing corporations outside Canada (the "**Proposed Advisory Business**").

4. In the absence of the order, DBCA would be required to apply for registration as a commodity trading manager which would require, among other things, that: (a) DBCA's counselling officers comply with the proficiency requirements under the CFA and the Regulation in addition to the comparable proficiency requirements to which such officers are subject in the United States and where compliance with the proficiency requirements under the CFA would not be directly relevant to the Proposed Advisory Business; (b) DBCA prepare and deliver to the Commission audited financial statements notwithstanding that DBCA is not required to file audited financial statements with the CFTC or the NFA; (c) DBCA and its officers comply with the residency requirement under the CFA where compliance with such requirement would be unduly onerous given the nature and scope of the Proposed Advisory Business; and (d) DBCA comply with insurance and other requirements ordinarily applicable for full registration in the category of commodity trading manager in addition to the requirements to which it is subject in the United States.

5. DBCA and its counselling officers, as the case may be, have submitted to the Commission (i) a completed Freedom of Information Consent Form, (ii) a completed Appointment of Agent for Service of Process Form, and (iii) a statement of Acknowledgment of Non-Resident Requirements incorporating paragraphs 11(a), (b) and (c) of the Commission's current "List of Requirements for Registration as Adviser for Persons and Companies Currently Members of the National

Futures Association and Registered with the Commodity Futures Trading Commission".

6. DBCA and its counselling officers, as the case may be, will comply with the terms and conditions set forth in the "Conditions of Order" attached as Exhibit "A" for the duration of the Order.

7. DBCA and its counselling officers, as the case may be, will comply with all of the provisions of the CFA and the Regulation which would be applicable if DBCA were registered as a commodity trading manager under the CFA, other than sections 18, 21.4 and 22 of the CFA and sections 14(4), 15, 16, 17, 20, 21, 22, 26, 33, 37, 40 and 41 of the Regulation, for the duration of the Order.

8. The requirements with which DBCA and its counselling officers have complied and will comply as set out above are substantively equivalent to the requirements imposed on international advisers registered with the Commission pursuant to OSC Rule 35-502.

AND UPON being satisfied that it would not be prejudicial to public interest for the Commission to grant the exemptions requested on the basis of the terms and conditions proposed,

IT IS ORDERED pursuant to subsection 38(1) that DBCA and its officers are not subject to the requirements of paragraph 22(1)(b) of the CFA in respect of the Proposed Advisory Business, for a period of three years effective as of the date of this order, provided that:

(a) DBCA and its counselling officers, as the case may be, submit to the Commission (i) a completed Freedom of Information Consent Form, (ii) a completed Appointment of Agent for Service of Process Form, and (iii) a Statement of Acknowledgment of Non-Resident Requirements incorporating paragraphs 11(a), (b) and (c) of the Commission's current "List of Requirements for Registration as Adviser for Persons and Companies Currently Members of the National Futures Association and Registered with the Commodity Futures Trading Commission;

(b) DBCA and its counselling officers, as the case may be, comply with the terms and conditions set forth in the Conditions of Order attached as Exhibit "A" for the duration of the Order;

(c) DBCA and its counselling officers, as the case may be, comply with all of the provisions of the CFA and the Regulation which would be applicable if DBCA were registered as a commodity trading manager under the CFA, other than sections 18, 21.4 and 22 of the CFA and sections 14(4), 15, 16, 17, 20, 21, 22, 26, 33, 37, 40 and 41 of the Regulation, for the duration of the Order.

August 8, 2003.

"Paul M. Moore" "Robert L. Shirriff"

EXHIBIT "A"

CONDITIONS OF ORDER FOR DB CAPITAL ADVISERS INC. PURSUANT TO SUBSECTION 38(1) OF THE COMMODITY FUTURES ACT (ONTARIO)

1. For the purposes of these Conditions, the following terms have the following meanings:

"**Act**" means the *Commodity Futures Act* (Ontario);

"**adviser**" means an adviser registered under the Act in the category of commodity trading manager;

"**CFTC**" means the U.S. Commodities Futures Trading Commission;

"**Commission**" means the Ontario Securities Commission;

"**NFA**" means the U.S. National Futures Association;

"**OSC Rule 35-502**" means Ontario Securities Commission Rule 35-502, *Non Resident Advisers*;

"**Permitted Fund**" means: a mutual fund or a non-redeemable investment fund that distributes its securities in Ontario, if the manager of the fund (a) is ordinarily resident in a Canadian jurisdiction and is registered under the *Securities Act* (Ontario) as a portfolio manager, broker, investment dealer or mutual fund dealer, or is registered under Canadian securities legislation other than the *Securities Act* (Ontario) in an equivalent category of registration, and (b) is a party to the contract under which the international adviser provides investment advice or portfolio management services to the fund;

"**mutual fund**" has the meaning set forth in paragraph 1 of section 1 of the *Securities Act* (Ontario);

"**non-redeemable investment fund**" has the meaning set forth in Ontario Securities Commission Rule 14-501, *Definitions*;

"**Regulation**" means Regulation 90 under the Act.

2. DBCA shall engage only in the business of adviser in the category of commodity trading manager in Ontario solely for Permitted Funds.

3. DBCA may act as an adviser to Permitted Funds only in respect of investments in, or the use of, commodity futures contracts traded on commodity futures exchanges outside Canada and cleared through clearing corporations outside Canada.

4. DBCA shall maintain its registration as a commodity trading adviser with the CFTC and its membership with the NFA in good standing for so long as it shall carry on any advisory activities in Ontario or for residents of Ontario; officers of DBCA responsible for advisory activities of DBCA in Ontario or for residents of Ontario shall similarly maintain their registration and/or membership with the CFTC and the NFA in good standing for so long as they shall be responsible for advisory activities of DBCA in Ontario or for residents of Ontario and shall have submitted to the Commission a completed Freedom of Information Consent Form and a completed Appointment of Agent for Service of Process Form.

5. Not more than 25% of the aggregate consolidated gross revenues from advisory activities of DBCA and its affiliates with respect to commodity futures, in any financial year of DBCA, shall arise from their acting as advisers with respect to commodity futures for Permitted Funds in Canada.

6. DBCA shall comply with the following requirements of the Regulation:

   (a) DBCA shall maintain such books and records as are required under sections 24 and 25 of the Regulation, it being understood that DBCA shall not be required to prepare and file with the Commission audited financial statements.

   (b) DBCA shall maintain standards directed to ensuring fairness in the allocation of trading opportunities among DBCA 's customers.

   (c) DBCA shall charge clients directly for services and such charge shall be based upon the dollar value of the client's portfolio, but not on the value or volume of the transactions initiated for the client, and except with the written agreement of the client, shall not be contingent upon profits or performance (subsection 29(3) of the Regulation).

7. In addition to the other requirements set forth in these Conditions, DBCA and its counselling officers, as the case may be, shall comply with all of the provisions of the CFA and the Regulation which would be applicable if DBCA were registered as commodity trading manager under the CFA, including, in particular but without limitation sections 50, 51 and 53 of the CFA and Schedule 1 of the Regulation (Fees). DBCA shall not be required to comply with sections 18, 21.4 and 22 of the CFA and sections 14(4), 15, 16, 17, 20, 21, 22, 26, 33, 37, 40 and 41 of the Regulation.

8. (a) Subject to subparagraphs (b) and (c), DBCA shall ensure that the securities and money of an Ontario client be held:

(i) by the Ontario client; or

(ii) by a custodian or sub-custodian:

(A) that meets the requirements prescribed for acting as a custodian or sub-custodian of a mutual fund in National Instrument 81-102, and

(B) that is subject to the agreement announced by the Bank for International Settlements on July 1, 1988 concerning international convergence of capital measurement and capital standards.

(b) DBCA or an affiliate of DBCA that holds the securities or money of an Ontario client as custodian or sub-custodian shall hold the securities and money in compliance with sections 116, 117, 118 and 119 of the regulation under the *Securities Act* (Ontario).

(c) The securities of an Ontario client may be deposited with or delivered to a depository or clearing agency that is authorized to operate a book-based system.

9. (a) At the request of the Director, the Commission or a person appointed by the Commission to make an investigation under the Act relating to DBCA's activities in Ontario, DBCA shall:

(i) immediately produce in Ontario, at DBCA's expense, appropriate persons in its employ as witnesses to give evidence on oath or otherwise;

(ii) if the appropriate persons referred to in clause (i) above are not in its employ, use its best efforts immediately to produce in Ontario, at DBCA's expense, the persons to give evidence on oath or otherwise, subject to the laws of the foreign jurisdiction that are otherwise applicable to the giving of evidence; and

(iii) if the laws of a foreign jurisdiction that are otherwise applicable to the giving of evidence prohibit DBCA or the persons referred to in clause (i) above from giving the evidence without the consent of the relevant client:

(A) so advise the Commission or the person making the request, and

(B) use its best efforts to obtain the client's counsel to the giving of the evidence.

(b) If the laws of the foreign jurisdiction in which the books, records or documents referred to in subsection 14(3) of the Act of DBCA are located prohibit production of the books, records or documents in Ontario without the consent of the relevant client, DBCA shall, upon a request by the Commission under subsection 14(3) of the Act:

(i) so advise the Commission; and

(ii) use its best efforts to obtain the client's consent to the production of the books, records or documents.

10. DBCA shall deliver to an Ontario client, before acting as an adviser to the Ontario client, a statement in writing disclosing:

(a) to the extent applicable, that there may be difficulty enforcing any legal rights the Ontario client may have against DBCA because:

(i) DBCA is ordinarily resident outside Canada and all or a substantial portion of its assets are situated outside Canada, and

(ii) if applicable, that the laws of the foreign jurisdiction in which the books, records and documents referred to in subsection 14(3) of the Act of DBCA are located prevent the production of those books, records and documents in Ontario; and

(b) DBCA is not fully subject to the requirements of the Act and the Regulations concerning proficiency, capital, insurance, record keeping, segregation of funds and securities and statements of account and portfolio.

11. A prospectus or other offering document for a Permitted Fund in respect of which advice is provided by the adviser, either directly to the fund or to the portfolio manager of the fund, shall disclose the matters referred to in paragraph 10 above.

12. DBCA and each of its counselling officers irrevocably and unconditionally submit to the non-exclusive jurisdiction of the judicial, quasi-judicial and administrative tribunals of Ontario and any administrative proceeding in Ontario, in any proceeding arising out of or related to or concerning its registration under the Act or its activities in Ontario as a registrant.

13. DBCA has appointed an agent for service of process in Ontario and shall provide to each Permitted Fund in Ontario for whom it acts as an adviser, prior to so doing, a statement in writing disclosing the name and address of the agent for service of process of DBCA in Ontario or disclosing that this information is available from the Commission.

14. DBCA shall not change its agent for service of process in Ontario without giving the Commission 30 days prior notice of such change by filing a new Submission to Jurisdiction and Appointment of Agent for Service of process in the prescribed form.

15. Where, by supervisory terms or conditions imposed in respect of a partner, officer or salesperson of DBCA, DBCA is required to supervise the actions of that partner, officer or salesperson and DBCA has been so notified by letter to the attention of its compliance officer, DBCA must comply with those terms and conditions.

2.2.3 PharmaGap Inc. - ss. 83.1(1)

Headnote

Subsection 83.1(1) – issuer deemed to be a reporting issuer in Ontario – issuer has been a reporting issuer in Alberta and British Columbia since 1997 and in Quebec since 2002 – issuer's securities listed and posted for trading on the TSX Venture Exchange – continuous disclosure requirements of British Columbia and Alberta substantially identical to those of Ontario.

Statutes Cited

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

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

AND

IN THE MATTER OF
PHARMAGAP INC.

ORDER
(Subsection 83.1(1))

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

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

AND UPON the Company representing to the Commission as follows:

1. The Company was incorporated under the *Business Corporations Act* (Alberta) on February 4, 1997.

2. The Company was continued under the *Canada Business Corporations Act* on March 28, 2002.

3. The principal and head office of the Company is located at 100 Sussex Drive, Ottawa, Ontario, K1A 0R6.

4. Pursuant to the terms of a Share Purchase Agreement made as of the 11th day of February, 2002 between the Company and all of the securityholders of PharmaGap Inc. (as it existed prior to the acquisition, "Privateco"), the Company acquired all of the issued and outstanding securities of Privateco in exchange for common shares and warrants of the Company, and the Company changed its name from "Sebring Resources Ltd." to "PharmaGap Inc." (the "Reverse Takeover Transaction").

5. The authorized capital of the Company consists of an unlimited number of common shares, an unlimited number of first preferred shares and an unlimited number of second preferred shares of which 16,542,198 common shares were issued and outstanding as of August 13, 2003.

6. The Company has a significant connection to Ontario as:

   (a) its principal and head office is located in Ontario;

   (b) one of the Company's three officers and one of its five directors is resident in Ontario; and

   (c) 1,642,870 common shares of the Company, or approximately 10% of the total issued common shares of the Company, are registered to residents of Ontario.

7. The Company has been a reporting issuer under the *Securities Act* (British Columbia) (the "BC Act") and under the *Securities Act* (Alberta) (the "Alberta Act") since 1997. As well, the Company has been a reporting issuer under the *Securities Act* (Quebec) (the "Quebec Act") since March 27, 2002. The Company is not in default of any requirements of the BC Act, the Alberta Act or the Quebec Act.

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

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

10. The continuous disclosure materials filed by the Company under the BC Act and the Alberta Act since May 1998 are available on the System for Electronic Document Analysis and Retrieval.

11. The common shares of the Company are listed on the TSX Venture Exchange (the "Exchange") under the symbol "GAP", and the Company is in compliance with all requirements of the Exchange. Prior to the closing of the Reverse Takeover Transaction the common shares of the Company were listed on the Exchange under the symbol "SEB".

12. The Company is not designated a capital pool company under the policies of the Exchange.

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

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

15. Neither the Company, any of its officers, directors nor, to the knowledge of the Company 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) a Canadian securities regulatory authority; or (b) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

16. None of the officers or directors of the Company nor, to the knowledge of the Company and 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 order, or order that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

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

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

August 25, 2003.

"Cameron McInnis"

2.2.4 TD Asset Management Inc. - s. 147

Headnote

Exemption for pooled funds from the requirement to file with the Commission interim financial statements under section 77(2) of the Act and comparative financial statements under section 78(1) of the Act, subject to conditions.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5 as am., ss. 74(1).
National Instrument 13-101 – System for Electronic Document Analysis and Retrieval (SEDAR), s. 2.1(1)1.

Regulations Cited

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

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

AND

IN THE MATTER OF
TD ASSET MANAGEMENT INC.

AND

THE FUNDS LISTED ON SCHEDULE A
(The "Existing Pooled Funds")

ORDER
(Subsection 147 of the Act)

UPON the application (the "Application") of TD Asset Management Inc. ("TDAM"), the manager of the Existing Pooled Funds and other pooled funds established and managed by TDAM from time to time (collectively, the "Pooled Funds"), to the Ontario Securities Commission (the "Commission") for an order pursuant to subsection 147 of the Act exempting the Pooled Funds from filing with the Commission the interim and annual financial statements prescribed by sections 77(2) and 78(1), respectively, of the Act;

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

AND UPON TDAM having represented to the Commission that:

1. TDAM is a corporation existing under the laws of Ontario with its head office in Toronto, Ontario. TDAM is, or will be, the manager of the Pooled Funds. TDAM is registered under the Act as an adviser in the categories of investment counsel and portfolio manager and a limited market dealer and under the *Commodity Futures Act* (Ontario) in the category of commodity trading manager.

2. The Pooled Funds are, or will be, open-end mutual fund trusts established under the laws of Ontario. The Pooled Funds will not be reporting issuers in any province or territory of Canada. Units of the Pooled Funds are, or will be, distributed in each of the provinces and territories of Canada without a prospectus pursuant to exemptions from the prospectus delivery requirements of applicable securities legislation.

3. The Pooled Funds represent an administratively efficient model that is designed to permit TDAM to build larger investment portfolios rather that reproduce those same portfolios in individual segregated accounts.

4. The Pooled Funds fit within the definition of "mutual fund in Ontario" in section 1(1) of the Act and are thus required to file with the Commission interim financial statements under section 77(2) of the Act and comparative annual financial statements under section 78(1) of the Act (collectively, the "Financial Statements").

5. Unitholders of the Pooled Funds ("Unitholders") receive the Financial Statements for the Pooled Funds they hold. The Financial Statements are prepared and delivered to Unitholders in the form and for the periods required under the Act and the regulation or rules made thereunder (the "Regulation"). TDAM and the Pooled Funds will continue to rely on subsection 94(1) of the Regulation and will omit statements of portfolio transactions from the Financial Statements (such statements from which the statements of portfolio transactions have been omitted, the "Permitted Financial Statements").

6. As required by subsection 94(1) of the Regulation, the Permitted Financial Statements will contain a statement indicating that additional information as to portfolio transactions will be provided to a Unitholder without charge on request to a specified address and,

   (a) the omitted information shall be sent promptly and without charge to each Unitholder that requests it in compliance with the indication; and

   (b) where a person or company requests that such omitted information be sent routinely to that Unitholder, the request shall be carried out while the information continues to be omitted from the subsequent Financial Statements unit the Unitholder requests, or agrees to, termination of the arrangement or is no longer a Unitholder.

7. Section 2.1(1)1 of National Instrument 13-101 - System for Electronic Document Analysis and Retrieval (SEDAR) ("Rule 13-101") requires that every issuer required to file a document under securities legislation make its filing through SEDAR. The Financial Statements filed with the Commission thus become publicly available.

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

IT IS ORDERED by the Commission pursuant to subsection 147 of the Act that the Pooled Funds be exempted from the requirements in sections 77(2) and 78(1) of the Act to file the Financial Statements with the Commission provided:

(a) In the absence of other regulatory relief, the Pooled Funds will prepare and deliver to the Unitholders of the Pooled Funds the Permitted Financial Statements, in the form and for the periods required under the Act and the Regulation;

(b) The Pooled Funds will retain the Financial Statements indefinitely;

(c) The Pooled Funds will provide the Financial Statements to the Commission or any member, employee or agent of the Commission immediately upon request of the Commission or any member, employee or agent of the Commission;

(d) The Pooled Funds will provide a list of the Pooled Funds relying on this Order to the Investment Funds Branch of the Commission on an annual basis;

(e) Unitholders of the Pooled Funds will be notified that the Pooled Funds are exempted from the requirements in sections 77(2) and 78(1) of the Act to file the Financial Statements with the Commission;

(f) In all other aspects, the Pooled Funds will comply with the requirements in Ontario securities law for financial statements; and

(g) This decision, as it relates to the Commission, will terminate after the coming into force of any legislation or rule of the Commission dealing with the matters regulated by sections 77(2) and 78(1) of the Act.

August 29, 2003.

"Wendell S. Wigle" "H. Lorne Morphy"

SCHEDULE A

POOLED FUNDS

Emerald Pooled Fund Trusts
Emerald Canadian Bond Pooled Fund Trust
Emerald Canadian Large Cap Pooled Fund Trust
Emerald Canadian Small Cap Pooled Fund Trust
Emerald Canadian Equity Market Pooled Fund Trust
Emerald Hedged Synthetic U.S. Equity Pooled Fund Trust
Emerald Unhedged Synthetic U.S. Equity Pooled Fund Trust
Emerald Long Bond Pooled Fund Trust
Emerald Canadian Bond Duration Tilt Pooled Fund Trust
Emerald Hedged Synthetic International Equity Pooled Fund Trust
Emerald Unhedged Synthetic International Equity Pooled Fund Trust
Emerald Global Equity Pooled Fund Trust
Emerald Enhanced Canadian Equity Pooled Fund Trust
Emerald Canadian Mid Cap Pooled Fund Trust
Emerald Canadian Equity Market Pooled Fund Trust II
Emerald Extended U.S. Market Pooled Fund Trust
Emerald Canadian Market Capped Pooled Fund Trust
Emerald Enhanced Canadian Market Capped Pooled Fund Trust
Emerald Canadian Real Return Bond Pooled Fund Trust
Emerald Enhanced Canadian Bond Pooled Fund Trust
Emerald Pooled U.S. Fund
Emerald Enhanced U.S. Equity Pooled Fund Trust

Emerald Private Capital
Emerald Private Capital Investment Trust

Emerald Hedge Fund Trusts
Emerald Canadian Equity Market Neutral Fund
Emerald U.S. Large Cap Equity Market Neutral Fund
Emerald North American Equity Long/Short Fund

TD Harbour Pooled Funds
TD Harbour Capital Canadian Balanced Fund
TD Harbour Capital Foreign Balanced Fund
TD Harbour Capital Balanced Fund

Lancaster Pooled Funds
Lancaster Balanced Fund II
Lancaster Fixed Income Fund II
Lancaster Canadian Equity Fund
Lancaster Global (Ex-Canada) Fund
Lancaster Money Market Fund
Lancaster Short Bond Fund

2.2.5 Dura Products International Inc. - s. 144

Headnote

Cease trade order revoked where 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, 144.

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

AND

IN THE MATTER OF
DURA PRODUCTS INTERNATIONAL INC.

ORDER
(Section 144)

WHEREAS the securities of Dura Products International Inc. (the Corporation) are subject to a temporary order dated May 23, 2003 made by the Director on behalf of the Ontario Securities Commission (the Commission) pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, as extended by a further order dated June 4, 2003 by the Director on behalf of the Commission pursuant to subsection 127(8) of the Act (collectively, the Cease Trade Order) directing that trading in the securities of the Corporation cease until the Cease Trade Order is revoked by a further order of revocation;

AND WHEREAS the Corporation has made application to the Commission pursuant to section 144 of the Act for an order revoking the Cease Trade Order;

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

AND UPON the Corporation having represented to the Commission that:

1. The Corporation was incorporated by certificate of incorporation issued pursuant to the provisions of the *Business Corporations Act* (Ontario) on August 19, 1983;

2. The Corporation is a reporting issuer in the Provinces of Alberta, British Columbia and Ontario;

3. The Cease Trade Order was issued due to the failure of the Corporation to file audited annual financial statements for the year ended December 31, 2002 (the 2002 Financial Statements) as required by the Act;

4. The 2002 Financial Statements were not filed with the Commission due to the Corporation not having sufficient funds to have such financial statements audited;

5. The 2002 Financial Statements, and the interim financial statements for the period ended March 31, 2003 (the Interim Financial Statements), which were required to be filed by May 30, 2003, were filed with the Commission on or about July 18, 2003; and

6. Except for the Cease Trade Order and the failure of the Corporation to file the Interim Financial Statements when due, the Corporation is not otherwise in default of any requirement of the Act or the regulations made thereunder;

AND UPON the Commission being satisfied that the Corporation has now complied with the continuous disclosure requirements under Part XVIII of the Act and has remedied its default in respect of such requirements;

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

IT IS ORDERED pursuant to Section 144 of the Act that the Cease Trade Order be and is hereby revoked.

September 2, 2003.

"Erez Blumberger"

2.2.6 Enterprise Capital Management Inc. - s. 147

Headnote

Exemption for pooled funds from the requirement to file with the Commission interim financial statements under section 77(2) of the Act and comparative financial statements under section 78(1) of the Act, subject to conditions.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5 as am., ss. 74(1).
Ontario Securities Commission Rule 45-501 – Exempt Distributions, s. 1.1.
National Instrument 13-101 – System for Electronic Document Analysis and Retrieval (SEDAR), s. 2.1(1)1.

Regulations Cited

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

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

AND

IN THE MATTER OF
ENTERPRISE CAPITAL MANAGEMENT INC.

AND

THE ENTERPRISE AOF LP AND
THE ENTERPRISE CAPITAL TRUST II
(the "Current Pooled Funds")

ORDER
(Subsection 147 of the Act)

UPON the application (the "Application") of Enterprise Capital Management Inc. (the "Company"), the manager of the Current Pooled Funds and other pooled funds established and managed by the Company from time to time (collectively, the "Pooled Funds") to the Ontario Securities Commission (the "Commission") for an order pursuant to subsection 147 of the Act exempting the Pooled Funds from filing with the Commission the interim and comparative financial statements prescribed by sections 77(2) and 78(1), respectively, of the Act;

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

AND UPON the Company having represented to the Commission that:

1. The Company is a corporation existing under the laws of Ontario with its head office in Toronto, Ontario. The Company is, or will be, the manager of the Pooled Funds. The Company is registered with the Commission as a adviser in the categories of investment counsel and portfolio manager and as a limited market dealer.

2. The Pooled Funds are, or will be, funds established under the laws of the Province of Ontario. The Pooled Funds will not be reporting issuers in any province or territory of Canada. Units of the Pooled Funds are, or will be,

3. distributed in Canada without a prospectus pursuant to exemptions from the registration and prospectus delivery requirements of applicable securities legislation.

4. The Pooled Funds fit within the definition of "mutual fund in Ontario" in section 1(1) of the Act and are thus required to file with the Commission interim financial statements under section 77(2) of the Act and comparative financial statements under section 78(1) of the Act (collectively, the "Financial Statements").

5. Unitholders of the Pooled Funds receive the Financial Statements for the Pooled Funds they hold. The Financial Statements are prepared and delivered to unitholders in the form and for the periods required under the Act and the regulation or rules made thereunder (the "Regulation").

6. Section 2.1(1)1 of National Instrument 13-101 – System for Electronic Document Analysis and Retrieval (SEDAR) requires that every issuer required to file a document under securities legislation make its filing through SEDAR. The Financial Statements filed with the Commission thus become publicly available.

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

IT IS ORDERED by the Commission pursuant to subsection 147 of the Act that the Pooled Funds be exempted from the requirements in sections 77(2) and 78(1) of the Act to file the Financial Statements with the Commission provided:

(a) The Pooled Funds will prepare and deliver to the unitholders of the Pooled Funds the Financial Statements, in the form and for the periods required under the Act and the Regulation, as if the Financial Statements are required to be filed with the Commission;

(b) The Pooled Funds will retain the Financial Statements indefinitely;

(c) The Pooled Funds will provide the Financial Statements to the Commission or any member, employee or agent of the Commission immediately upon request of

the Commission or any member, employee or agent of the Commission;

(d) The Company will provide a list of the Pooled Funds relying on this Order to the Investment Funds Branch of the Commission on an annual basis;

(e) Unitholders of the Pooled Funds will be notified that the Pooled Funds are exempted from the requirements in sections 77(2) and 78(1) of the Act to file the Financial Statements with the Commission; and

(f) In all other aspects, the Pooled Funds will comply with the requirements in Ontario securities law for financial statements.

August 29, 2003.

"Wendell S. Wigle" "Lorne Morphy"

2.2.7 Arrow Hedge Partners Inc. - s. 147

Headnote

Exemption for pooled funds from the requirement to file with the Commission interim financial statements under section 77(2) of the Act and comparative financial statements under section 78(1) of the Act, subject to conditions.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5 as am., ss. 74(1).
National Instrument 13-101 – System for Electronic Document Analysis and Retrieval (SEDAR), s. 2.1(1)1.

Regulations Cited

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

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

AND

IN THE MATTER OF
ARROW HEDGE PARTNERS INC.

AND

ARROW GOODWOOD FUND,
ARROW CLOCKTOWER PLATINUM GLOBAL FUND
ARROW UK LONG/SHORT FUND
ARROW WF ASIA FUND
ARROW EPIC CAPITAL FUND
ARROW MILFORD CAPITAL FUND
ARROW ASCENDANT ARBITRAGE FUND
ARROW ENSO GLOBAL FUND
ARROW ELKHORN US LONG/SHORT FUND
ARROW QUANT MARKET NEUTRAL FUND
ARROW AUSTRALIAN RELATIVE FUND
ARROW EAGLE & DOMINION FUND
ARROW EUROPEAN HIGH YIELD FUND
ARROW PROXIMA CONVERTIBLE ARBITRAGE FUND
ARROW GRAMVEST FIXED
INCOME ARBITRAGE FUND
ARROW GRAMVEST GLOBAL MACRO FUND
ARROW MULVANEY GLOBAL MARKETS FUND
ARROW DISTRESSED SECURITIES FUND
ARROW GLOBAL LONG/SHORT FUND
ARROW GLOBAL RSP LONG/SHORT FUND
ARROW MULTI-STRATEGY FUND
ARROW RSP MULTI-STRATEGY FUND
ARROW MULTI-STRATEGY HEDGE FUND
ARROW NORTH AMERICAN MULTI-MANAGER FUND
(The "Existing Pooled Funds")

ORDER
(Subsection 147 of the Act)

UPON the application (the "Application") of Arrow Hedge Partners Inc. ("Arrow"), the manager of the Existing Pooled Funds and other pooled funds established and managed by Arrow from time to time (collectively, the "Pooled Funds"), to the Ontario Securities Commission (the "Commission") for an order pursuant to subsection 147 of the Act exempting the Pooled Funds from filing with the Commission the interim and annual financial statements prescribed by sections 77(2) and 78(1), respectively, of the Act;

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

AND UPON Arrow having represented to the Commission that:

1. Arrow is a corporation under the laws of Ontario with its head office in the Ontario. Arrow is, or will be, the manager of the Pooled Funds. Arrow is registered with the Commission as an adviser in the categories of investment counsel, portfolio manager and commodity trading manager and as a dealer in the category of limited market dealer.

2. The Pooled Funds are, or will be, open-end mutual fund trusts established under the laws of Ontario. The Pooled Funds will not be reporting issuers in any province or territory of Canada. Units of the Pooled Funds are, or will be, distributed in each of the provinces and territories of Canada without a prospectus pursuant to exemptions from the prospectus delivery requirements of applicable securities legislation.

3. The Pooled Funds fit within the definition of "mutual fund in Ontario" in section 1(1) of the Act and are thus required to file with the Commission interim financial statements under section 77(2) of the Act and comparative annual financial statements under section 78(1) of the Act (collectively, the "Financial Statements").

4. While the Pooled Funds are structured as mutual funds, they are not public mutual funds. The Pooled Funds are not reporting issuers and are not sold to the general public.

5. Unitholders of the Pooled Funds ("Unitholders") receive the Financial Statements for the Pooled Funds they hold. The Financial Statements are prepared and delivered to Unitholders in the form and for the periods required under the Act and the regulation or rules made thereunder (the "Regulation"). Arrow and the Pooled Funds will continue to rely on subsection 94(1) of the Regulation and will omit statements of portfolio transactions from the Financial Statements (such statements from which the statements of portfolio transactions have been omitted, the "Permitted Financial Statements").

6. As required by subsection 94(1) of the Regulation, the Permitted Financial Statements will contain a statement indicating that additional information as to portfolio transactions will be provided to a Unitholder without charge on request to a specified address and,

   (a) the omitted information shall be sent promptly and without charge to each Unitholder that requests it in compliance with the indication; and

   (b) where a person or company requests that such omitted information be sent routinely to that Unitholder, the request shall be carried out while the information continues to be omitted from the subsequent Financial Statements unit the Unitholder requests, or agrees to, termination of the arrangement or is no longer a Unitholder.

7. Section 2.1(1)1 of National Instrument 13-101 - System for Electronic Document Analysis and Retrieval (SEDAR) ("Rule 13-101") requires that every issuer required to file a document under securities legislation make its filing through SEDAR. The Financial Statements filed with the Commission thus become publicly available.

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

IT IS ORDERED by the Commission pursuant to subsection 147 of the Act that the Pooled Funds be exempted from the requirements in sections 77(2) and 78(1) of the Act to file the Financial Statements with the Commission provided:

   (a) In the absence of other regulatory relief, the Pooled Funds will prepare and deliver to the Unitholders of the Pooled Funds the Permitted Financial Statements, in the form and for the periods required under the Act and the Regulation;

   (b) The Pooled Funds will retain the Financial Statements indefinitely;

   (c) The Pooled Funds will provide the Financial Statements to the Commission or any member, employee or agent of the Commission immediately upon request of the Commission or any member, employee or agent of the Commission;

   (d) The Pooled Funds will provide a list of the Pooled Funds relying on this Order to the Investment Funds Branch of the Commission on an annual basis;

   (e) Unitholders of the Pooled Funds will be notified that the Pooled Funds are

exempted from the requirements in sections 77(2) and 78(1) of the Act to file the Financial Statements with the Commission;

(f) In all other aspects, the Pooled Funds will comply with the requirements in Ontario securities law for financial statements; and

(g) This decision, as it relates to the Commission, will terminate after the coming into force of any legislation or rule of the Commission dealing with the matters regulated by sections 77(2) and 78(1) of the Act.

August 29, 2003.

"Wendell S. Wigle" "Lorne Morphy"

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
Clearwater Technologies Inc.	27 Aug 03	08 Sep 03		
CLN Ventures Inc.	27 Aug 03	08 Sep 03		
Davis S. Reid Limited	28 Aug 03	09 Sep 03		
Digital Rooster.com Inc.	28 Aug 03	09 Sep 03		
Healthtrac, Inc.	21 Aug 03	02 Sep 03		
Northeastern Hotel Group Inc.	20 Aug 03	29 Aug 03	29 Aug 03	
Teddy Bear Valley Mines, Limited	27 Aug 03	08 Sep 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
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		

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Chapter 5

Rules and Policies

5.1.1 OSC Amendments to Multilateral Instrument 45-105 Trades to Employees, Senior Officers, Directors, and Consultants and OSC Rule 45-801 Implementing Multilateral Instrument 45-105 Trades to Employees, Senior Officers, Directors, and Consultants

ONTARIO SECURITIES COMMISSION AMENDMENTS TO MULTILATERAL INSTRUMENT 45-105 TRADES TO EMPLOYEES, SENIOR OFFICERS, DIRECTORS, AND CONSULTANTS

AND

RULE 45-801 IMPLEMENTING MULTILATERAL INSTRUMENT 45-105 TRADES TO EMPLOYEES, SENIOR OFFICERS, DIRECTORS, AND CONSULTANTS

On August 15, 2003, Multilateral Instrument 45-105 *Trades to Employees, Senior Officers, Directors, and Consultants* (the "Instrument") came into force in every jurisdiction in Canada, other than Quebec (the "Jurisdictions"). At the same time, Rule 45-801 *Implementing Multilateral Instrument 45-105 Trades to Employees, Senior Officers, Directors, and Consultants* (the "Implementing Rule") came into force in Ontario. On September 2, 2003, we, the Ontario Securities Commission, amended the Instrument and the Implementing Rule (the "Amendments"). The Amendments address certain technical problems that have arisen with the Instrument and the Implementing Rule. However, the Amendments will not materially change the Instrument or the Implementing Rule.

The Amendments were delivered to the Minister of Finance on September 3, 2003. If the Minister approves the Amendments, they will come into force 15 days after the Amendments are approved. If the Minister does not approve or reject the Amendments by November 3, 2003, they will come into force on November 18, 2003.

The Amendments will amend the Instrument in Ontario only. We expect the securities regulatory authorities in the other Jurisdictions will publish similar amendments for comment in their Jurisdictions. In the meantime, the securities regulatory authorities in the other Jurisdictions may adopt blanket rulings or similar instruments to address the existing technical problems with the Instrument.

Background

The securities legislation in each Jurisdiction contains exemptions from the dealer registration requirement and the prospectus requirement for trades in securities of an issuer's own issue to the issuer's employees. In addition, prior to August 15, 2003, certain securities regulatory authorities had additional instruments that either modified, restricted or expanded the statutory employee exemptions, including:

- OSC Rule 45-503 *Trades to Employees, Executives and Consultants* ("OSC Rule 45-503")
- British Columbia Instrument 45-507 *Trades to Employees, Executives and Consultants* (the "BC Instrument")
- Alberta Securities Commission Blanket Order 45-506 (the "ASC Order")
- Nova Scotia Securities Commission Blanket Order No. 45-501 *Trades to Employees, Executives and Consultants* (the "Nova Scotia Order")
- Saskatchewan Securities Commission General Ruling/Order 45-907 *Trades to Employees, Executives and Consultants* (the "Saskatchewan Order")

These instruments provided exemptions from the dealer registration requirement and the prospectus requirement for trades to an issuer's non-employee directors and certain consultants, as well as other related relief. The Instrument consolidates and, as much as possible, harmonizes the requirements in each of OSC Rule 45-503, the BC Instrument, the ASC Order, the Nova Scotia Order and the Saskatchewan Order (collectively, the "Former Instruments"). Each of the Former Instruments were revoked when the Instrument came into force.

The Implementing Rule revoked OSC Rule 45-503. It also maintains certain prohibitions previously contained in OSC Rule 45-503.

Substance and Purpose and the Amendments

The purpose of the Amendments is to address certain technical problems with the Instrument and the Implementing Rule.

Although the stated purpose of the Instrument was to consolidate and, as much as possible, harmonize the Former Instruments, we are now aware that certain exemptions from the dealer registration requirement and the prospectus requirement may not be available under the Instrument. In particular,

- an exemption from the dealer registration requirement and the prospectus requirement may not be available for a trade in an issuer's security to an employee, senior officer, director, or consultant by a trustee, custodian or administrator (a "plan administrator") acting on behalf of that employee, senior officer, director, or consultant if the plan administrator acquired the security on the secondary market; and

- an exemption from the dealer registration requirement and the prospectus requirement may not be available for "cross-trades" by plan administrators.[1]

In addition, the Amendments will also:

- provide an exemption from the dealer registration requirement for the first trade of an underlying security by a former employee, senior officer, director, or consultant where the convertible security was exercised after the party ceased to be an employee, senior officer, director, or consultant;

- provide an exemption from the dealer registration requirement and the prospectus requirement for a trade of a security of a non-reporting issuer by a permitted assign of a current or former employee, senior officer, director, or consultant of the issuer to an employee, senior officer, director, or consultant of the issuer or their permitted assigns; and

- correct a typographical error in the Implementing Rule.

In our view, the Amendments do not constitute a material change to the Instrument or the Implementing Rule.

Summary of the Amendments

Section 1.1 amends Part 2 of the Instrument.

- Paragraph 1.1(a) amends subsection 2.2(1) of the Instrument by replacing the words "trustee, custodian or administrator acting on behalf of an employee, senior officer, director, or consultant" with the words "permitted assign". This expands the exemption in subsection 2.2(1) to include trades to and by not only a trustee, custodian or administrator of the employee, senior officer, director, or consultant, but also to all other permitted assigns of the employee, senior officer, director, or consultant.

- Paragraph 1.1(b) inserts the words "on a secondary market in accordance with the plan or" in subsection 2.4(1) of the Instrument. This expands the exemption in subsection 2.4(1) to include trades by a plan administrator to plan participants where the securities in question are acquired by the plan administrator on the secondary market.

- Paragraph 1.1(c) deletes subsections 2.4(2) and (3) and replaces them with new subsections 2.4(2), (3) and (4). This permits a plan administrator to effect "cross-trades" on a registration and prospectus exempt basis.

Section 1.2 amends section 3.2 of the Instrument by inserting the words "under Part 2 or" immediately before the words "by a person or company described in subsection 2.1(1)". This provides an exemption from the dealer registration requirement for the first trade of an underlying security by a former employee, senior office, director, or consultant where the party acquired the underlying security upon the exercise of a convertible security after ceasing to be an employee, senior officer, director, or consultant.

Section 1.3 of the Amendments amends section 1.3 of the Implementing Rule by replacing the reference to section 9.1 of Rule 45-501 *Exempt Distributions* with a reference to section 3.1 of the Instrument.

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[1] A "cross-trade" occurs when a plan administrator receives an order to buy securities from one participant and an order to sell securities from another participant. Instead of purchasing securities for the first participant on the secondary market, then selling securities for the second participant on the secondary market, the plan administrator can simply "cross" the trades, and provide the first participant with the securities supplied by the second participant.

Authority for the Amendments

The following provisions of the *Securities Act* (Ontario) (the "Act") provide us with authority to make the Amendments:

- paragraph 143(1)8 authorizes us to provide for exemptions from the registration requirements under the Act or for the removal of exemptions from those requirements; and
- paragraph 143(1)20 authorizes us to provide for exemptions from the prospectus requirements under the Act and for the removal of exemptions from those requirements.

In addition, paragraph 143.2(5)(c) of the Act permits us to make the Amendments without publishing the Amendments for comment.

Alternatives Considered

No alternatives were considered.

Unpublished Materials

In developing the Amendments, we did not rely upon any significant unpublished study, report or other written materials.

Anticipated Costs and Benefits

The Amendments will restore certain exemptions from the dealer registration requirement and the prospectus requirement that were previously available under OSC Rule 45-503. In addition, the Amendments address certain other technical problems resulting from the adoption of the Instrument and the Implementing Rule. The Amendments will not result in any additional costs.

Related Amendments

We have proposed no related amendments.

Questions

Please refer your questions to:

Michael Brown, Legal Counsel
Ontario Securities Commission
Phone: (416) 593-8266
Fax: (416) 593-8244
email: mbrown@osc.gov.on.ca

The text of the Amendments follow.

September 2, 2003.

MULTILATERAL INSTRUMENT 45-105
TRADES TO EMPLOYEES, SENIOR OFFICERS, DIRECTORS, AND CONSULTANTS
(THE "INSTURMENT")

AND

RULE 45-801 IMPLEMENTING MULTILATERAL INSTRUMENT
45-105 TRADES TO EMPLOYEES, SENIOR OFFICERS,
DIRECTORS, AND CONSULTANTS

1.1 Amendments to Part 2 of the Instrument– Part 2 of the Instrument is amended by

(a) in subsection 2.2(1), deleting paragraph (b) and substituting the following

"(b) permitted assign of a person or company referred to in paragraph (a)"

and by deleting the words "a trustee, custodian, or administrator acting on behalf of an employee, senior officer, director, or consultant of the issuer or affiliated entity of the issuer" as they appear at the end of that subsection and substituting the following

" a permitted assign of the employee, senior officer, director, or consultant."

(b) in subsection 2.4(1), adding immediately after the words "trade of a security that was acquired" the following

"on the secondary market in accordance with a plan or"

(c) in section 2.4, deleting subsections (2) and (3) and substituting the following:

"(2) The dealer registration requirement does not apply to a trade by a trustee, custodian, or administrator acting on behalf of, or for the benefit of, employees, senior officers, directors, or consultants of the issuer or an affiliated entity of the issuer, in a security of the issuer's own issue, to

(a) an employee, senior officer, director, or consultant of the issuer or an affiliated entity of the issuer, or

(b) a permitted assign of a person or company referred to in paragraph (a),

if the security was acquired from

(c) an employee, senior officer, director, or consultant of the issuer or an affiliated entity of the issuer, or

(d) the permitted assign of a person referred to in paragraph (c).

(3) The prospectus requirement does not apply to a distribution in the circumstances described in subsections (1) and (2).

(4) For the purposes of the exemptions referred to in subsection (1), (2) and (3), all references to employee, senior officer, director, or consultant include a former employee, senior officer, director, or consultant."

1.2 Amendment to Part 3 of the Instrument – Part 3 of the Instrument is amended by, in section 3.2, adding the words "under Part 2 or" immediately before the words "by a person or company described in subsection 2.1(1)".

1.3 Amendment to Implementing Rule – The Implementing Rule is amended by, in section 1.3, deleting the words "section 9.1 of Rule 45-501" and substituting the following:

"section 3.1 of Multilateral Instrument 45-105."

Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

Exempt Financings

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

REPORTS OF TRADES SUBMITTED ON FORM 45-501F1

Transaction Date	Purchaser	Security	Total Purchase Price ($)	Number of Securities
31-Jul-2003 08-Aug-2003	3 Purchasers	Acuity Pooled Balanced Fund - Trust Units	285,000.00	18,414.00
01-Aug-2003	7 Purchasers	Acuity Pooled High Income Fund - Trust Units	910,504.82	57,432.00
14-Aug-2003 22-Aug-2003	8 Purchasers	Acuity Pooled High Income Fund - Trust Units	810,000.00	49,672.00
08-Aug-2003	Jane Ellen Balfour	Acuity Pooled Income Trust Fund - Trust Units	20,824.50	1,731.00
13-Aug-2003	Stuart Eagles;Marlings Investment	Acuity Pooled Income Trust Fund - Trust Units	350,000.00	28,792.00
21-Aug-2003	8 Purchasers	Alamos Gold Inc. - Units	5,093,125.00	3,512,500.00
22-Aug-2003	Storm King Funding	Algonquin Credit Card Trust - Notes	500,000,000.00	3.00
20-Aug-2003	Altamira Management Ltd.	Amphenol Corporation - Shares	701,200.00	10,000.00
18-Aug-2003	PSSI Paralegal Support Services Inc.	Astris Energi Inc. - Units	250,000.00	1.00
28-Jul-2003	9 Purchasers	Atikwa Mineral Corporation - Flow-Through Shares	155,000.00	775,000.00
28-Jul-2003	24 Purchasers	Atikwa Mineral Corporation - Units	1,480,000.00	98,666,670.00
01-Aug-2003	5 Purchsers	Avalon Ventures Ltd. - Flow-Through Shares	157,500.00	210,000.00
25-Aug-2003	5 Purchasers	BCS Collaborative Solutions Inc. - Units	299,510.00	2,303,924.00
18-Aug-2003 19-Aug-2003	7 Purchasers	Bio-Diagnostics Inc. - Common Shares	87,300.00	29,100.00
25-Aug-2003	42 Purchasers	Bolivar Gold Corp. - Special Warrants	18,474,250.00	13,235,000.00

01-Aug-2003	Eugenia Genny Iannucci	BPI American Opportunities Fund - Units	167,311.00	1,395.00
25-Jul-2003	3 Purchsers	BPI American Opportunities Fund - Units	169,980.05	1,396.00
25-Jul-2003	Anthony Martelli	BPI American Opportunities RSP Fund - Units	30,000.00	295.00
25-Jul-2003	Lindin Perry;Michael and Dorine Czerwinski	BPI Global Opportunites III Fund - Units	168,321.31	1,782.00
13-Aug-2003	5 Purchasers	Burmis Energy Inc. - Flow-Through Shares	1,181,341.20	3,000,000.00
14-Aug-2003	3 Purchasers	Canadian Niagara Power Inc. - Notes	30,000,000.00	3.00
22-Aug-2003	John &/or Lillian Hart	CareVest First Mortgage Investment Corporation - Preferred Shares	5,000.00	5,000.00
01-Aug-2003	55 Purchasers	Chartwell Seed Capital Limited Partnership (The) - Limited Partnership Units	3,500,000.00	350,000.00
19-Aug-2003	4 Purchasers	Cinch Energy Corp. - Common Shares	676,400.00	712,000.00
14-Aug-2003	Philip J. Olsson	Connaught Energy (Alberta) Corp. - Special Warrants	252,000.00	5,600.00
13-Aug-2003	3 Purchasers	Continuum Resources Ltd. - Common Shares	900,000.00	2,500,000.00
18-Aug-2003	GATX/MM VENTURE FINANCE PARTNERSHIP	Core Networks Incorporated - Warrants	2.00	2.00
15-Aug-2003	3 Purchasers	Cornawall Street Railway Light and Power Company Limited - Notes	22,000,000.00	3.00
20-Aug-2003	25 Purchasers	Crowflight Minerals Inc. - Units	1,858,929.00	3,868,000.00
21-Aug-2003	Richard Colterjohn	Cumberland Resources Ltd. - Common Shares	0.00	20,000.00
14-Aug-2003	3 Purchasers	DB Mortgage Investment Corporation #1 - Common Shares	310,000.00	310,000.00
15-Aug-2003	17 Purchasers	Dumont Nickel Inc. - Units	177,000.00	1,770,000.00
21-Aug-2003	3 Purchasers	Elumina Lighting Technologies Inc. - Convertible Debentures	323,500.00	3.00
25-Aug-2003	3 Purchasers	Encelium Technologies Inc. - Preferred Shares	1,061,282.00	1,098,657.00
21-Aug-2003	J. William MacKenzie;Ronald MacDonald	Excellon Resources Inc. - Common Shares	37,500.00	300,000.00

18-Aug-2003	FactorCorp Financial Inc	Express Commercial Services Inc. - Shares	200,000.00	2,000,000.00
28-Aug-2003	Adrea Dan;RBC Global Investment Management Inc.	Franklin CLO IV, Ltd. - Preferred Shares	4,889,500.00	3,500,000.00
27-Aug-2003	Inco Limited	Freewest Resources Canada Inc. - Common Shares	0.00	50,000.00
06-Jun-2003 15-Aug-2003	NBCN ITFAdele Gagnon;Frances Connelly	Galaxy Monthly Income Fund - Units	123,400.00	12,142.00
28-Aug-2003	7 Purchasers	Greenshield Resources Inc. - Common Shares	290,000.00	2,416,668.00
13-Aug-2003	Casurina Limited Fund	Grey Island Systems International Inc. - Warrants	1.00	400,000.00
13-Aug-2003	Casurina Limited Fund	Grey Island Systems International Inc. - Warrants	1.00	18,500.00
13-Aug-2003	5 Purchasers	Grey Island Systems International Inc. - Warrants	5.00	206,187.00
13-Aug-2003	5 Purchasers	Grey Island Systems International Inc. - Warrants	5.00	174,121.00
13-Aug-2003	4 Purchasers	Grey Island Systems International Inc. - Warrants	4.00	250,000.00
13-Aug-2003	1568933 Ontario Inc.;Joe Boussidan	Grey Island Systems International Inc. - Warrants	2.00	125,000.00
13-Aug-2003	6 Purchasers	Grey Island Systems International Inc. - Warrants	6.00	240,626.00
13-Aug-2003	4 Purchasers	Grey Island Systems International Inc. - Warrants	4.00	327,566.00
13-Aug-2003	3 Purchasers	Grey Island Systems International Inc. - Warrants	3.00	700,000.00
21-Aug-2003	Mosaic Venture Partners II Limited Partnership	Grocery Gateway Inc. - Notes	265,000.00	265,000.00
15-Aug-2003	Bill Lewis	Gryphon Gold Corporation - Common Shares	46,882.00	1,600,000.00
17-Aug-2003	7 Purchasers	Hallcon Corporation - Shares	0.00	2,562,014.00
17-Jul-2003	6 Purchasers	Hallcon Crew Transport Inc. - Shares	2,300,002.50	2,562,014.00
13-Aug-2003	Four Quarters Ltd.	IE-Engine Inc. - Shares	315,000.00	1,493,457.00
20-Aug-2003	Paul D. Damp;Steve Somerville	Imperial Metals Corporation - Common Shares	100,000.00	200,000.00
19-Aug-2003	4 Purchasers	IMAGIN Diagnostics, Inc. - Common Shares	18,000.00	18,000.00
08-Aug-2003	Richard Galichon	IMAGIN Diagnostics, Inc. - Common Shares	3,000.00	3,000.00

14-Aug-2003	William S. Hamilton	International Coromandel Resources Ltd. - Shares	22,500.00	150,000.00
18-Aug-2003	16 Purchasers	Jaguar Nickel Inc. - Units	813,750.00	3,255,000.00
15-Aug-2003	Steven Latner	Kingwest Avenue Portfolio - Units	290,000.00	14,936.00
15-Aug-2003	6 Purchasers	Kingwest U.S. Equity Portfolio - Units	422,369.07	42,717.00
20-Aug-2003	15 Purchasers	Lake Shore Gold Corp. - Flow-Through Shares	1,662,220.00	2,374,600.00
19-Aug-2003	The Bank of Nova Scotia	Loxley Investments Limited - Shares	3,278,409,326.00	3,277.00
08-Aug-2003	Thomas Rebane	Luna Gold Corp. - Units	6,957.50	25,000.00
12-Aug-2003	TAL Global Asset Management Inc.;TD Securities Inc.	Maple Leaf Sports & Entertainment Ltd. - Notes	51,000,000.00	2.00
31-Aug-2003	9 Purchasers	McElvaine Investment Trust - Trust Units	795,538.92	46,286.00
01-Aug-2003	4 Purchasers	MCAN Performance Strategies - Limited Partnership Units	4,150,000.00	325,000.00
24-Jul-2003 01-Aug-2003	5 Purchasers	New Star Capital Guaranteed Hedge Fund Limited - Shares	813,934.42	5,000.00
11-Apr-2003 15-Apr-2003	19 Purchasers	New Star Capital Guaranteed Hedge Fund Limited - Shares	2,601,816.25	16,146.00
31-Jul-2003 15-Aug-2003	7 Purchasers	O'Donnell Emerging Companies Fund - Units	300,000.00	49,504.00
22-Aug-2003	9 Purchasers	Online Hearing.com Inc. - Convertible Debentures	42,000.00	42,000.00
25-Aug-2003	Scott Dulmage	Oromonte Resources Inc. - Units	10,000.00	100,000.00
21-Aug-2003	3 Purchasers	Pacific North West Capital Corp. - Special Warrants	11,700.00	26,000.00
21-Aug-2003	4 Purchasers	Pacific North West Capital Corp. - Units	527,900.00	1,173,111.00
31-Jul-2003	5 Purchasers	Palladon Ventures Ltd. - Units	50,000.00	200,000.00
31-Aug-2003	3 Purchasers	Performance Market Neutral Fund - Limited Partnership Units	3,500,000.00	2,362.00
12-Aug-2003	10 Purchasers	Pioneering Technology Inc. - Units	106,388.00	425,552.00
18-Mar-2003	13 Purchasers	PKI Innovations (Canada) Inc. - Shares	208,050.00	497,625.00
27-Aug-2003	5 Purchasers	Quorum Information Technologies Inc. - Common Shares	100,000.00	200,000.00

21-Aug-2003	3 Purchasers	RioCan Retail Value L.P. - Units	200,000,000.00	100.00
14-Aug-2003	Metropolitan Life Insurance Company	Rosemere Centre Properties Limited - Bonds	120,000,000.00	1.00
20-Aug-2003	Canada Dominion Resources LP IX	Sentra Resources Corporation - Common Share Purchase Warrant	495,000.00	180,000.00
14-Aug-2003	12 Purchasers	SF Fund Limited Partnership II - Limited Partnership Units	20,450,000.00	2,045,000.00
21-Aug-2003	GATX/MM Venture Finance Partnership	Silanis Technology Inc. - Warrants	1.00	1.00
28-Jul-2003	Robert D. Sherman;Ewan Downie	Skyharbour Resources Ltd. - Flow-Through Shares	9,750.00	7,500.00
30-May-2003	9 Purchasers	Solutioninc Technologies Limited - Units	500,000.00	5,000,000.00
18-Aug-2003	19 Purchasers	Spectral Diagnostics Inc. - Units	4,590,000.00	18,000,000.00
26-Aug-2003	12 Purchasers	St Andrew Goldfields Ltd - Units	525,700.14	3,539,289.00
20-Aug-2003	21 Purchasers	Stornoway Diamond Corporation - Units	6,619,248.00	4,412,832.00
05-Aug-2003	6 Purchasers	Stratabound Minerals Corp. - Flow-Through Shares	17,600.00	170,000.00
14-Aug-2003	Daniel J. Russell Investments Inc.	Synex International Inc. - Common Shares	414,000.00	1,200,000.00
08-Aug-2003	12 Purchasers	Talware Networx Inc. - Units	227,955.00	2,279,550.00
20-Aug-2003	2000800 Ontario Limited;Albert Gourley	Tango Mineral Resources Inc. - Common Shares	35,000.00	8,000,000.00
06-Aug-2003	Anthony Davis	The Goldman Sachs Group Inc. - Notes	2,500.00	250.00
20-Aug-2003	4 Purchasers	Tiberon Minerals Ltd. - Units	143,000.00	65,000.00
14-Aug-2003	31 Purchasers	Total Energy Services Ltd. - Common Shares	6,435,000.00	2,145,000.00
22-Aug-2003	Resolute Growth Fund	Viracocha Energy Inc. - Common Shares	234,000.00	900,000.00
22-Aug-2003	Resolute Growth Fund	Viracocha Energy Inc. - Common Shares	260,000.00	1,000,000.00
22-Aug-2003	Resolute Growth Fund	Viracocha Energy Inc. - Common Shares	780,000.00	300,000.00
20-Aug-2003	3 Purchasers	Viracocha Energy Inc. - Common Shares	661,200.00	240,000.00
22-Aug-2003	Resolute Growth Fund	Viracocha Energy Inc. - Common Shares	1,274,000.00	490,000.00

14-Aug-2003	RBC Technology Ventures Inc.	VIMAC Milestone Medica Fund Limited Partnership - Limited Partnership Interest	10,450,500.00	10,450,500.00
14-Aug-2003	RBC Technology Ventures Inc.	VIMAC Milestone Medica Fund Limited Partnership - Limited Partnership Interest	3,483,500.00	3,483,500.00
31-Jul-2003	74 Purchasers	Yamana Resources Inc. - Common Shares	19,136,526.80	15,896,597.00

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

Seller	Security	Number of Securities
Patrick A. Gouveia	Atlas Cold Storage Income Trust - Trust Units	0.00
Larry Melnick	Champion Natural Health.com Inc. - Shares	19,765.00
CMG Reservoir Simulation Foundation	Computer Modelling Group Ltd. - Shares	180,500.00
D. Morgan Fierstone	Glendale International Corp. - Common Shares	5,000,000.00
William J. Gastle	Microbix Biosystems Inc. - Common Shares	477,133.00
The Gerald Schwartz and Heather Reisman Foundation	Onex Corporation - Shares	19,900.00
ONCAN Canadian Holdings Ltd.	Onex Corporation - Shares	999,900.00
Michael R. Faye	Spectra Inc. - Common Shares	450,000.00
Andrew J. Malion	Spectra Inc. - Common Shares	325,000.00
Helen Spigelman	Telehop Communications Inc. - Common Shares	200,000.00
Adolf H. Lundin	Tenke Mining Corp. - Common Shares	6,000,000.00
Thall Investments Inc.	Torstar Corporation - Shares	396,000.00
Ketcham Investments, Inc.	West Fraser Timber Co. Ltd. - Common Shares	150,000.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Apollo Gold Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated August 28, 2003
Mutual Reliance Review System Receipt dated August 29, 2003
Offering Price and Description:
$*.* - * Common Shares @$*.* per Common Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Promoter(s):
-
Project #569465

Issuer Name:
Bolivar Gold Corp. (formerly TecnoPetrol Inc.)
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated August 25, 2003
Mutual Reliance Review System Receipt dated August 27, 2003
Offering Price and Description:
$53,333,000.10 - 39,505,926 Units (each consisting of one common share and one-half of one warrant
Underwriter(s) or Distributor(s):
Griffiths McBurney & Partners
BMO Nesbitt Burns Inc.
Orion Securities Inc.
Sprott Securities Inc.
Canaccord Capital Corporation
McFarlane Gordon Inc.
Promoter(s):
-
Project #567481

Issuer Name:
Calpine Natural Gas Trust
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated August 25, 2003
Mutual Reliance Review System Receipt dated August 27, 2003
Offering Price and Description:
$ * - * Trust Units
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Nationa Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
First Energy Capital Corporation
Promoter(s):
Calpine Corporation
Project #567718

Issuer Name:
Cavell Energy Corporation
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated August 28, 2003
Mutual Reliance Review System Receipt dated August 28, 2003
Offering Price and Description:
$15,000,000.00 - 6,000,000 Common Shares @ $2.50 per Common Share
Underwriter(s) or Distributor(s):
Raymond James Ltd.
Research Capital Corporation
National Bank Financial Inc.
Maison Placements Canada Inc.
Dominick & Dominick Securities Inc.
Acumen Capital Finance Partners Limited
Promoter(s):
-
Project #569122

Issuer Name:
Convertible & Yield Advantage Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated August 25, 2003
Mutual Reliance Review System Receipt dated August 27, 2003
Offering Price and Description:
$ * (Maximum) * Units Price: $25.00 per Unit Minimum Purchase: 100 Units
Underwriter(s) or Distributor(s):
TD Securities Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Canaccord Capital Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Dundee Securities Corporation
Desjardins Securities Inc.
Bieber Securities Inc.
First Associates Investments Inc.
Wellington West Capital Inc.
Promoter(s):
Skylon Advisors Inc.
Skylon Capital Corp.
Project #567478

Issuer Name:
EnerVest Diversified Income Trust
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated August 29, 2003
Mutual Reliance Review System Receipt dated August 29, 2003
Offering Price and Description:
$25,000,000 Minimum (* Units); $200,000,000 Maximum (* Units)
Underwriter(s) or Distributor(s):
Griffiths McBurney & Partners
TD Securities
Promoter(s):
Enervest Diversified Management Inc.
Project #569797

Issuer Name:
International Forest Products Limited
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated August 27, 2003
Mutual Reliance Review System Receipt dated August 27, 2003
Offering Price and Description:
$58,500,000.00 - 10,000,000 Class "A" Subordinate Voting Shares
Price: $5.85 per Subordinate Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Raymond James Ltd.
Promoter(s):
-
Project #568104

Issuer Name:
Noranda Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Shelf Prospectus dated August 29, 2003
Mutual Reliance Review System Receipt dated August 29, 2003
Offering Price and Description:
U.S.$600,000,000.00 - Debt Securities (unsecured)
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #569573

Issuer Name:
QSA US Large Cap Value 50 Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated August 27, 2003
Mutual Reliance Review System Receipt dated August 28, 2003
Offering Price and Description:
Mutual Fund Net Asset Value
Underwriter(s) or Distributor(s):
Acker Finley Asset Management Inc.
Acker Finley Asset Management Inc.
Promoter(s):
Acker Finley Asset Management Inc.
Project #568354

Issuer Name:
SAHELIAN GOLDFIELDS INC.
Type and Date:
Amended Preliminary Prospectus dated August 28, 2003
Receipted on August 28, 2003
Offering Price and Description:
46,000,000 Units Issuable Upon the Exercise of Special Warrants previously issued
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #551534

Issuer Name:
Ventaur Capital Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated August 26, 2003
Mutual Reliance Review System Receipt dated August 27, 2003
Offering Price and Description:
Minimum Offering 6,252,000 Units
Maximum Offering 10,000,000 Units
Offering Price $0.25 per Unit
Underwriter(s) or Distributor(s):
First Associates Securities Inc.
Promoter(s):
Kevin Bullock
Robert F. Whittall
W. Derek Bullock
Gordon J. Bogden
Julian Baldry
Project #567530

Issuer Name:
Volume Services America Holdings, Inc.
Principal Regulator - Ontario
Type and Date:
Fourth Amended Preliminary Prospectus dated August 27, 2003
Mutual Reliance Review System Receipt dated August 28, 2003
Offering Price and Description:
Price: C$ per IDS Income Deposit Securities (IDSs)
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Promoter(s):
-
Project #513442

Issuer Name:
AGF American Tactical Asset Allocation Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated August 28, 2003
Mutual Reliance Review System Receipt dated August 29, 2003
Offering Price and Description:
Series D and Series F Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
AGF Funds Inc.
Project #561022

Issuer Name:
Big 8 Split Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated August 28, 2003
Mutual Reliance Review System Receipt dated August 28, 2003
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
TD Securities Inc.
Scoita Capital Inc.
Promoter(s):
TD Securities Inc.
Project #554359

Issuer Name:
Co-operators Canadian Conservative Focused Equity Fund
Co-operators Canadian Core Equity Fund
Co-operators Canadian Balanced Fund
Co-operators Canadian Bond Fund
Co-operators Canadian Money Market Fund
Co-operators/Credit Suisse U.S. Capital Appreciation Fund
Co-operators/Credit Suisse International Equity Fund
Co-operators/Credit Suisse Global Science and Technology Fund
Co-operators/Credit Suisse Global Post-Venture Capital Fund
Co-operators/Crystal Enhanced Index RSP Fund
Co-operators/Crystal Enhanced Index World Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated August 22, 2003 to the Final Simplified Prospectuses and Annual Information Forms dated October 4, 2002
Mutual Reliance Review System Receipt dated August 28, 2003
Offering Price and Description:
Class A and Class F Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #475414

Issuer Name:
Dynamic Focus+ Energy Income Trust Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated August 26, 2003
Mutual Reliance Review System Receipt dated August 28, 2003
Offering Price and Description:
Series A Units
Underwriter(s) or Distributor(s):
Dynamic Mutual Funds Ltd.
Dynamic Mutual Funds Ltd.
Promoter(s):
Dynamic Mutual Funds Ltd.
Project #562880

Issuer Name:
Elliott & Page Canadian Alphametrics Fund
Elliott & Page U.S. Alphametrics Fund
Elliott & Page Diversified Fund
Elliott & Page Core Canadian Equity Fund
Type and Date:
Final Simplified Prospectus dated August 26, 2003
Receipted on August 28, 2003
Offering Price and Description:
Advisor Class and Class I Units
Underwriter(s) or Distributor(s):
Elliott & Page Limited
Elliott & Page Limited
Promoter(s):
Elliott & Page Limited
Project #558548

Issuer Name:
Elliott & Page Money Fund
Elliott & Page Active Bond Fund
Elliott & Page Corporate Bond Fund
Elliott & Page Dividend Fund
Elliott & Page Monthly High Income Fund
Elliott & Page Growth & Income Fund
Elliott & Page Value Equity Fund
Elliott & Page Canadian Equity Fund
Elliott & Page Generation Wave Fund
Elliott & Page Blue Chip Fund
Elliott & Page Sector Rotation Fund
Elliott & Page Growth Opportunities Fund
Elliott & Page American Growth Fund
Elliott & Page U.S. Mid-Cap Fund
Elliott & Page International Equity Fund
Elliott & Page Total Equity Fund
Elliott & Page Global MultiStyle Fund
Elliott & Page Global Sector Fund
Elliott & Page Asian Growth Fund
Elliott & Page RSP American Growth Fund
Elliott & Page RSP U.S. Mid-Cap Fund
Elliott & Page RSP Total Equity Fund
E&P Manulife Balanced Asset Allocation Portfolio
E&P Manulife Maximum Growth Asset Allocation Portfolio
E&P Manulife Tax-Managed Growth Portfolio
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated August 26, 2003
Mutual Reliance Review System Receipt dated August 28, 2003
Offering Price and Description:
Advisor Class, Class F, Class I, Class D and Class H Units
Underwriter(s) or Distributor(s):
Elliott & Page Limited
Elliott & Page Limited
MFC Global Investment Management, a division of Elliott & Page Limited
Promoter(s):
Elliott & Page Limited
Project #558387

Issuer Name:
Energy Split Corp. Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated August 28, 2003
Mutual Reliance Review System Receipt dated August 29, 2003
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
First Associates Investments Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Promoter(s):
Scotia Capital Inc.
Project #559814

Issuer Name:
Galleon Energy Inc.
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated August 26, 2003
Mutual Reliance Review System Receipt dated August 27, 2003
Offering Price and Description:
Minimum: 8,000 Units ($8,000,000); Maximum: 10,000 Units ($10,000,000) - Price: $1,000 per Unit
Underwriter(s) or Distributor(s):
Griffiths McBurney & Partners
Canaccord Capital Corporation
Promoter(s):
-
Project #558959

Issuer Name:
The Global Educational Trust Plan
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated August 26, 2003
Mutual Reliance Review System Receipt dated August 29, 2003
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Global Educational Marketing Corporation
Project #563216

Issuer Name:
Integra Balanced Fund
Integra Bond Fund
Integra Canadian Value Growth Fund
Integra Equity Fund
Integra International Equity Fund
Integra Short Term Investment Fund
Integra U.S. Small Cap Equity Fund
Integra U.S. Value Growth Fund
Analytic Core U.S. Equity Fund
Acadian Core International Equity Fund
NWQ U.S. Large Cap Value Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated August 26, 2003
Mutual Reliance Review System Receipt dated August 29, 2003
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Integra Capital Corporation
Integra Capital Corporation
Promoter(s):
-
Project #559434

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	DeltaOne Asset Management Corp. Attention: Scott Walters British Colonial Building 8 Wellington Street East Suite 200 Toronto ON M5E 1C2	Limited Market Dealer	Aug 28/03
New Registration	CR Advisors Corporation Attention: Barry Campbell 20 Bay Street Suite 1205 Toronto ON M5J 2N8	Investment Counsel & Portfolio Manager	Aug 28/03
New Registration	Goldman Sachs Asset Management, L.P. Attention: Thomas Kenny 32 Old Slip New York NY 10005 USA	Non-Canadian Adviser (Investment Counsel & Portfolio Manager)	Aug 29/03
New Registration	Lord Abbet & Co. c/o Osler, Hoskin & Harcourt LLP Attention: Linda Currie 100 King Street West Suite 1600 Toronto ON M5X 1B8	International Adviser	Aug 27/03
New Registration	Turtle Creek Asset Management Inc. Attention: Jeffrey Hebel 103 Alcorn Avenue Toronto ON M4V 1E5	Limited Market Dealer Investment Counsel & Portfolio Manager	Sep 02/03
Change in Category (Categories)	C.A. Delaney Capital Management Ltd. Attention: Catherine Ann Delaney 161 Bay Street, Suite 5100 Canada Trust Tower, BCE Place PO Box 713 Toronto ON M5J 2S1	From: Investment Counsel & Portfolio Manager To: Investment Counsel & Portfolio Manager Limited Market Dealer	Sep 02/03
Suspension of Registration	Mark Guenter Klinkow	Investment Counsel	Aug 26/03

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 Notice of Commission Approval - Amendments to TSX Rule 4-802 and to Rule 1-101(2) Regarding Cross Interference Exempt Marker

THE TORONTO STOCK EXCHANGE INC. (TSX)
NOTICE OF COMMISSION APPROVAL
AMENDMENTS TO TSX RULE 4-802 AND TO RULE 1-101(2) REGARDING
CROSS INTERFERENCE EXEMPT MARKER

On August 26, 2003, the Commission approved amendments to TSX Rules 4-802 and 1-101 to allow for the entry and execution of certain types of trades which will be exempt from same firm interference if entered as part of an intentional cross. These trades will be marked with a special marker ("Cross Interference Exempt Marker"). The amendments were initially published for comment on July 5, 2002 at (2002) 25 OSCB 4350. Two comment letters were received. A summary of comments received and the response of the TSX are attached. In order to address the comments received, certain amendments were made subsequent to the publication for comment of the original proposed amendments. Attached to this notice is a black lined version of the amendments, indicating the changes from the previously published version.

THE RULES

OF

TSX INC.

The Rules of The Toronto Stock Exchange are hereby amended as follows:

1. Rule 1-101(2) shall be amended to add the following definitions:

   "equivalent volume" with respect to a security that is sold means the amount of that security that must be sold to exactly offset (to the nearest board lot) the purchase of an amount of a related security and with respect to a security that is purchased means the amount of that security that must be purchased in order to exactly offset (to the nearest board lot) the sale of an amount of a related security.

   "exempt related security cross" means an intentional cross entered by a Participating Organization in order to fill a client's order to buy or sell, as the case may be, a particular security where the Participating Organization has also entered a second intentional cross to fill that same client's order to buy or sell, as the case may be, an equivalent volume of a related security in respect of the particular security, provided that the execution of the order for the particular security and the execution of the order for the related security are each contingent on the execution of the order to buy or sell, as the case may be, an equivalent volume of the other.

   "related security" means in respect of a particular security:

   a. a security which is convertible or exchangeable into the particular security;

   b. a security into which the particular security is convertible or exchangeable;

   c. a derivative instrument for which the particular security is the underlying interest;

   d. a derivative instrument for which the market price varies materially with the market price of the particular security; and

e. if the particular security is a derivative instrument~~,~~: (i) a security which is the underlying interest of the derivative instrument or; (ii) a security which is a significant component of an index (representing at least 80 per cent of the component share weighting of the index) which is the underlying interest of the derivative instrument.

"related security spread" means the difference between the bid price for one security and the ask price for the related security.

"Special Trading Session order" means an order to buy or sell a security in the Special Trading Session.

2. Rule 4-802 shall be repealed and the following substituted:

Rule 4-802 – "Allocation of Trades"

(1) An order that is entered for execution on the Exchange may execute without interference from any order in the Book if the order is:

a. part of an internal cross;

b. an unattributed order that is part of an intentional cross;

c. part of an intentional cross entered by a Participating Organization in order to fill a client's Special Trading Session order ~~that was placed during the Regular Session~~; ~~or~~

d. part of an exempt related security cross, provided that the order is exempt from interference only to the extent that there are no offsetting orders entered in the Book, at least one of which is an order entered by the same Participating Organization, which can fill both the client's order for the particular security, in whole or in part, and an equivalent volume of the client's order for the related security. Orders in the Book will only be considered to be offsetting orders if the related security spread on execution of the clients' orders against orders in the Book is equal to or more beneficial than the related security spread offered by the Participating Organization for the contingent cross arrangement~~.~~; or

e. entered as part of a Specialty Price Cross.

(2) Subject to subsection (1), an intentional cross ~~is~~ executed ~~without~~ on the Exchange will be subject to interference from orders in the Book~~, other than orders entered in the Book by~~ from the same Participating Organization according to time priority, provided that ~~the~~such order~~s~~ in the Book ~~is not an un~~are attributed order~~s~~.

(3) A tradeable order that is entered in the Book shall be executed on allocation in the following sequence:

a. to offsetting orders entered in the Book by the Participating Organization that entered the tradeable order according to the time of entry of the offsetting order in the Book, provided that neither the tradeable order nor the offsetting order is an unattributed order; then

b. to offsetting orders in the Book according to the time of entry of the offsetting order in the Book; then

c. to the Responsible Registered Trader if the tradeable order is eligible for a Minimum Guaranteed Fill.

LIST OF COMMENTERS

1. TD Newcrest Inc. ("TD Newcrest")

2. BMO Nesbitt Burns ("BMO")

SUMMARY OF COMMENTS AND TSX RESPONSES

ISSUE AND COMMENTER	PUBLIC COMMENT	TSX RESPONSE
A. GENERAL		
BMO	Strongly supportive of the initiative and believes that it is in the best interests of the Canadian capital markets. The commenter seeks clarification regarding the issues identified below.	TSX believes that the proposal is in the best interests of the Canadian capital markets.
TD Newcrest	Supportive of the initiative and believes that it is in the best interests of the Canadian capital markets. The commenter seeks clarification regarding the issues identified below.	See above response to BMO in this section.
B. SCOPE OF THE EXEMPTION		
TD Newcrest	The commenter refers to the following statement in the Proposal relating to the scope of the proposed exemption from cross interference for contingent orders for related securities: "An order that is part of an intentional cross entered by a PO to fill a client's order to buy or sell, as the case may be, a particular security where the PO has also entered a second intentional cross to fill that same client's order to buy or sell, as the case may be, an equivalent volume of a related security …". The commenter believes that the proposed exemption from cross interference should not be limited to trades executed on behalf of the same client but should be extended to orders from two separate and distinct clients. The commenter believes that the exemption should be granted for all contingent trades, regardless of the number of counterparties involved.	TSX believes that the proposed exemption from cross interference should initially be limited to trades executed on behalf of the same client. TSX may consider expanding the scope of the exemption for contingent trades to include more than one counterparty in the future.
	The commenter notes that the exemptions will be granted to STS orders placed during the Regular Session. The commenter advises that it is not uncommon to receive market-on-close orders the night before or even two days before in advance of when they are to be executed. The commenter wishes confirmation that such orders also qualify for the cross interference exemption.	TSX confirms that such orders would qualify for the exemption from cross interference. For clarification, it is proposed that the phrase "that was placed during the Regular Session" will be deleted from proposed Rule 4-802(c). Accordingly, revised proposed Rule 4-802(c) reads as follows: c. part of an intentional cross entered by a Participating Organization in order to fill a client's Special Trading Session order; or
C. TIME PRIORITY		
TD Newcrest	The commenter refers to the following statement in the Proposal: "Subject to subsection (1) of the proposed amendment to Rule 4-802, an intentional cross is executed without interference from orders in the Book by the same PO according to time priority, provided that the order in the Book is not an unattributed order."	Pursuant to the cross interference exempt marker proposal, an STS order that is flagged with the dedicated STS marker (including basket trades such as the S&P TSX 60 Composite Index) will not be subject to same firm interference.

ISSUE AND COMMENTER	PUBLIC COMMENT	TSX RESPONSE
	The commenter suggests that the statement implies that an STS order will be subject to interference by other orders entered into the Book by the same PO with time priority. The commenter advised that this would require the PO to identify orders in the Book that were entered before the STS order was taken and give priority fills to these orders. The commenter believes that this is not practical, and would require a prohibitive amount of time (particularly, with respect to a MOC order for a basket of the S&P TSX 60 Composite Index which would involve numerous securities) to review the Book to assess which orders were entered into the Book prior to the MOC order being accepted. The commenter further notes that MOC orders executed in the STS should be exempt from interference from orders placed earlier by the same PO. The STS order is a contingent order subject to the closing price of the market. The commenter advises that dealers hedge their risk with complete indifference to the closing price and have an obligation to buy or sell a pre-determined amount of a security at a closing price. Dealers cannot determine what the closing price will be and whether there will be any orders entered by the same PO with time priority at that price. Accordingly, the dealer has no way to accurately quantify this risk in advance of the close which may result in higher volatility at the close as dealers price this uncertainty into the market impact costs of executing MOC trades.	
BMO	One commenter notes that, as proposed, orders entered into the Book prior to the time the PO agreed to guarantee the STS order continue to have priority over orders that are not client orders. The commenter believes that this allocation seems to violate the intention of the exemption since the exemption was granted on the basis that the PO's order was effectively a "Special Terms" order. The client order, regardless of when it was placed in the Book, does not match the "Special Terms" of the PO's order and therefore should not interfere with it.	See above response to TD Newcrest in this section.
D. DEFINITION OF "EQUIVALENT VOLUME"		
BMO	The commenter believes that the proposed definition of "equivalent volume" is too narrow. The commenter notes that most clients will round their order to the nearest board lot. For this reason, they believe that the requirement for an "exact" match should be changed to "exact to the nearest board lot".	Agreed. TSX agrees to amend the proposed definition of "equivalent volume" as follows to provide that an "exact" match will include a match to the nearest board lot as follows: "equivalent volume" with respect to a security that is sold means the amount of that security that must be sold to exactly offset (to the nearest board lot) the purchase of an amount of a related security and with respect to a security that is purchased means the amount of that security that must be purchased in order to exactly offset (to the nearest board lot) the sale of an amount of a related security.

ISSUE AND COMMENTER	PUBLIC COMMENT	TSX RESPONSE
	The commenter notes that many contingent orders are based on a complex, rather than a share versus share equivalent dollar value formula. For example, in many corporate mergers, the consideration paid for one security is a combination of another security and cash. Accordingly, the strict definition of "related security" will not be met despite the fact that there is a clear relationship. Moreover, the commenter notes that the securities will trade in large volume strictly based on a "spread" between the two for the duration of the merger period. This spread will result in an equivalent dollar value transaction only if the implicit cash value is included.	TSX believes that, at this time, contingent orders should be limited to the proposed share versus share formula. TSX may consider expanding the scope of the exemption for contingent orders in the future.
E. DEFINITION OF "RELATED SECURITY"		
BMO	Believes that the proposed definition of "related security" is too narrow. The "related security" definition requires that the securities must have an element of direct convertibility or exchangeability to them. The commenter believes that the criteria for "related security" not be based on the concept of convertability but instead based on the contingency requirements of the client's transaction.	TSX believes, at this time, not to base the criteria for "related security" on the broad concept of the contingency requirements of a client's transaction. TSX may propose to expand the scope of the exemption in the future.
TD Newcrest	Notes that subsection (e) of the definition of "related security" in proposed Rule 1-101(2) states "… if the particular security is a derivative instrument, a security which is the underlying interest of the derivative instrument or a *significant* component of an index which is the underlying interest of the derivative instrument". The commenter notes that the term "significant" is a vague and a subjective concept. The commenter seeks clarification on the threshold for determining what is a significant component of an index.	Consistent with TSX Policy 4-1001 of the Exchange relating to program trading and index participation units, it is proposed that a "significant" component of an index will refer to a trade of listed securities that comprise at least 80 percent of the component share weighting of the index. Proposed Rule 1-101(2)(e) has been revised accordingly.
F. RS REGULATORY APPROVALS		
BMO	The commenter questions whether approval from RS will be required prior to each trade.	No. Intentional crosses marked with the proposed marker that meet the prescribed requirements will automatically be exempt from interference from same firm orders in the Book. See also response to TD Newcrest in the section entitled "Client Priority".
G. OTHER TYPES OF TRADES		
TD Newcrest	Recommends that the contingent trade exemption should be extended to accommodate trading strategies that are popular on other global markets, but are currently unavailable in Canada. The commenter believes that contingent markers should be extended to permit crossing of stock outside of the posted bid/ask spread provided that the cross is contingent to the execution of a related trade (similar to the exchange for physicals market). Such an exemption would enable Canadians to source other liquidity pools for execution, namely derivative products (eg. futures, ETFs, options, etc.). The commenter notes that two types of trading strategies where a contingent marker allows for crosses to take place outside the posted bid/ask	TSX has received regulatory approval in connection with the entry and execution of certain specialty price crosses (volume-weighted average price trades and basis trades) during the Regular Session and the Special Trading Session. TSX believes that the execution of specialty price crosses on TSX will enable TSX to offer trade execution alternatives that are consistent with the standards of other major international exchanges.

ISSUE AND COMMENTER	PUBLIC COMMENT	TSX RESPONSE
	spread are basis trades and blind baskets.	
H. VOLATILITY AT THE CLOSE		
TD Newcrest	The commenter does not believe that the cross-interference exemption will significantly reduce day-end volatility. Late session volatility occurs primarily due to the daily supply/demand imbalances resulting from the re-balancing of assets benchmarked to closing prices.	TSX believes that TSX's proposed Market-on-Close System will significantly reduce volatility and increase participation at the close of the continuous market.

Chapter 25

Other Information

25.1 Consents

25.1.1 AFM Hospitality Corporation - ss. 4(b) of Reg. 289/00

Headnote

Consent granted for corporation incorporated under the Business Corporations Act to continue into another jurisdiction.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 181.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulations Cited

Regulation made under the Business Corporation Act, R.R.O., Reg. 62, as am by Reg. 290/00, s. 4(b).
Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am.

**IN THE MATTER OF
THE REGULATIONS MADE UNDER
THE BUSINESS CORPORATIONS ACT (ONTARIO),
R.S.O. 1990, c-B-16, AS AMENDED (the "OBCA") AND
R.R.O. 1990, REGULATION 289/00, AS AMENDED
(the "Regulation")**

AND

**IN THE MATTER OF
AFM HOSPITALITY CORPORATION**

**CONSENT
(Subsection 4(b) of the Regulation)**

UPON the application of AFM Hospitality Corporation (the "Applicant") to the Ontario Securities Commission (the "Commission") requesting the consent of the Commission to continue into another jurisdiction pursuant to subsection 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

1. the Applicant proposes to make an application (the "Application for Continuance") to the Director under the OBCA pursuant to section 181 of the OBCA for authorization to continue under the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 (the "CBCA");

2. the Applicant is an offering corporation under the provisions of the OBCA and a reporting issuer within the meaning of the *Securities Act* (Ontario) (the "Act");

3. pursuant to clause 4(b) of the Regulation, where the corporation is an offering corporation, the Application for Continuance must be accompanied by the consent of the Commission;

4. the Applicant is a corporation existing under the OBCA by virtue of its incorporation thereunder on October 23, 1908;

5. the authorized capital of the Applicant consists of an unlimited number of common shares without par value and an unlimited number of preferred shares issued in series of which 9,649,522 common shares and 1,309,940 Preferred shares are issued and outstanding;

6. the Applicant's issued and outstanding common shares are listed for trading on the Toronto Stock Exchange;

7. the Applicant is not in default of any requirements of the Act or the regulations or rules promulgated thereunder;

8. the Applicant is not a party to any proceeding or to the best of its knowledge, information or belief, any pending proceeding under the Act;

9. the Applicant currently intends to continue to be a reporting issuer under the Act;

10. the Applicant's continuance under the provisions of the CBCA was approved at a special meeting of shareholders of the Applicant held on June 24, 2003;

11. the continuance is proposed to be made in order for the Applicant to conduct its business and affairs in accordance with the provisions of the CBCA; and

12. the material rights, duties and obligations of a corporation existing under the CBCA are substantially similar to those of a corporation governed by the OBCA.

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

THE COMMISSION HEREBY CONSENTS to the continuance of the Applicant as a corporation under the CBCA.

August 22, 2003.

"H. Lorne Morphy" "Wendell S. Wigle"

25.2 Exemptions

25.2.1 TD Asset Management Inc. - ss. 6.1 of OSC Rule 13-502

Headnote

Item E(1) of Appendix C of OSC Rule 13-502 Fees – exemption for pooled funds from paying an activity fee of $5,500 in connection with an application brought under subsection 147 of the Act, provided an activity fee be paid on the basis that the application be treated as an application for other regulatory relief under item E(3) of Appendix C of the Rule.

Rules Cited

Ontario Securities Commission Rule 13-502, Fees, (2003) 26 OSCB 891.
Securities Act, R.S.O. 1990, c. S.5 as am., ss. 77(2) and ss. 78(1).
National Instrument 13-101 – System for Electronic Document Analysis and Retrieval (SEDAR), s. 2.1(1)1.

BY FAX

August 28, 2003

Torys LLP
Suite 3000
Maritime Life Tower
Box 270, TD Centre
Toronto, Ontario M5K 1N2

Attention: Karen A. Malatest

Dear Sirs/Mesdames:

Re: TD Asset Management Inc.
Application for Exemptive Relief under OSC Rule 13-502 Fees (the "Rule" or "Rule 13-502")
Application No. 562/03

By letter dated August 19, 2003 (the "Application"), you applied on behalf of TD Asset Management Inc. ("TDAM"), the manager of certain pooled funds listed in the Application (the "Existing Pooled Funds") and other pooled funds managed by TDAM from time to time (collectively with the Existing Pooled Funds, the "Pooled Funds"), to the Ontario Securities Commission (the "Commission") under subsection 147 of the Securities Act Ontario (the "Act") for relief from subsections 77(2) and 78(1) of the Act, which requires every mutual fund in Ontario to file interim and comparative annual financial statements (the "Financial Statements") with the Commission.

By same date and cover, you additionally applied to the securities regulatory authority in Ontario (the "Decision Maker") on behalf of TDAM, the manager of the Existing Pooled Funds, for an exemption, pursuant to subsection 6.1 of Rule 13-502, from the requirement to pay an activity fee of $5,500 in connection with the Application in accordance with item E(1) of Appendix C of the Rule, on the condition that fees be paid on the basis that the Application be treated as an application for other regulatory relief under item E(3) of Appendix C of Rule 13-502, and from the requirement to pay an activity fee of $1,500 in connection with the latter relief (the "Fees Exemption")

Item E of Appendix C of Rule 13-502 specifies the activity fee applicable for applications for discretionary relief. Item E(1) specifies that applications under subsection 147 of the Act pay an activity fee of $5,500, whereas item E(3) specifies that applications for other regulatory relief pay an activity fee of $1,500.

From our review of the Application and other information communicated to staff, we understand the relevant facts and representations to be as follows:

1. TDAM is a corporation existing under the laws of Ontario with its head office in Toronto, Ontario. TDAM is the manager of the Existing Pooled Funds. TDAM is registered under the Act as an adviser in the categories of investment counsel and portfolio manager and a limited market dealer and under the *Commodity Futures Act* (Ontario) in the category of commodity trading manager.

2. The Existing Pooled Funds are open-end mutual fund trusts established under the laws of Ontario. The Existing Pooled Funds are not reporting issuers in any province or territory of Canada. Units of the Existing Pooled Funds are distributed in each of the provinces and territories of Canada without a prospectus pursuant to exemptions from the prospectus delivery requirements of applicable securities legislation.

3. The Existing Pooled Funds fit within the definition of "mutual fund in Ontario" in section 1(1) of the Act and are thus required to file Financial Statements with the Commission under subsections 77(2) and 78(1) of the Act.

4. Section 2.1(1)1 of National Instrument 13-101 – System for Electronic Document Analysis and Retrieval (SEDAR) ("Rule 13-101") requires that every issuer required to file a document under securities legislation make its filing through SEDAR. The Financial Statements filed with the Commission thus become publicly available.

5. In the Application, TDAM and the Pooled Funds have requested under subsection 147 of the Act relief from filing the Financial Statements with the Commission. The activity fee associated with the Application is $5,500 in accordance with item E(1) of Appendix C of Rule 13-502.

6. If TDAM and the Pooled Funds had, as an alternative to the Application, sought an exemption from the requirement to file the Financial Statements via SEDAR, the activity fee for that application would be $1,500 in accordance with item E(3) of Appendix C of Rule 13-502.

7. If the Pooled Funds were reporting issuers seeking the same relief as requested in the Application, such relief could be sought under section 80 of the Act, rather than under subsection 147 of the Act, and the activity fee for that application would be $1,500 in accordance with item E(3) of Appendix C of Rule 13-502.

Decision

This letter confirms that, based on the information provided in the Application, other communications to staff, and the facts and representations above, and for the purposes described in the Application, the Decision Maker hereby exempts TDAM and the Pooled Funds from

i) paying an activity fee of $5,500 in connection with the Application, provided that TDAM and the Pooled Funds pay an activity fee on the basis that the Application be treated as an application for other regulatory relief under item E(3) of Appendix C to Rule 13-502, and

ii) paying an activity fee of $1,500 in connection with the Fees Exemption application under item E(3) of Appendix C to Rule 13-502.

Yours truly,

"Susan Silma"

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