

The Ontario Securities Commission

# OSC Bulletin

September 12, 2003

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

**The Ontario Securities Commission**

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# Table of Contents

<b>Chapter 1 Notices / News Releases .....</b>	<b>6347</b>	2.2.5 Aurelian Resources Inc. - ss. 83.1(1) .....	6396
<b>1.1 Notices .....</b>	<b>6347</b>	2.2.6 Alegro Health Corp. - ss. 83.1(1) .....	6398
1.1.1 Current Proceedings Before The Ontario Securities Commission.....	6347	<b>Chapter 3 Reasons: Decisions, Orders and Rulings .....</b>	<b>(nil)</b>
1.1.2 CSA Staff Notice 12-307 Ceasing to be a Reporting Issuer under the Mutual Reliance Review System for Exemptive Relief Applications.....	6348	<b>Chapter 4 Cease Trading Orders .....</b>	<b>6401</b>
1.1.3 Notice of Rescission of National Policy No. 25 - Registrants Advertising Disclosure of Interest and National Policy No. 49 - Self-Regulatory Organization Membership.....	6350	4.1.1 Temporary, Extending & Rescinding Cease Trading Orders.....	6401
<b>1.2 Notices of Hearing.....</b>	<b>(nil)</b>	4.2.1 Management & Insider Cease Trading Orders.....	6401
<b>1.3 News Releases .....</b>	<b>6351</b>	<b>Chapter 5 Rules and Policies .....</b>	<b>(nil)</b>
1.3.1 OSC Sets Dates for ATI Hearing.....	6351	<b>Chapter 6 Request for Comments .....</b>	<b>(nil)</b>
<b>Chapter 2 Decisions, Orders and Rulings .....</b>	<b>6353</b>	<b>Chapter 7 Insider Reporting.....</b>	<b>6403</b>
<b>2.1 Decisions .....</b>	<b>6353</b>	<b>Chapter 8 Notice of Exempt Financings .....</b>	<b>6405</b>
2.1.1 CitiFinancial Canada, Inc. - MRRS Decision.....	6353	Reports of Trades Submitted on Form 45-501F1.....	6405
2.1.2 Oil Sands Split Trust - MRRS Decision.....	6354	Resale of Securities - (Form 45-501F2).....	6410
2.1.3 Dundee Realty Corporation - MRRS Decision.....	6356	Notice of Intention to Distribute Securities and Accompanying Declaration Under Section 2.8 of Multilateral Instrument 45-102 Resale of Securities - Form 45-102F3.....	6410
2.1.4 Arctic Glacier Income Fund - MRRS Decision.....	6357	<b>Chapter 9 Legislation.....</b>	<b>(nil)</b>
2.1.5 Royal Bank of Canada and RBC Capital Trust II - MRRS Decision.....	6360	<b>Chapter 11 IPOs, New Issues and Secondary Financings.....</b>	<b>6411</b>
2.1.6 Dundee Real Estate Investment Trust - MRRS Decision.....	6364	<b>Chapter 12 Registrations.....</b>	<b>6417</b>
2.1.7 Maxxcom Inc. - MRRS Decision.....	6368	12.1.1 Registrants .....	6417
2.1.8 CI Mutual Funds Inc. - MRRS Decision.....	6369	<b>Chapter 13 SRO Notices and Disciplinary Proceedings .....</b>	<b>(nil)</b>
2.1.9 Elliott & Page Limited - MRRS Decision.....	6371	<b>Chapter 25 Other Information .....</b>	<b>6419</b>
2.1.10 Kyrgoil Holding Corporation - MRRS Decision.....	6372	25.1.1 Securities.....	6419
2.1.11 Series S-1 Income Fund - MRRS Decision.....	6375	<b>25.2 Exemptions .....</b>	<b>6420</b>
2.1.12 Millennium Energy Inc. - MRRS Decision.....	6378	25.2.1 Arrow Hedge Partners Inc. - s. 6.1 of OSC Rule 13-502 .....	6420
2.1.13 Windsor Trust 2002-A - MRRS Decision.....	6380	25.2.2 Enterprise Capital Management Inc. - s. 6.1 of OSC Rule 13-502 .....	6421
2.1.14 Windsor Trust 2002-B - MRRS Decision.....	6384	<b>25.3 Approvals .....</b>	<b>6423</b>
2.1.15 AT Plastics Inc. - MRRS Decision.....	6387	25.3.1 ESC Holdings Limited - cl. 213(3)(b) of the LTCA.....	6423
<b>2.2 Orders.....</b>	<b>6389</b>	<b>Index.....</b>	<b>6425</b>
2.2.1 Garban LLC - s. 211 of Reg. 1015 .....	6389		
2.2.2 Graham Capital Management, L.P. - ss. 38(1) of the CFA.....	6390		
2.2.3 Skylon Advisors Inc. - ss. 104(1) .....	6393		
2.2.4 Bradbrooke Capital Holdings, Inc. - ss. 38(1) of the CFA.....	6395		



## Chapter 1

# Notices / News Releases

### 1.1 Notices

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

SEPTEMBER 12, 2003

#### CURRENT PROCEEDINGS

#### BEFORE

#### ONTARIO SECURITIES COMMISSION

-----

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

The Harry S. Bray Hearing Room  
Ontario Securities Commission  
Cadillac Fairview Tower  
Suite 1700, Box 55  
20 Queen Street West  
Toronto, Ontario  
M5H 3S8

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

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Paul K. Bates	—	PKB
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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 **Teodosio Vincent Pangia, Agostino Capista and Dallas/North Group Inc.**

s. 127

Y. Chisholm in attendance for Staff

Panel: TBA

DATE: TBA **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: TBA

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

10:00 a.m.

s. 127

K. Daniels in attendance for Staff

Panel: HLM/WSW/RLS

October 1, 2003 **Marlene Berry et al**

2:00 p.m. s. 127

T. Pratt in attendance for Staff

Panel: HLM/RWD

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

s. 127

Y. Chisholm in attendance for Staff

Panel: HLM/KDA/ST

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**

10:00 a.m. **Burns Inc.\*, John Steven Hawkyard<sup>+</sup> and John Craig Dunn**

s. 127

K. Manarin in attendance for Staff

Panel: HLM/MTM/ST

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

February 19, 2004 **ATI Technologies Inc., Kwok Yuen**  
to March 10, 2004 **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

## **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**

**Andrew Keith Lech**

**S. B. McLaughlin**

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

## **1.1.2 CSA Staff Notice 12-307 Ceasing to be a Reporting Issuer under the Mutual Reliance Review System for Exemptive Relief Applications**

### **CSA STAFF NOTICE 12-307**

### **CEASING TO BE A REPORTING ISSUER UNDER THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS**

#### **Background**

Effective on September 12, 2003, the local securities regulatory authority or regulator in Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") adopted a revised procedure, accessible under National Policy 12-201 Mutual Reliance Review System for Exemptive Relief Applications ("NP 12-201") and available in certain circumstances, for requests for exemptive relief under the securities legislation (the "Legislation") of the Jurisdictions in which the applicant is seeking a decision that it cease to be a reporting issuer.

A reporting issuer:

- that is not a reporting issuer in British Columbia (including issuers that have voluntarily surrendered their reporting issuer status under British Columbia Instrument 11-502 Voluntary Surrender of Reporting Issuer Status<sup>1</sup>);
- that is seeking a decision, from the local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions in which it is a reporting issuer, that it cease to be a reporting issuer;
- whose outstanding securities, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
- whose securities are not traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation; and
- that is not in default of any of its obligations under the Legislation as a reporting issuer;

may request the relief by submitting, to each of the Jurisdictions in which the applicant is seeking the relief, the

<sup>1</sup> A reporting issuer in British Columbia with not more than 50 security holders (both debt and equity), whose securities are not traded through any exchange or market, may surrender its status as a reporting issuer simply by filing with the British Columbia Securities Commission the notice described in British Columbia Instrument 11-502 Voluntary Surrender of Reporting Issuer Status.

fees applicable under the Legislation and a letter in duplicate prepared by or on behalf of the applicant that:

- states that the applicant is seeking a decision of the Decision Makers that it cease to be a reporting issuer;
- references this Staff Notice; and
- includes representations that the applicant meets each of the criteria set out in this Staff Notice.

An example application letter and form of decision granting the relief is attached as Schedule 1. Notwithstanding the format of the application described, staff may request that the reporting issuer provide additional information in support of the application.

### Objective

The revised procedure will simplify the process, in certain routine circumstances, for a reporting issuer submitting an application under NP 12-201 that it cease to be a reporting issuer. If an applicant requesting relief to cease to be a reporting issuer does not meet the requirements of this Staff Notice, the applicant may submit an application under the standard procedure set out in NP 12-201.

September 12, 2003.

### Schedule 1

#### Example of an Application Letter

\*

Dear \*

\*

**Re: \* (the "Applicant") - Application to Cease to be a Reporting Issuer under the securities legislation of – [list the jurisdictions and define as "Jurisdictions"]**

We are applying to the [identify principal regulator] as principal regulator on behalf of the Applicant for an order under the securities legislation (the "Legislation") of the Jurisdictions that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Pursuant to CSA Staff Notice 12-307, the Applicant represents that:

- the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
- no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation;
- the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and
- the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Dated this \_\_\_ day of \_\_\_\_\_, in the City of \_\_\_\_\_ in the Province of \_\_\_\_\_.

Applicant name \*

Signature of the person who has signing authority

### Example of an Order/ Letter Granting the Relief

\*

Dear \*

\*

**Re: \* (the "Applicant") - Application to Cease to be a Reporting Issuer under the securities legislation of – [list the jurisdictions and define as "Jurisdictions"]**

The Applicant has applied to the local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions for a decision under the securities legislation (the "Legislation") of the Jurisdictions to be deemed to have ceased to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that,

- the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
- no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation;
- the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and
- the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer.

---

\*

Signature of the person who has signing authority

### 1.1.3 Notice of Rescission of National Policy No. 25 - Registrants Advertising Disclosure of Interest and National Policy No. 49 - Self-Regulatory Organization Membership

#### NOTICE OF RESCISSION OF NATIONAL POLICY NO. 25 - REGISTRANTS ADVERTISING DISCLOSURE OF INTEREST AND NATIONAL POLICY NO. 49 - SELF-REGULATORY ORGANIZATION MEMBERSHIP

#### Rescission of Policies

All members of the Canadian Securities Administrators (CSA) have rescinded the following National Policies:

- National Policy 25 - Registrants Advertising Disclosure of Interest (NP 25)
- National Policy 49 - Self-Regulatory Organization Membership (NP 49)

The rescissions are effective immediately.

A notice respecting the proposed rescission of these Policies was published, in Ontario, on March 31, 2003 at (2003) 26 OSCB 2355. Interested parties were invited to make written submissions with respect to the proposed rescissions. No submissions were received and no changes have been made from the draft, other than the addition of an effective date.

#### Text of Rescissions

"National Policy 25 entitled "Registrants Advertising Disclosure of Interest" is rescinded effective immediately."

"National Policy 49 entitled "Self-Regulatory Organization Membership" is rescinded effective immediately."

September 12, 2003.



**1.3 News Releases**

**1.3.1 OSC Sets Dates for ATI Hearing**

**FOR IMMEDIATE RELEASE  
September 4, 2003**

**OSC SETS DATES FOR ATI HEARING**

**TORONTO** – The Ontario Securities Commission set the matter of ATI Technologies Inc., K.Y. Ho, Betty Ho, Jo-Anne Chang, David Stone, Mary de la Torre, Alan Rae and Sally Daub for hearing.

The hearing is scheduled to commence on Thursday, February 19, 2004 at 2:00 p.m. and continue until Wednesday, March 10, 2004, at 4:30 p.m.

ATI is alleged to have failed to disclose material information on a timely basis and to have made a misleading statement to Staff.

K.Y. Ho, Betty Ho, Jo-Anne Chang, David Stone, Mary de la Torre, and Alan Rae are alleged to have committed insider trading. Daub is alleged to have made a misleading statement to Staff.

Copies of the Notice of Hearing and Statement of Allegations are available at **[www.osc.gov.on.ca](http://www.osc.gov.on.ca)**

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

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

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## Chapter 2

# Decisions, Orders and Rulings

### 2.1 Decisions

#### 2.1.1 CitiFinancial Canada, Inc. - MRRS Decision

##### Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer has only one security holder – issuer deemed to have ceased being a reporting issuer.

##### Applicable Ontario Statutory Provisions

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

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

**AND**

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

**AND**

**IN THE MATTER OF  
CITIFINANCIAL CANADA, INC.**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the “Decision Maker”) in each of Alberta, Saskatchewan, Ontario and Quebec (collectively, the “Jurisdictions”) has received an application from CitiFinancial Canada, Inc. (the “Filer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the Filer be deemed to have ceased to be a reporting issuer under the Legislation;

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

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

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

1. The Filer is a corporation continued under the *Canada Business Corporations Act* and is a reporting issuer or its equivalent in each of British

Columbia, Alberta, Saskatchewan, Ontario and Quebec and is not in default of its reporting issuer obligations under the Legislation;

2. The head office of the Filer is located in Ontario;
3. The Filer does not intend to seek public financing by way of an offering of its securities;
4. The authorized capital of the Filer consists of an unlimited number of common shares. As of the date hereof 1,601 Common Shares (the “Common Shares”) are issued and outstanding;
5. On July 2, 2003, the Filer satisfied all of its outstanding long-term debt obligations;
6. Citigroup Finance Canada Inc. (“CFCI”) is a company incorporated under the *Canada Business Corporations Act*. CFCI is a wholly-owned subsidiary of Associates First Capital Corporation, a Delaware Corporation, and is a reporting issuer or its equivalent in each province of Canada (where that concept exists). CFCI owns all of the issued and outstanding Common Shares of the Filer;
7. As a result of the Filer satisfying all of its long-term debt obligations, CFCI owns all of the Filer’s outstanding securities;
8. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101;
9. Other than the Common Shares owned by CFCI, the Filer has no securities, including debt securities, outstanding;
10. The Filer will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the grant of relief contained in this decision;

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

August 28, 2003.

“Erez Blumberger”

## **2.1.2 Oil Sands Split Trust - MRRS Decision**

### **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted to an issuer from requirement to deliver initial interim financial statements – Initial interim financial statements cover a short operating period.

### **Applicable Ontario Statutory Provisions**

Securities Act, R.S.O. 1990, c. S.5, as am. subsection 77(2), clause 80(b)(iii).

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

**AND**

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

**AND**

**IN THE MATTER OF  
OIL SANDS SPLIT TRUST**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec and Nova Scotia (the “Jurisdictions”) have received an application from Oil Sands Split Trust (the “Issuer”) for a decision under the securities legislation (the “Legislation”) of the Jurisdictions that the Issuer be exempt from the requirement to deliver to its security holders interim financial statements for the period from June 13, 2003 to June 30, 2003, as would otherwise be required pursuant to applicable Legislation;

**AND WHEREAS** pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), Ontario 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 Issuer has represented to the Decision Maker that:

1. The Issuer filed a final prospectus dated June 13, 2003 (the “Prospectus”) with the securities regulatory authority in each of the provinces of Canada pursuant to which a distribution of 2,500,000 preferred securities (the “Preferred Securities”) and 2,500,000 capital units (the

"Capital Units") of the Issuer was completed on July 3, 2003.

2. The Issuer was established under the laws of the Province of Ontario pursuant to a trust agreement dated June 13, 2003. The fiscal year end of the Issuer is December 31, with the first fiscal year end to occur on December 31, 2003. Pursuant to the requirements of the Legislation, and subject to any relief obtained pursuant to this application, the Issuer would be required to prepare and file in the Jurisdictions and deliver to its security holders interim financial statements (the "Initial Interim Financial Statements") for the period from June 13, 2003 to June 30, 2003.
3. The final redemption of the Preferred Securities and the Capital Units of the Issuer is scheduled to occur on September 15, 2010.
4. The authorized capital of the Issuer consists of an unlimited number of Capital Units, of which 2,500,000 are issued and outstanding. An aggregate principal amount of \$42,500,000 of Preferred Securities has been authorized to be issued, of which 2,500,000 Preferred Securities having an aggregate principal amount of \$42,500,000 are issued and outstanding. The attributes of the Preferred Securities and the Capital Units are described under the headings "Certain Provisions of the Preferred Securities" and "Certain Provisions of the Capital Units" on pages 18 and 21, respectively, of the Prospectus.
5. RBC Dominion Securities Inc. acted as an agent for, and was the promoter of, the Issuer in respect of the offerings of the Preferred Securities and the Capital Units.
6. The principal undertaking of Issuer is the holding of a portfolio of trust units (the "COS Units") of Canadian Oil Sands Trust in order to generate quarterly fixed interest payments for the holders of Preferred Securities and to enable the holders of Capital Units to participate in any capital appreciation in the COS Units. The COS Units held by the Issuer will only be disposed of as described in the Prospectus.
7. The Prospectus included an audited statement of financial position of the Issuer as at June 13, 2003 and an unaudited pro forma statement of financial position as at June 13, 2003 prepared on the basis of the completion of the sale and issue of Capital Units and Preferred Securities of the Issuer. As such, the financial position of the Issuer as at June 30, 2003 will have been substantially reflected in the pro forma financial statements contained in the Prospectus.
8. The Issuer is an inactive company, the sole purpose of which is to provide a vehicle through which different investment objectives with respect

to participation in the COS Units may be satisfied. Holders of Capital Units will be entitled on redemption to the benefits of any capital appreciation in the market price of the COS Units after payment of administrative and operating expenses of the Issuer and the fixed distributions on the Preferred Securities, and holders of Preferred Securities will be entitled to receive fixed cumulative preferential distributions on a quarterly basis equal to \$0.36125 per Preferred Security.

9. The benefit to be derived by the security holders of the Issuer from receiving the Initial Interim Financial Statements would be minimal in view of (i) the short period (i.e., 17 days) from the date of the Prospectus to June 30, 2003; (ii) the pro forma financial statements contained in the Prospectus; and (iii) the nature of the minimal business carried on by the Issuer.
10. The expense to the Issuer of sending to its security holders the Initial Interim Financial Statements would not be justified in view of the benefit to be derived by the security holders from receiving such statements.
11. The annual unaudited financial statements of the Issuer for the period ending December 31, 2003 will include the period from June 13, 2003 to June 30, 2003.

**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;

**IT IS HEREBY DECIDED** by the Decision Makers pursuant to the Legislation that the Issuer is exempted from the requirement to deliver to its security holders the Initial Interim Financial Statements, provided that

- (i) the Initial Interim Financial Statements are filed and posted for viewing on SEDAR;
- (ii) the Issuer issue, and file on SEDAR, a press release informing security holders of their right to receive the Initial Interim Financial Statements upon request; and
- (iii) the Issuer send a copy of such Initial Interim Financial Statements to any security holder of the Issuer who so requests.

August 29, 2003.

"H. Lorne Morphy"

"Wendell S. Wigle"

### 2.1.3 Dundee Realty Corporation - MRRS Decision

#### Headnote

Mutual Reliance Review System for Exemptive Relief Applications — issuer deemed to have ceased being a reporting issuer.

#### Applicable Ontario Statutory Provisions

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

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

**AND**

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

**AND**

**IN THE MATTER OF  
DUNDEE REALTY CORPORATION**

**MRRS DECISION DOCUMENT**

**WHEREAS** the securities regulatory authority or regulator (collectively, the “Decision Makers”) in each of Alberta, Saskatchewan, Ontario, Québec, and Nova Scotia (the “Jurisdictions”) has received an application (the “Application”) from Dundee Realty Corporation (“DRC”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that DRC is deemed to have ceased to be a reporting issuer, or the equivalent, under the Legislation;

**AND WHEREAS**, under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Ontario Securities Commission is the principal regulator for the 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**, DRC has represented to the Decision Makers that:

1. DRC is a corporation existing under the laws of the Province of Ontario. The head office of DRC is located in Toronto, Ontario.
2. DRC is authorized to issue (a) an unlimited number of preferred shares, issuable in series, of which three series of preferred shares have been designated as special shares; special shares, series 2; and special shares, series 3, respectively; and (b) an unlimited number of

common shares. As of June 30, 2003 there were no preferred shares and 16,264,437 common shares of DRC issued and outstanding;

3. Effective on June 30, 2003, all of the issued and outstanding common shares of DRC were acquired (the “Acquisition”) by DRC Holding Corp., a subsidiary of Dundee Bancorp Inc., as part of a transaction that reorganized the commercial revenue producing properties of DRC into a real estate investment trust named “Dundee Real Estate Investment Trust” (“Dundee REIT”);
4. Pursuant to the Acquisition, former holders of DRC common shares (other than Dundee Bancorp Inc., certain of its affiliates and certain members of management of DRC) received 1 REIT Unit, Series A and \$3.00 cash for each DRC common share held.
5. Other than the common shares held by DRC Holding Corp. referred to above and a 60-day term promissory note held by Dundee Properties Limited Partnership (a limited partnership indirectly controlled by Dundee REIT), DRC has no other securities, including debt securities, outstanding;
6. DRC does not intend to seek public financing by way of an offering of its securities;
7. DRC is a reporting issuer in each of the Jurisdictions and is not in default of any of its obligations as a reporting issuer;
8. The DRC common shares were delisted from the TSX on June 30, 2003, and no securities of DRC are listed or quoted on any exchange or market;
9. Immediately following the grant of relief contained in this Decision Document, DRC will not be a reporting issuer in any jurisdiction in Canada;
10. Dundee REIT is an unincorporated, open-ended real estate investment trust governed by the laws of the Province of Ontario. The head office of Dundee REIT is located in Toronto, Ontario;
11. As of June 30, 2003, 9,370,192 REIT Units, Series A were issued and outstanding;
12. Dundee REIT is a reporting issuer in each of the Provinces of Canada where such a concept exists and is not in default of any of its obligations as a reporting issuer;
13. The REIT Units, Series A are listed on the Toronto Stock Exchange (“TSX”) and commenced trading on July 2, 2003 under the symbol “D.UN”;

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

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

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

August 29, 2003.

"C. McInnis"

## **2.1.4 Arctic Glacier Income Fund - MRRS Decision**

### **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – Closed-end investment trust exempt from prospectus and registration requirements in connection with issuance of units to existing unitholders under a distribution reinvestment plan whereby distributions of income are reinvested in additional units of the trust, subject to certain conditions - first trade relief provided for additional units of trust, subject to certain conditions.

### **Ontario Statutes**

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

### **Ontario Rules**

Multilateral Instrument 45-102 Resale of Securities 24 OSCB 7029.

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

**AND**

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

**AND**

**IN THE MATTER OF  
ARCTIC GLACIER INCOME FUND**

**MRRS DECISION DOCUMENT**

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

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

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

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

1. The Trust is an unincorporated open-end mutual fund trust established under the laws of the Province of Alberta by a declaration of trust dated January 22, 2002, as amended and restated as of March 11, 2002.
2. The beneficial interests in the Trust are divided into interests of one class, described and designated as "Trust Units". The Trust is authorized to issue an unlimited number of Trust Units of which 15,659,846 are presently issued and outstanding.
3. The Trust became a reporting issuer or the equivalent in all Jurisdictions on March 13, 2002 on obtaining a receipt for its prospectus dated March 12, 2002. The last prospectus of the Trust was dated June 17, 2003 and filed in all of the Jurisdictions on June 17, 2003. The Trust is current on all filings required to be made under the Legislation.
4. The Trust Units are listed and posted for trading on the Toronto Stock Exchange (the "TSX") under the symbol "AG.UN".
5. The Trust makes cash distributions of a proportionate share of its annual distributable cash flow ("Distributions") on a monthly basis paid on the 15<sup>th</sup> day of each month (the "Distribution Date") to unitholders of record ("Unitholders") on the last business day of the previous month (each a "Record Date").
6. The Trust has adopted the Plan which, subject to obtaining all necessary regulatory approvals, will permit Unitholders to reinvest Distributions by electing to purchase additional Units ("Plan Units") pursuant to the Plan and in accordance with a distribution reinvestment plan services agreement entered into between the Trust and Computershare Trust Company of Canada in its capacity as agent under the Plan (in such capacity, the "Plan Agent").
7. Participation in the Plan is restricted to Unitholders and beneficial owners of Trust Units who are residents of Canada.
8. A registered holder of Trust Units may elect to participate in the Plan by completing an authorization form and sending it to the Plan Agent. Beneficial owners of Trust Units may elect to participate in the Plan by notifying the Plan Agent via the applicable participant ("CDS Participant") in the Canadian Depository for Securities Limited ("CDS") depository service.
9. Distributions due to participants in the Plan ("Plan Participants") will be paid to the Plan Agent and applied to purchase Plan Units directly from the Trust.
10. The Price of Plan Units purchased with Distributions will be 95% of the volume weighted average of the trading price for the Trust Units on the TSX for the ten (10) trading days immediately preceding the relevant Distribution Date.
11. The Plan also allows Plan Participants to make optional cash payments ("Optional Cash Payments") to purchase Plan Units, provided that Optional Cash Payments made by any Plan Participant shall be not less than \$1,000 per Distribution Date and not more than \$12,000 per calendar year.
12. The Price of Plan Units purchased with Optional Cash Payments will be 100% of the volume weighted average of the trading price for the Trust Units on the TSX for the ten (10) trading days immediately preceding the relevant Distribution Date.
13. The aggregate number of Plan Units that may be purchased with Optional Cash Payments in a calendar year will be limited to 2% of the outstanding Trust Units at the commencement of that calendar year.
14. Optional Cash Payments, accompanied by the prescribed forms, must be received by the Plan Agent on or before 5:00 p.m. (Toronto time) no later than two (2) business days prior to a Distribution Date, in order to be invested in Plan Units in respect of such Distribution Date. Any Optional Cash Payments received after such time will be held (without interest) by the Plan Agent and be used to purchase Plan units in respect of the following Distribution Date.
15. Plan Participants may terminate their participation in the Plan by written notice to the Plan Agent or their CDS Participant, who will in turn notify CDS. CDS will notify the Plan Agent each month of the number of Trust Units participating in the Plan through CDS.
16. No commissions or brokerage fees will be payable on the purchase of Plan Units and administrative costs will be borne by the Trust.
17. The Trust reserves the right to suspend or terminate the Plan at any time in its sole discretion, upon not less than 30 days' notice to (i) the Plan Participants who are registered Unitholders, (ii) CDS and (iii) the Plan Agent.



18. Subject to the approval of the TSX, the Trust may amend the Plan at any time and may, in consultation with the Plan Agent, adopt additional rules and regulations to facilitate the administration of the Plan.
  - (ii) instructions on how to exercise the right referred to in (i);
19. The distribution of the Plan Units by the Trust pursuant to the Plan cannot be made in reliance on certain registration and prospectus exemptions contained in the Legislation for the reinvestment of dividends, interest or distributions of capital gains, earnings or surplus, as the Plan involves the reinvestment of Distributions of all distributable cash flow of the Trust which may not fall into any of these categories.
  - (d) in the calendar year during which the trade takes place, the aggregate number of Plan Units issued pursuant to the Optional Cash Payments shall not exceed 2% of the aggregate number of Units outstanding at the commencement of that calendar year;
  - (e) except in Québec, the first trade in Plan Units acquired pursuant to this Decision will be a distribution or primary distribution to the public under the Legislation unless the conditions of paragraphs 2 through 5 of subsection 2.6(3) of Multilateral Instrument 45-102 *Resale of Securities* are satisfied; and
20. Additionally, the distribution of Plan Units by the Trust pursuant to the Plan cannot be made in reliance on certain registration and prospectus exemptions contained in the Legislation for the reinvestment plans of mutual funds as the Trust is not a "mutual fund" within the definition in the Legislation because the Unitholders are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in a part of the net assets of the Trust.
  - (f) in Québec, the first trade (alienation) in Plan Units acquired pursuant to this Decision will be a distribution unless:
    - (i) at the time of the first trade, the Trust is a reporting issuer in Québec and is not in default of any of the requirements of securities legislation in Québec;
    - (ii) no unusual effort is made to prepare the market or to create a demand for the Plan Units;
    - (iii) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
    - (iv) if the seller of the Plan Units is an insider of the Trust, the seller has reasonable grounds to believe that the issuer is not in default of any of requirement of the Legislation of Québec.

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

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

**THE DECISION** of the Decision Makers under the Legislation is that the Registration and Prospectus Requirements contained in the Legislation shall not apply to the trades of Plan Units to the Plan Agent for the account of Plan Participants pursuant to the Plan provided that:

- (a) at the time of the trade the Trust is a reporting issuer or the equivalent under the Legislation and is not in default of any requirements of the Legislation;
- (b) no sales charge is payable in respect of the distributions of Plan Units from treasury;
- (c) the Trust has caused to be sent to the person or company to whom the Plan Units are traded, not more than 12 months before the trade, a statement describing:
  - (i) their right to withdraw from the Plan and to make an election to receive cash instead of Plan Units on the making of a distribution by the Trust; and

August 7, 2003.

"Chris Besko"

**2.1.5 Royal Bank of Canada and RBC Capital Trust II  
- MRRS Decision**

**Headnote**

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

**Applicable Ontario Statutory Provisions**

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

**Applicable Ontario Rules Cited**

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

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

**AND**

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

**AND**

**IN THE MATTER OF  
ROYAL BANK OF CANADA AND  
RBC CAPITAL TRUST II**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker", and collectively the "Decision Makers") in each of the Provinces of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application (the "Application") from Royal Bank of Canada (the "Bank") and RBC Capital Trust II (the "Trust") for a decision, pursuant to

the securities legislation of the Jurisdictions (the "Legislation"), that the requirements contained in the Legislation to:

- (a) file interim financial statements and audited annual financial statements (collectively, "Financial Statements") with the Decision Makers and deliver such statements to the security holders of the Trust;
- (b) make an annual filing (an "Annual Filing") with the Decision Makers in lieu of filing an information circular, where applicable;
- (c) file an annual report (an "Annual Report") and an information circular with the Decision Maker in Quebec and deliver such report or information circular to the security holders of the Trust resident in Quebec; and
- (d) file an annual information form ("AIF") and annual management's discussion and analysis ("MD&A") of the financial condition and results of operation of the Trust with the Decision Makers in Ontario, Saskatchewan and Quebec, an interim MD&A in Ontario and Saskatchewan and send such MD&A to security holders of the Trust, where applicable (collectively the "AIF and MD&A Requirements");

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

**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 Bank and the Trust have represented to the Decision Makers that:

**The Bank**

- 1. The Bank is a Schedule I bank under the *Bank Act* (Canada) and such act is its charter and governs its operations.
- 2. The authorized share capital of the Bank consists of an unlimited number of: (i) common shares ("Bank Common Shares"); and (ii) an unlimited number of First Preferred Shares and Second Preferred Shares (the "Bank Preferred Shares").

3. The Bank Common Shares are listed on the Toronto Stock Exchange, the New York Stock Exchange and the Swiss Exchange.
4. The Bank is a reporting issuer in each province and territory of Canada that provides for a reporting issuer regime and is not, to its knowledge, in default of any requirement thereof. The Bank is qualified to use the short form prospectus system provided under National Instrument 44-101.

#### **The Trust**

5. The Trust is an open-end trust established under the laws of the Province of Ontario pursuant to a declaration of trust made as of June 23, 2003 of The Royal Trust Company (the "Trustee"), which shall be amended and restated prior to the completion of the Offering (as defined below) (as so amended and restated, the "Declaration of Trust"). Upon completion of the Offering, the authorized capital of the Trust will consist of: (i) an unlimited number of Trust Capital Securities – Series 2013 (the "RBC TruCS - Series 2013"); and (ii) an unlimited number of Special Trust Securities. Following the issuance of a MRRS Decision Document evidencing receipts for the final prospectus (the "Prospectus") in respect of the proposed public offering of RBC TruCS – Series 2013 (the "Offering"), the Trust will be a reporting issuer in each of the provinces of Canada that provides for a reporting issuer regime (or the equivalent).
6. Following completion of the Offering, the RBC TruCS – Series 2013 distributed pursuant to the Prospectus will be held by the public (although the Offering will be marketed only to institutional investors) and all outstanding Special Trust Securities will be held by the Bank (the Special Trust Securities and the RBC TruCS – Series 2013 being collectively referred to herein as the "Trust Securities"). The Trust may, from time to time, issue further series of trust capital securities of the Trust (the "Trust Capital Securities") having terms substantially similar to the RBC TruCS – Series 2013.
7. The RBC TruCS – Series 2013 are non-voting securities of the Trust (except in limited circumstances where holders can vote if changes to the terms of the RBC TruCS – Series 2013 are made), which have the attributes described below under "Details of the Offering". The Special Trust Securities are voting securities of the Trust.
8. The Trust was established solely for the purpose of effecting the Offering and possible future offerings of securities in order to provide the Bank with a cost effective means of raising capital for Canadian financial institutions regulatory purposes by means of: (i) creating and selling the Trust

Securities; and (ii) acquiring and holding assets, which, on completion of the Offering, will consist primarily of a senior deposit note issued by the Bank (the "Bank Deposit Note") (to be acquired by the Trust with the proceeds of the Offering). The Bank Deposit Note will generate income for distribution to holders of the Trust Securities. The Trust does not and will not carry on any operating activity other than in connection with the offering of the RBC TruCS – Series 2013 and any future offerings.

#### **RBC TruCS - Series 2013**

9. Holders of RBC TruCS - Series 2013 will be entitled to receive fixed, semi-annual non-cumulative distributions (each, an "Indicated Yield") on the basis described below (the "Distributions"). Each semi-annual payment date for the Indicated Yield in respect of the RBC TruCS - Series 2013 (a "Distribution Date") will be either a Regular Distribution Date or a Distribution Diversion Date. A Distribution Date will be a "Distribution Diversion Date", with the result that the Indicated Yield will not be paid in respect of the RBC TruCS - Series 2013 but, instead, the Trust will pay the net distributable funds of the Trust to the Bank as holder of the Special Trust Securities, if: (i) the Bank has failed in the period described in the Prospectus to declare regular dividends on the Bank Preferred Shares of any series, or (ii) if no Bank Preferred Shares are then outstanding and the Bank has failed in the period described in the Prospectus to declare regular dividends on the Bank Common Shares. In all other cases, a Distribution Date will be a Regular Distribution Date, in which case holders of RBC TruCS - Series 2013 will be entitled to receive the Indicated Yield and the Bank as holder of the Special Trust Securities will be entitled to receive the net distributable income, if any, of the Trust remaining after payment of the Indicated Yield. The Bank Preferred Shares and Bank Common Shares are hereinafter referred to as the "Bank Dividend Restricted Shares".
10. Under a Share Exchange Agreement entered into among the Bank, the Trust and a party acting as Exchange Trustee (the "Share Exchange Agreement"), the Bank has agreed, for the benefit of the holders of RBC TruCS - Series 2013, that in the event that the Trust fails on any Regular Distribution Date to pay the Indicated Yield on the RBC TruCS - Series 2013 in full, the Bank will not pay dividends on the Bank Dividend Restricted Shares until a specified period of time has elapsed, unless the Trust first pays such Indicated Yield (or the unpaid portion thereof) to holders of RBC TruCS - Series 2013. Accordingly, it is in the interest of the Bank to ensure, to the extent within its control, that the Trust complies with its obligation to pay the Indicated Yield on each Regular Distribution Date.

11. Pursuant to the terms of the RBC TruCS - Series 2013 and the Share Exchange Agreement, the RBC TruCS - Series 2013 may be exchanged, at the option of the holders of RBC TruCS - Series 2013, for newly issued First Preferred Shares Series U. The RBC TruCS - Series 2013 will be automatically exchanged, without the consent of the holder, for newly issued First Preferred Shares Series T upon the occurrence of certain stated events relating to the solvency of the Bank or actions taken by the Superintendent of Financial Institutions in respect of the Bank (the "Automatic Exchange").
12. The terms of the First Preferred Shares Series U and Series T provide, among other things, that such shares are convertible at the option of the holder into Bank Common Shares at certain times and in certain circumstances, but in any event the First Preferred Shares Series U and Series T are not convertible into Bank Common Shares until June 30, 2013. This exchange right is not operative at any time that an event giving rise to the Automatic Exchange in respect of the RBC TruCS - Series 2013 has occurred and is continuing.
13. The Trust may, subject to regulatory approval, on June 30, 2008 and on any Distribution Date thereafter, redeem the RBC TruCS - Series 2013. The price payable in respect of any such redemption will include an early redemption compensation component (such price being the "Early Redemption Price") in the event of a redemption of RBC TruCS - Series 2013 prior to June 30, 2013 (the "Early Redemption Date"). The price payable in all other cases will be \$1,000 per RBC TruCS - Series 2013 together with any unpaid Indicated Yield thereon (the "Redemption Price").
14. Upon the occurrence of certain regulatory or tax events affecting the Bank or the Trust, the Trust may, subject to regulatory approval, redeem at any time all but not less than all of the RBC TruCS - Series 2013 at the Early Redemption Price (if the RBC TruCS - Series 2013 are redeemed prior to the Early Redemption Date) and at the Redemption Price (if the RBC TruCS - Series 2013 are redeemed on or after the Early Redemption Date).
15. The Bank has covenanted, under the Share Exchange Agreement, that the Bank will maintain direct ownership of 100% of the outstanding Special Trust Securities. As a result, the financial results of the Trust will be consolidated with those of the Bank. Subject to regulatory approval, the RBC TruCS - Series 2013 constitute Tier 1 Capital of the Bank.
16. As long as any RBC TruCS - Series 2013 are outstanding and are held by any person other than the Bank, the Trust may only be terminated with the approval of the Bank as holder of the Special Trust Securities and with the approval of the Superintendent: (i) upon the occurrence of a Special Event (as defined in the Prospectus) prior to June 30, 2008; or (ii) for any reason on June 30, 2008 or any Distribution Date thereafter. Holders of each series of outstanding Trust Securities will rank *pari passu* in the distribution of the property of the Trust in the event of a termination of the Trust, after the discharge of any creditor claims. As long as any RBC TruCS - Series 2013 are outstanding and held by any person other than the Bank, the Bank will not approve the termination of the Trust unless the Trust has sufficient funds to pay the Early Redemption Price in the case of a termination prior to the Early Redemption Date, or the Redemption Price in the case of a termination at any other time.
17. As set forth in the Declaration of Trust, the RBC TruCS - Series 2013 are non-voting except in limited circumstances and Special Trust Securities entitle the holders to vote.
18. Except to the extent that the Distributions are payable to RBC TruCS - Series 2013 holders, and other than in the event of termination of the Trust (as set forth in the Declaration of Trust), RBC TruCS - Series 2013 holders have no claim or entitlement to the income of the Trust or the assets held by the Trust.
19. Pursuant to an Administration Agreement entered into between the Trustee and the Bank, the Trustee has delegated to the Bank certain of its obligations in relation to the administration of the Trust. The Bank, as administrative agent, will provide advice and counsel with respect to the administration of the day-to-day operations of the Trust and other matters as may be requested by the Trustee from time to time.
20. The Trust has not requested relief for the purposes of filing a short form prospectus pursuant to National Instrument 44-101 *Short Form Prospectus Distributions* (NI44-101) (including, without limitation, any relief that would allow the Trust to use the Bank's AIF as a current AIF of the Trust) and no such relief is provided by this Decision Document from any of the requirements of NI44-101.
21. The Trust may, from time to time, issue further series of Trust Capital Securities, the proceeds of which would be used to acquire additional deposit notes from the Bank.
22. Because of the terms of the RBC TruCS - Series 2013, the Share Exchange Agreement and the various covenants of the Bank, information about the affairs and financial performance of the Bank,

as opposed to that of the Trust, is meaningful to holders of RBC TruCS - Series 2013. The Bank's filings and the delivery of the same material delivered to shareholders of the Bank will provide holders of RBC TruCS - Series 2013 and the general investing public with all information required in order to make an informed decision relating to an investment in RBC TruCS - Series 2013. Information regarding the Bank is relevant both to an investor's expectation of being paid the Indicated Yield on the RBC TruCS - Series 2013 as well as the return of the investor's principal.

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

**AND WHEREAS** the Decision Makers are satisfied that the tests contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision have been met;

**THE DECISION** of the Decision Makers under the Legislation is that the requirement contained in the Legislation:

- (a) to file Financial Statements with the Decision Makers and deliver such statements to holders of Trust Securities;
- (b) to make an Annual Filing, where applicable, with the Decision Makers in lieu of filing an information circular; and
- (c) to file an Annual Report and an information circular with the Decision Maker in Quebec and deliver such report or information circular to holders of Trust Securities resident in Quebec;

shall not apply to the Trust for so long as:

- (i) the Bank remains a reporting issuer under the Legislation;
- (ii) the Bank files with the Decision Makers, in electronic format under the Trust's SEDAR profile, the documents listed in clauses (a) to (c) above of this Decision, at the same time as they are required under the Legislation to be filed by the Bank;
- (iii) the Trust pays all filing fees that would otherwise be payable by the Trust in connection with the filing of the documents referred to in clauses (a) to (c) above of this Decision;

- (iv) the Bank sends its Financial Statements and Annual Filing, where applicable, to holders of Trust Securities and its Annual Report to holders of Trust Securities resident in the Province of Quebec at the same time and in the same manner as if the holders of Trust Securities were holders of the Bank Common Shares;
- (v) all outstanding securities of the Trust are either Trust Capital Securities or Special Trust Securities;
- (vi) the rights and obligations (other than the economic terms thereof) of holders of additional series of Trust Capital Securities are the same in all material respects as the rights and obligations of the holders of RBC TruCS - Series 2013 at the date hereof; and
- (vii) the Bank is the beneficial owner of all Special Trust Securities,

and provided that this Decision shall expire 30 days after the date a material adverse change occurs in the affairs of the Trust.

August 18, 2003.

"P.M. Moore"

"R.L. Shirriff"

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

- (i) the conditions set out in clause (i), (v), (vi) and (vii) of the Decision above are complied with;
- (ii) the Bank files its AIF and its annual and interim MD&A with the Decision Makers, as applicable, in electronic format under the Trust's SEDAR profile at the same time as they are required under the Legislation to be filed by the Bank;
- (iii) the Trust pays all filing fees that would otherwise be payable by the Trust in connection with the filing of the documents referred to in clauses (a) to (c) above of this Decision;

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

and provided that this Decision shall expire 30 days after the date a material adverse change occurs in the affairs of the Trust.

August 18, 2003.

“Cameron McInnis”

## **2.1.6 Dundee Real Estate Investment Trust - MRRS Decision**

### **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – open-end investment trust – trades of trust units to existing unit holders under a distribution reinvestment plan exempt from prospectus and registration requirements – relief subject to conditions.

### **Applicable Ontario Statutory Provisions**

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

### **Multilateral Instruments Cited**

Multilateral Instrument 45-102 Resale of Securities 24 OSCB 7029.

### **Ontario Rules Cited**

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

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, SASKATCHEWAN, MANITOBA,  
ONTARIO, QUÉBEC, 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  
DUNDEE REAL ESTATE INVESTMENT 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 (“PEI”) and Newfoundland and Labrador (the “Jurisdictions”) has received an application (the “Application”) from Dundee Real Estate Investment Trust (“Dundee REIT”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the requirement contained in the Legislation to be registered to trade in a security (the “Registration Requirement”) and to file and obtain a receipt for a preliminary prospectus and a prospectus (the “Prospectus Requirement”) shall not apply to the distribution of REIT Units, Series A of Dundee REIT (“REIT Units, Series A”) pursuant to Dundee REIT’s distribution reinvestment and unit purchase plan (the “Plan”);

**AND WHEREAS** under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for the 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** Dundee REIT has represented to the Decision Makers that:

1. Dundee REIT is an unincorporated, open-ended real estate investment trust established under the laws of Province of Ontario pursuant to an amended and restated declaration of trust made as of June 30, 2003. The head office of Dundee REIT is located in Toronto, Ontario.
2. On June 30, 2003, Dundee REIT indirectly acquired substantially all of the commercial revenue producing properties of Dundee Realty Corporation ("DRC"). The acquisition of such properties was part of a transaction (the "Acquisition") effected, in part, by way of a statutory plan of arrangement involving DRC and its shareholders that resulted in the acquisition of DRC by DRC Holding Corp., a company currently owned by the former principal shareholder of DRC, Dundee Bancorp Inc., its affiliates and certain members of management of DRC.
3. Dundee REIT is authorized to issue an unlimited number of two classes of units, REIT Units and Special Trust Units. The REIT Units are issuable in one or more series, of which two series have been designated as "REIT Units, Series A" and "REIT Units, Series B", respectively.
4. Each REIT Unit, Series A and REIT Unit, Series B represents an undivided beneficial interest in Dundee REIT and in distributions made by Dundee REIT, whether of net income, net realized capital gains or other amounts and, in the event of termination or winding up of Dundee REIT, in the net assets of Dundee REIT remaining after satisfaction of all liabilities. The distribution entitlement of the REIT Units, Series A and REIT Units, Series B is derived from different sources. In the case of the REIT Units, Series A, the distribution entitlement is derived from the securities of Dundee Properties Operating Trust A held by Dundee REIT while, in the case of the REIT Units, Series B, the distribution entitlement is derived from the securities of Dundee Properties Operating Trust B held by Dundee REIT. However, the trustees of Dundee REIT are required to take all necessary steps to ensure that the timing, amount and nature of the distributions on the REIT Units, Series A and the REIT Units, Series B will be the same.
5. As at July 31, 2003, 9,370,192 REIT Units, Series A, 6,909,245 Special Trust Units and no REIT Units, Series B were issued and outstanding.
6. The REIT Units, Series A are listed on the Toronto Stock Exchange ("TSX") and commenced trading on July 2, 2003 under the symbol "D.UN".
7. Neither the REIT Units, Series B nor the Special Trust Units are listed or quoted on any exchange or market.
8. Dundee Properties Limited Partnership ("Dundee Properties LP") is a limited partnership formed under the laws of the Province of Ontario, of which Dundee Properties (GP) Inc. ("Properties General Partner") is the sole general partner. All of the outstanding shares of Properties General Partner are held by Dundee REIT. The head office of Dundee Properties LP is located in Toronto, Ontario.
9. Dundee Properties LP is authorized to issue (a) two initial units, (b) an unlimited number of LP Class A Units, (c) an unlimited number of LP Class B Units, issuable in two series, which series have been designated as "LP Class B Units, Series 1" and "LP Class B Units, Series 2", respectively, and (d) such other classes of partnership interests as Properties General Partner may decide from time to time.
10. As at July 31, 2003, no initial units, 9,370,192 LP Class A Units, 6,909,245 LP Class B Units, Series 1 and 1 LP Class B Unit, Series 2 were issued and outstanding.
11. All of the LP Class A Units and LP Class B Units, Series 2 are indirectly held by Dundee REIT.
12. All of the issued and outstanding LP Class B Units, Series 1 are held by DRC and Dundee Consolidated Properties, a limited partnership of which DRC is the sole general partner and a limited partner.
13. Each LP Class B Unit, Series 1 may be surrendered for or, if such surrender cannot be effected, indirectly exchanged for one REIT Unit, Series B at any time by the holder thereof.
14. In connection with the Acquisition, one Special Trust Unit was issued by Dundee REIT in respect of each issued and outstanding LP Class B Unit, Series 1 of Dundee Properties LP. The purpose of the Special Trust Units of Dundee REIT is to provide a means by which holders of LP Class B Units, Series 1 of Dundee Properties LP may vote at meetings of unitholders of Dundee REIT.
15. The REIT Units, Series A, REIT Units, Series B and the LP Class B Units, Series 1 of Dundee Properties LP, together with the Special Trust

- Units, have economic and voting rights which are equivalent in all material respects.
16. Dundee REIT is not a "mutual fund" as defined in the Legislation because the holders of the REIT Units, Series A, REIT Units, Series B and Special Trust Units are not entitled to receive on demand, or within a specified period after demand, an amount computed by reference to the value of their proportionate interest in the whole or in a part of the net assets of Dundee REIT.
  17. Dundee REIT became a reporting issuer in each of the Provinces of Canada where such a concept exists on or about June 30, 2003, as a result of the Acquisition, and is not in default of any of its obligations as a reporting issuer. Under securities legislation in British Columbia, Dundee REIT is deemed to have been a reporting issuer as at June 30, 2003 for the longest period of time that DRC, as a party to the Acquisition, had been a reporting issuer at the date of the Acquisition.
  18. Dundee REIT intends to make monthly cash distributions to the holders of REIT Units, Series A and REIT Units, Series B on the following basis: (i) not less than 80% of Dundee REIT's distributable series A income will be distributed on or about the 15<sup>th</sup> day of the each month to the holders of record of REIT Units, Series A as at the last business day of the previous month; and (ii) not less than 80% of Dundee REIT's distributable series B income will be distributed on or about the 15<sup>th</sup> day of the each month to the holders of record of REIT Units, Series B as at the last business day of the previous month.
  19. Dundee REIT intends to establish the Plan pursuant to which holders of REIT Units, Series A and REIT Units, Series B, other than such holders who are resident in the United States, may, at their option, invest all or a portion of the cash distributions paid on their REIT Units, Series A or REIT Units, Series B, as the case may be, in additional REIT Units, Series A ("Additional Units") as an alternative to receiving cash distributions.
  20. Following enrolment in the Plan by a holder of REIT Units, Series A or REIT Units, Series B (a "Plan Participant"), all or a designated portion of each monthly cash distribution payable to each Plan Participant will be automatically paid to Computershare Trust Company of Canada in its capacity as agent under the Plan (the "Plan Agent") and will be applied by the Plan Agent to purchase Additional Units directly from Dundee REIT.
  21. Distributable series A income or distributable series B income, as the case may be, due to Plan Participants will be automatically reinvested in Additional Units at a price per Additional Unit to be determined by Dundee REIT, but which is expected to be calculated by reference to the weighted average closing price of REIT Units, Series A on the TSX for the five trading days immediately preceding the relevant distribution payment date (the "Market Price"). Plan Participants will be entitled to receive a further distribution of Additional Units equal in value to 4% of each distribution that is reinvested under the Plan. No commission, service charges or brokerage fees will be payable by the Plan Participants under the Plan.
  22. The Plan also allows Plan Participants to make optional cash payments ("Optional Cash Payments") which will be used by the Plan Agent to purchase Additional Units. Each Plan Participant who elects to make Optional Cash Payments must invest a minimum of \$1,000 per remittance and may invest up to a maximum of \$250,000 per calendar year. The aggregate number of Additional Units that may be purchased by all Plan Participants with Optional Cash Payments in a financial year will be limited to 2% of the aggregate number of REIT Units, Series A and REIT Units, Series B outstanding at the commencement of that financial year.
  23. A cash adjustment for any fractional Additional Unit held for a Plan Participant will be paid by the Plan Agent upon the withdrawal from or termination by such Plan Participant of its participation in the Plan, or upon termination of the Plan, based on a market price to be determined by Dundee REIT.
  24. The Plan Agent's fees for administering the Plan will be paid by Dundee REIT out of its assets.
  25. A Plan Participant may terminate its participation in the Plan at any time by written notice to the Plan Agent. After a termination is processed by the Plan Agent, distributions declared by Dundee REIT will be payable to such holder of REIT Units, Series A or REIT Units, Series B, as the case may be, in cash or otherwise in the form declared by Dundee REIT.
  26. Dundee REIT reserves the right to amend, suspend or terminate the Plan at any time in its sole discretion, in which case Plan Participants and the Plan Agent will be sent written notice thereof in accordance with the Plan.
  27. The Legislation in the Jurisdictions provides exemptions from the Registration Requirement and the Prospectus Requirement for trades in securities made pursuant to certain types of reinvestment plans. These exemptions are only available where the reinvestment plan entitles an investor to direct that dividends, interest or distributions of capital gains be applied to the purchase of additional securities of the issuer or where the issuer distributes securities to its



securityholders as a stock dividend or other distribution out of earnings or surplus. These exemptions are not available to Dundee REIT because the cash distributions payable to the unitholders of Dundee REIT are, at least partially, distributions of income, rather than dividends, interest or distributions of capital gains, and the distribution of Additional Units pursuant to the Plan are not stock dividends or other distributions out of earnings or surplus.

28. The Legislation in Ontario, British Columbia, Saskatchewan and Nova Scotia also provide exemptions from the Registration Requirement and the Prospectus Requirement for trades in mutual fund securities pursuant to mutual fund reinvestment plans. However, Dundee REIT is not a "mutual fund" under the Legislation because Dundee REIT does not determine the redemption price for the REIT Units, Series A, REIT Units, Series B or Special Trust Units with reference to the value of a proportionate interest in the whole or in part of the net assets of Dundee REIT.

**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 pursuant to the Legislation is that the trades of Additional Units by Dundee REIT to the Plan Participants pursuant to the Plan shall not be subject to the Registration Requirement and the Prospectus Requirement of the Legislation, provided that:

- (a) at the time of the trade, Dundee REIT 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) Dundee REIT has caused to be sent to the person or company to whom the Additional Units are traded, not more than 12 months before the trade, a copy of the Plan which contains a statement describing:
  - (i) the person's or company's right to withdraw from the Plan and to make an election to receive cash instead of Additional Units on the making of a distribution by Dundee REIT; and

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

- (d) in the financial year during which the trade takes place, the aggregate number of Additional Units issued pursuant to the Optional Cash Payments shall not exceed two percent of the aggregate number of REIT Units, Series A and REIT Units, Series B outstanding at the commencement of such financial year;

- (e) except in Québec, New Brunswick and PEI, the first trade or resale of Additional Units acquired pursuant to the Plan in a Jurisdiction shall be deemed to be a distribution or primary distribution to the public under the Legislation unless the conditions set out in paragraphs 1 through 5 of subsection 2.6(4) of Multilateral Instrument 45-102 *Resale of Securities* are satisfied at the time of such first trade or resale; and

- (f) in Québec, the first trade (alienation) of Additional Units acquired pursuant to the Plan shall be deemed to be a distribution or primary distribution to the public unless:

- (i) at the time of the first trade, Dundee REIT is a reporting issuer in Québec and is not in default on any of the requirements of securities legislation in Québec;
- (ii) no unusual effort is made to prepare the market or to create a demand for the Additional Units;
- (iii) no extraordinary commission or consideration is paid to a person or company other than the vendor of the Additional Units in respect of the first trade; and
- (iv) the vendor of the Additional Units, if an insider of Dundee REIT, has no reasonable grounds to believe that Dundee REIT is in default of any requirement of the securities legislation in Québec.

September 2, 2003.

"H. Lorne Morphy"

"Wendell S. Wigle"

## 2.1.7 Maxxcom Inc. - MRRS Decision

### Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer has only one security holder – issuer deemed to have ceased being a reporting issuer.

### Applicable Ontario Statutory Provisions

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

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, SASKATCHEWAN, ONTARIO, 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  
MAXXCOM INC.**

### 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 (collectively, the "**Jurisdictions**") has received an application from Maxxcom Inc. ("**Maxxcom**") for a decision pursuant to the securities legislation of the Jurisdictions (the "**Legislation**"), in connection with Maxxcom's plan of arrangement (the "**Arrangement**") with MDC Corporation Inc. ("**MDC**"), that Maxxcom shall be deemed to have ceased to be a reporting issuer for the purposes 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 meaning set out in National Instrument 14-101 Definitions or in Québec Commission Notice 14-101;

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

1. Maxxcom is a corporation incorporated under the laws of the Province of Ontario.
2. Maxxcom is a reporting issuer in all provinces of Canada, other than New Brunswick and Prince Edward Island which provinces do not have reporting issuer provisions in their securities

legislation. Maxxcom is not in default under the Legislation.

3. Maxxcom's authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares issuable in series. As of July 31, 2003 there were 49,073,962 common shares of Maxxcom outstanding (the "**Common Shares**").
4. MDC is a corporation based in Toronto, Ontario which offers security sensitive transaction products and services.
5. On June 25, 2003, Maxxcom entered into an arrangement agreement with MDC setting forth the terms of the Arrangement, pursuant to which all of the issued and outstanding Common Shares were to be acquired by MDC.
6. On July 30, 2003, over 99% of the shareholders (including over 99% of the minority shareholders of Maxxcom) voted in favour of the special resolution authorizing the Arrangement.
7. On July 31, 2003, the Ontario Superior Court of Justice rendered decision number 03-CL-5058 approving the Arrangement.
8. On July 31, 2003 pursuant to the Arrangement, MDC acquired all of the issued and outstanding Common Shares not already owned by MDC. In addition, all outstanding securities of Maxxcom which entitled a person to acquire securities of Maxxcom were exchanged for securities which entitle a person to acquire securities of MDC.
9. Maxxcom has no intention of seeking public financing by way of an offering of securities.
10. Effective as of the close of business on August 5, 2003, the outstanding Common Shares were de-listed from the Toronto Stock Exchange. Other than the Common Shares, Maxxcom has no securities, including debt securities, outstanding.

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

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

September 5, 2003.

"Erez Blumberger"

2.1.8 CI Mutual Funds Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Extension of mutual fund lapse date for some funds. Continued distribution beyond the lapse date of some funds.

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

AND

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

AND

IN THE MATTER OF  
CI DIVERSIFIED FUND  
CI MID-TERM BOND FUND  
CI DIVIDEND FUND  
CI INTERNATIONAL BOND RSP FUND  
CI GLOBAL TELECOMMUNICATIONS SECTOR FUND  
CI GLOBAL TELECOMMUNICATIONS RSP FUND  
SIGNATURE DIVIDEND INCOME FUND  
(collectively, the “CI Funds”)

INSIGHT CANADIAN VALUE POOL  
INSIGHT CANADIAN GROWTH POOL  
INSIGHT CANADIAN DIVIDEND GROWTH POOL  
INSIGHT CANADIAN SMALL CAP POOL  
INSIGHT U.S. VALUE POOL  
INSIGHT U.S. GROWTH POOL  
INSIGHT INTERNATIONAL VALUE POOL  
INSIGHT INTERNATIONAL GROWTH POOL  
INSIGHT GLOBAL EQUITY POOL  
INSIGHT GLOBAL EQUITY RSP POOL  
INSIGHT GLOBAL SMALL CAP POOL  
INSIGHT CANADIAN HIGH YIELD INCOME POOL  
INSIGHT CANADIAN FIXED INCOME POOL  
INSIGHT GLOBAL FIXED INCOME POOL  
INSIGHT MONEY MARKET POOL  
(collectively, the “Insight Pools”)

CLARICA SHORT TERM BOND FUND  
CLARICA BOND FUND  
CLARICA GLOBAL SCIENCE & TECHNOLOGY FUND  
CLARICA GROWTH FUND  
CLARICA DIVERSIFUND 40  
CLARICA CONSERVATIVE BALANCED FUND  
CLARICA INCOME FUND  
CLARICA US GROWTH EQUITY FUND  
CLARICA PREMIER AMERICAN FUND  
CLARICA AMERIFUND  
CLARICA ASIA AND PACIFIC RIM EQUITY FUND

CLARICA ALPINE ASIAN FUND  
CLARICA EQUIFUND  
CLARICA MONEY MARKET FUND  
CLARICA PREMIER EMERGING MARKETS FUND  
CLARICA EUROPEAN EQUITY FUND  
CLARICA RSP U.S. EQUITY INDEX FUND  
CLARICA RSP INTERNATIONAL INDEX FUND  
CLARICA RSP EUROPEAN INDEX FUND  
CLARICA RSP U.S. TECHNOLOGY INDEX FUND  
CLARICA RSP JAPANESE INDEX FUND  
CLARICA CANADIAN EQUITY INDEX FUND  
CLARICA BOND INDEX FUND  
(collectively, the “Clarica Funds”)

MRRS DECISION DOCUMENT

**WHEREAS** the Canadian securities regulatory authority or regulator (the “**Decision Maker**”) in each of the provinces and territories of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon Territory and Nunavut (the “**Jurisdictions**”) has received an application (the “**Application**”) from CI Mutual Funds Inc. (“**CI**”), manager of the CI Funds, Insight Pools and Clarica Funds (collectively, the “**Funds**”), for a decision pursuant to securities legislation of the Jurisdictions (the “**Legislation**”) that the time limits pertaining to the distribution of securities under the simplified prospectus and annual information form dated August 28, 2002 of the CI Funds (collectively, the “**CI Prospectus**”), the simplified prospectus and annual information form dated August 22, 2002 of the Insight Pools (collectively, the “**Insight Prospectus**”) and the simplified prospectus and annual information form dated August 28, 2002 of the Clarica Funds (collectively, the “**Clarica Prospectus**”) be extended to permit the continued distribution of units of the Funds until September 30, 2003.

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

**AND WHEREAS** the Funds have represented to the Decision Makers that:

1. On or about August 29, 2003, CI intends to merge the Funds into other mutual funds managed by CI in order to rationalize the line-up of funds managed by CI to eliminate duplicative funds and reduce carrying costs.
2. Each Fund is a reporting issuer as defined in the Legislation and is not in default of any of the requirements of such Legislation.
3. Units of the CI Funds are presently offered for sale on a continuous basis in each of the Jurisdictions through the CI Prospectus. The earliest lapse date under the Legislation for the distribution of qualified securities of the CI Funds pursuant to the CI Prospectus is August 28, 2003.

4. Units of the Insight Pools are presently offered for sale on a continuous basis in each of the Jurisdictions through the Insight Prospectus. The earliest lapse date under the Legislation for the distribution of qualified securities of the Insight Pools pursuant to the Insight Prospectus is August 22, 2003.
5. Units of the Clarica Funds are presently offered for sale on a continuous basis in each of the jurisdictions through the Clarica Prospectus. The earliest lapse date under the Legislation for the distribution of qualified securities of the Clarica Funds pursuant to the Clarica Prospectus is August 28, 2003.
6. There have been no material changes in the affairs of any CI Fund since the filing of the CI Prospectus other than those for which amendments have been filed. Accordingly, the CI Prospectus and the amendments thereto represent current information regarding each CI Fund. The requested extensions will not affect the accuracy of information in the CI Prospectus and therefore will not be prejudicial to the public interest.
7. There have been no material changes in the affairs of any Insight Pool since the filing of the Insight Prospectus other than those for which amendments have been filed. Accordingly, the Insight Prospectus and the amendments thereto represent current information regarding each Insight Pool. The requested extensions will not affect the accuracy of information in the Insight Prospectus and therefore will not be prejudicial to the public interest.
8. There have been no material changes in the affairs of any Clarica Fund since the filing of the Clarica Prospectus other than those for which amendments have been filed. Accordingly, the Clarica Prospectus and the amendments thereto represent current information regarding each Clarica Fund. The requested extensions will not affect the accuracy of information in the Clarica Prospectus and therefore will not be prejudicial to the public interest.
9. CI expects to merge all of the Funds with other mutual funds managed by CI. The mergers would be effected in accordance with the requirements of National Instrument 81-102 including, without limitation, filing a prospectus amendment in respect of, and obtaining approval from securityholders of, each Fund that may be terminated. CI anticipates that any such fund mergers will be completed on or about August 29, 2003.
10. A renewal prospectus will not be filed in respect of the CI Funds or the Clarica Funds. Therefore, units of such funds will not be qualified for

distribution after August 28, 2003 unless an extension is granted to permit the distribution of units of such funds until September 30, 2003.

11. A renewal prospectus will not be filed in respect of the Insight Pools. Therefore, units of the Insight Pools will not be qualified for distribution after August 22, 2003 unless an extension is granted to permit the distribution of units of such funds until September 30, 2003.
12. If the requested lapse date extension to September 30, 2003 in respect of the Funds is not granted, CI will be required to file by August 28, 2003 a renewal simplified prospectus for CI Funds and the Clarica Funds and by August 22, 2003, a renewal prospectus for the Insight Pools, notwithstanding that the Funds will be terminated on or about the effective date of the Fund mergers. The financial costs and time involved in producing, filing and printing a simplified prospectus and an annual information form for such funds would be unduly costly.
13. The requested extension will not affect the accuracy of information in the CI Prospectus, the Insight Prospectus or the Clarica Prospectus and therefore will not be prejudicial to the public interest.

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

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

**THE DECISION** of the Decision Makers pursuant to the Legislation is that the time periods provided in the Legislation as they apply to a distribution of securities under the CI Prospectus, Insight Prospectus and Clarica Prospectus are hereby extended to permit the continued distribution of units of the Funds pursuant to the CI Prospectus, Insight Prospectus and Clarica Prospectus until September 30, 2003, given that prospectus amendments have been filed to disclose the pending mergers.

August 21, 2003.

“Paul Moore”

“Paul K. Bates”

## 2.1.9 Elliott & Page Limited - MRRS Decision

### Headnote

MRRS Exemptive Relief Application - exemptive relief granted for certain mutual funds from the requirement to concurrently send their interim financial statements to their unitholders at the time of filing the interim financial statements.

### Applicable Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 79(2) and 80(b)(iii).

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, ONTARIO AND NOVA SCOTIA**

**AND**

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

**AND**

**IN THE MATTER OF  
ELLIOTT & PAGE MONEY FUND, ELLIOTT & PAGE  
ACTIVE BOND FUND, ELLIOTT & PAGE MONTHLY  
HIGH INCOME FUND, ELLIOTT & PAGE BALANCED  
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, ELLIOTT &  
PAGE CANADIAN ALPHAMETRICS FUND, ELLIOTT &  
PAGE U.S. ALPHAMETRICS FUND, ELLIOTT & PAGE  
CORE CANADIAN EQUITY FUND AND ELLIOTT &  
PAGE DIVERSIFIED FUND  
(collectively, the "Funds")**

### MRRS DECISION DOCUMENT

**WHEREAS** the local securities regulatory authority or regulator (the Decision Maker) in each of Alberta, Ontario and Nova Scotia (the Jurisdictions) has received an application from Elliott & Page Limited ("EPL"), the manager of the Funds for a decision under the

securities legislation of the Jurisdictions (the Legislation) that the requirement contained in the Legislation for the Funds to send their interim financial statements for the six-month period ended June 30, 2003 (the "Interim Financial Statements") to their unitholders concurrently with the filing of such financial statements as required by the Legislation on or prior to August 29, 2003 (the "Deadline") shall not apply to the Funds on the basis below;

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

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

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

1. Each Fund is an open-ended mutual fund trust established under the laws of Ontario.
2. EPL is a corporation incorporated under the laws of Ontario with its registered office located in Toronto, Ontario and is the manager, trustee, primary portfolio adviser, principal distributor, promoter and the registrar and transfer agent of the Funds.
3. The Funds are reporting issuers in each of the provinces and territories of Canada and are not in default of any requirements of the securities legislation therein.
4. As many as five classes of units of each Fund, other than Elliott & Page Balanced Fund, are offered for sale continuously to the public in each of the provinces and territories of Canada pursuant to a combined simplified prospectus and annual information form dated August 26, 2003.
5. The financial year end for each of the Funds is December 31.
6. Each of the Funds is required to file with the Jurisdictions and concurrently deliver to its Unitholders, within 60 days of the end of the six-month period of the current financial year that commenced immediately following the last financial year, interim financial statements in the prescribed form pursuant to the Legislation.
7. The Interim Financial Statements will be filed with the Jurisdictions via SEDAR on or before the Deadline in accordance with the requirements of the Legislation.
8. Bowne Enterprise Solutions ("Bowne") provides commercial printing services to the Funds including the printing and mailing of the Interim Financial Statements.

9. On August 14, 2003, a power failure occurred that resulted in the disruption of power in most of Ontario. From August 14, 2003 until August 22, 2003, in response to the high risk of further power outages, Mr. Ernie Eves, Premier of Ontario, declared a state of emergency in Ontario with respect to the use of power and required Ontario residents to conserve electricity to the greatest extent possible.
10. As a result, Bowne was forced to severely reduce its power consumption leading to a decrease in its production rate by approximately 50%. Such decrease in production has resulted in a delay in Bowne completing its projects such that the Interim Financial Statements cannot be printed and prepared for delivery to Unitholders until September 2, 2003, four days after the Deadline.
11. If not for the power failure, the Interim Financial Statements would have been printed and delivered to Unitholders prior to the Deadline in accordance with the requirements of the Legislation.

**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 requiring the Funds to send to their unitholders the Interim Financial Statements concurrently with the filing of such financial statements as required by the Legislation on or prior to the Deadline shall not apply to the Funds provided that:

- (i) the Interim Financial Statements are filed with the Jurisdictions via SEDAR by no later than the Deadline; and
- (ii) the Interim Financial Statements are mailed to the unitholders of the Funds no later than September 6, 2003.

August 29, 2003.

“Wendell S. Wigle”

“H. Lorne Morphy”

## **2.1.10 Kyrgoil Holding Corporation - MRRS Decision**

### **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications and Rule 54-501. In connection with a business combination, relief granted from the requirement to include certain financial statements in a joint information circular.

### **Rules Cited**

Ontario Securities Commission Rule 54-501 Prospectus Disclosure.

Ontario Securities Commission Rule 41-501 General Prospectus Requirements.

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

**AND**

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

**AND**

### **IN THE MATTER OF KYRGOIL HOLDING CORPORATION**

### **MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia, Ontario and Québec (collectively, the “Jurisdictions”) has received an application from Kyrgoil Holding Corporation (“Kyrgoil” or the “Filer”) for a decision pursuant to the securities legislation of the Jurisdictions (the “Legislation”) that the requirements in the Legislation to include in the joint information circular (the “Information Circular”) of Kyrgoil and Asia Petroleum Development Limited (“Asia-PD”), Petroleum Development Associates (Asia) LLC (“PDA-Asia”), Petroleum Development Associates LLC (“PDA”) and Petroleum Development Associates Spain LLC (“PDA Spain”) (collectively, the “PDA Group”) audited annual financial statements for the companies in the PDA Group for the three financial years preceding the date of closing of the proposed business combination (the “Business Combination”) between Kyrgoil and the PDA Group, or for completed financial years preceding the date of closing of the Business Combination for such companies if they have not completed three financial years, shall not apply, subject to certain conditions;

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

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

1. Kyrgoil was originally incorporated under the *Business Corporations Act* (Ontario), but was continued as an international business company under the *International Business Companies Act* ("IBCA") of the British Virgin Islands ("BVI") effective November 20, 2000.
2. Kyrgoil is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario.
3. The authorized capital of Kyrgoil consists of an unlimited number of common shares ("Kyrgoil Shares"). As of the date hereof, 132,444,141 Kyrgoil Shares and 3,690,000 options to acquire Kyrgoil Shares are issued and outstanding.
4. Kyrgoil's primary asset is the ownership of 50% of the outstanding common shares ("KPC Shares") of the Kyrgyz Petroleum Company ("KPC"), which owns and operates an oil refinery in the Kyrgyz Republic. A company controlled by the government of the Kyrgyz Republic owns the other 50% of the outstanding KPC Shares. Petrofac Resources International Limited ("Petrofac") manages the refinery pursuant to a management agreement with Kyrgoil.
5. Petrofac also currently owns 85,302,104 Kyrgoil Shares, or approximately 64.4% of the outstanding Kyrgoil Shares.
6. Kyrgoil is proposing to complete the Business Combination with the PDA Group, a group of companies that is engaged in the exploration for and extraction of oil and natural gas in Indonesia, Malaysia, Spain and the United Kingdom.
7. The PDA Group consists of the following companies:
  - (a) Asia-PD, a corporation incorporated under the laws of BVI on September 2, 2002;
  - (b) PDA-Asia, a corporation incorporated under the laws of Delaware on December 4, 2001;
  - (c) PDA, a corporation incorporated under the laws of Delaware on June 22, 2000; and
  - (d) PDA-Spain, a corporation incorporated under the laws of Delaware on October 11, 2001;

8. None of the PDA Group of companies is a reporting issuer in any of the Jurisdictions.
9. The Business Combination will include the following steps:
  - (a) the shareholders of Asia-PD, PDA-Asia, PDA and PDA-Spain will transfer their shares in those companies to a new holding company ("PDA Holdco") incorporated in the BVI under the IBCA; and
  - (b) PDA Holdco will amalgamate with Kyrgoil under the IBCA to form an amalgamated corporation ("Amalco") on the following basis:
    - (i) the shares of PDA Holdco will be exchanged for an aggregate of 36,422,635 common shares of Amalco ("Amalco Shares");
    - (ii) outstanding Kyrgoil Shares will be exchanged on a one-for-ten basis for Amalco Shares (13,244,414 Amalco Shares);
    - (iii) outstanding options to acquire Kyrgoil Shares will be exchanged on a one-for-ten basis for options to acquire Amalco Shares; and
    - (iv) the exact number of Amalco Shares to be issued will be adjusted based on the financial position of the PDA Group and Kyrgoil as at or immediately prior to the closing of the Business Combination.
10. Prior to completing the Business Combination, Kyrgoil and the PDA Group will use their reasonable best efforts to complete a private placement of common shares of PDA Holdco to raise gross proceeds expected to be not less than US\$3,000,000.
11. Kyrgoil and the PDA Group will prepare the Information Circular to be delivered to the shareholders of Kyrgoil and PDA Holdco in respect of shareholders' meetings to be held in October, 2003 by those companies to consider and to vote on approving the Business Combination.
12. The Information Circular is proposed to contain the following financial statement disclosure with reconciliations, as necessary, to Canadian generally accepted accounting principles (collectively, the "Included Financial Statements"):

- (a) Asia-PD: (i) audited financial statements for the period between September 2, 2002 and December 31, 2002 and (ii) unaudited financial statements for the six months ended June 30, 2003;
    - (b) PDA-Asia: (i) audited financial statements for the year ended December 31, 2002 and (ii) unaudited comparative financial statements for the six months ended June 30, 2003;
    - (c) PDA: (i) audited financial statements for the period between June 22, 2000 and December 31, 2000, (ii) audited financial statements for the year ended December 31, 2001, (iii) audited financial statements for the year ended December 31, 2002, and (iv) unaudited comparative financial statements for the six months ended June 30, 2003;
    - (d) PDA-Spain: (i) audited financial statements for the year ended December 31, 2002 and (ii) unaudited comparative financial statements for the six months ended June 30, 2003;
    - (e) PDA Holdco: audited financial statements for the newly incorporated holding company;
    - (f) Kyrgoil: audited financial statements for the three most recently completed financial years and unaudited comparative financial statements for the six months ended June 30, 2003; and
    - (g) Amalco: pro forma balance sheet as at June 30, 2003, pro forma income statements for the twelve months ended December 31, 2002 and six months ended June 30, 2003, with a compilation report prepared by the auditors of Amalco.
  13. The Legislation also requires the following financial statements to be included in the Information Circular (collectively, the "Stub Period Financial Statements"):
    - (a) audited financial statements for the period between December 4, 2001 (date of incorporation) and December 31, 2001 for PDA-Asia; and
    - (b) audited financial statements for the period between October 11, 2001 (date of incorporation) and December 31, 2001 for PDA-Spain.
  14. Kyrgoil proposes not to include the Stub Period Financial Statements in the Information Circular as Kyrgoil has been advised that neither PDA-Asia nor PDA-Spain engaged in any material transactions between the date of their respective incorporations and December 31, 2001 and that the audited financial statements for each of PDA-Asia and PDA-Spain for the year ended December 31, 2002 will contain a note to such effect.
  15. With the exception of the disclosure of the Stub Period Financial Statements, the Information Circular will contain prospectus-level disclosure about Kyrgoil, PDA Holdco, the PDA Group and the securities to be issued in connection with the Business Combination.
  16. The closing date of the Business Combination is anticipated to be in October, 2003.
  17. Representatives of Kyrgoil and the PDA Group have met with representatives of the Toronto Stock Exchange (the "TSX") to discuss the Business Combination. It is anticipated that, upon completion of the Business Combination, the Amalco Shares will be listed and posted for trading on the TSX.
- 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 requirements in the Legislation to include in the Information Circular the Stub Period Financial Statements shall not apply, provided that the Information Circular contains the Included Financial Statements.
- September 5, 2003.
- "Iva Vranic"



## 2.1.11 Series S-1 Income Fund - MRRS Decision

### Headnote

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

### Applicable Ontario Statutory Provisions

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

### Multilateral Instrument Cited

Multilateral Instrument 45-102 Resale of Securities (2001), 24 OSCB 7029.

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

**AND**

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

**AND**

**IN THE MATTER OF  
SERIES S-1 INCOME FUND  
  
MRRS DECISION DOCUMENT**

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island (the "Jurisdictions") has received an application from Series S-1 Income Fund (the "Fund"), for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to be registered to trade in a security (the "Registration Requirement") and to file a preliminary prospectus and a final prospectus and obtain receipts therefor (the "Prospectus Requirement") shall not apply to certain trades in trust units of the Fund ("Trust Units") under a distribution reinvestment plan (the "DRIP");
2. AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications

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

3. AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 - *Definitions* or in Quebec Securities Commission Notice 14-101;
4. AND WHEREAS the Fund has represented to the Decision Makers that:
  - 4.1 the Fund is a closed-end investment trust established under the laws of Alberta under a declaration of trust dated April 17, 2003 (the "Declaration of Trust");
  - 4.2 Computershare Trust Company of Canada is the trustee of the Fund (in such capacity, the "Trustee");
  - 4.3 under the Declaration of Trust, the Fund is authorized to issue an unlimited number of transferable, non-redeemable Trust Units, of which there were 34,376,000 Trust Units issued and outstanding on July 2, 2003;
  - 4.4 the Fund is not a "mutual fund" as defined in the Legislation because the holders of Trust Units ("Unitholders") are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Fund as contemplated in the definition of "mutual fund" contained in the Legislation;
  - 4.5 the assets of the Fund consist of a portfolio of securities including Canadian income funds and Canadian high yielding investment grade debt and instalment receipts or other rights to acquire such securities in respect thereof, as well as cash and cash equivalents (the "Portfolio");
  - 4.6 the investment objective of the Fund is to achieve the maximum total return for Unitholders by balancing the following three underlying objectives:
    - 4.6.1 to provide Unitholders with highly stable and sustainable monthly distributions comprised of amounts received by the Fund from the Portfolio ("Distributable Income");
    - 4.6.2 to maintain a S&P SR-1 stability rating or equivalent rating; and

- 4.6.3 return at least the original issue price of the Trust Units to Unitholders upon termination of the Fund;
- 4.7 each Trust Unit represents an equal, fractional undivided beneficial interest in the net assets of the Fund, and entitles its holder to one vote at meetings of Unitholders and to participate equally with respect to any and all distributions made by the Fund, including distributions of net income and net realized capital gains, if any;
- 4.8 the Fund became a reporting issuer in each of the Jurisdictions on May 28, 2003 when it obtained a Final Decision Document for its prospectus dated May 28, 2003 (the "Prospectus"). As of the date hereof, the Fund is not in default of any requirements under the Legislation;
- 4.9 the Fund is not a "qualifying issuer" as defined in Multilateral Instrument 45-102 – *Resale of Securities*;
- 4.10 Citadel Series Management Ltd. (the "Administrator") is the authorized attorney of the Fund;
- 4.11 the Trust Units are listed on the Toronto Stock Exchange under the symbol "SRC.UN";
- 4.12 the Trust Units are available only in book-entry form whereby CDS & Co., a nominee of The Canadian Depository for Securities Limited, is the only registered holder of Trust Units;
- 4.13 the Fund has established the DRIP to permit Unitholders, at their discretion, to automatically reinvest the Distributable Income paid on their Trust Units in additional Trust Units ("DRIP Units") as an alternative to receiving cash distributions;
- 4.14 distributions due to participants in the DRIP ("DRIP Participants") will be paid to Computershare Trust Company of Canada in its capacity as agent under the DRIP (in such capacity, the "DRIP Agent") and applied to the purchase of DRIP Units;
- 4.15 no commissions, service charges or brokerage fees will be payable by DRIP Participants in connection with the DRIP;
- 4.16 the DRIP Agent will purchase DRIP Units from the Fund at the net asset value per Trust Unit as at the applicable distribution date;
- 4.17 DRIP Participants may terminate their participation in the DRIP by providing 10 days' written notice to the DRIP Agent prior to the applicable record date;
- 4.18 DRIP Participants do not have the option of making cash payments to purchase additional DRIP Units under the DRIP;
- 4.19 the distribution of the DRIP Units by the Fund pursuant to the DRIP cannot be made in reliance on certain registration and prospectus exemptions contained in the Legislation as the DRIP involves the reinvestment of distributable income including net realized capital gains distributed by the Fund and not the reinvestment of dividends, interest, earnings or surplus of the Fund; and
- 4.20 the distribution of the DRIP Units by the Fund pursuant to the DRIP cannot be made in reliance on registration and prospectus exemptions contained in the Legislation for distribution reinvestment plans for mutual funds, as the Fund is not considered to be a "mutual fund" as defined in the Legislation;
5. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (collectively, the "Decision");
6. AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;
7. THE DECISION of the Decision Makers under the Legislation is that:
- 7.1 the Registration Requirement and Prospectus Requirement contained in the Legislation shall not apply to trades or distributions by the Fund of DRIP Units for the account of DRIP Participants pursuant to the DRIP, provided that:
- 7.1.1 at the time of the trade or distribution the Fund is a reporting issuer or the equivalent under the Legislation and is not in default of any requirements of the Legislation;
- 7.1.2 no sales charge is payable in respect of the trade;

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                      |                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <p>7.1.3 the Fund has caused to be sent to the person or company to whom the DRIP Units are traded, not more than 12 months before the trade, a statement describing:</p> <p style="margin-left: 20px;">7.1.3.1 their right to withdraw from the DRIP and to make an election to receive cash instead of DRIP Units on the making of a distribution of income by the Fund (the "Withdrawal Right"); and</p> <p style="margin-left: 20px;">7.1.3.2 instructions on how to exercise the Withdrawal Right;</p> <p>7.1.4 the first trade of the DRIP Units acquired under this Decision shall be deemed to be a distribution or a primary distribution to the public; and</p> <p>7.2 the Prospectus Requirement contained in the Legislation shall not apply to the first trade of DRIP Units acquired by DRIP Participants pursuant to the DRIP, provided that:</p> <p style="margin-left: 20px;">7.2.1 except in Quebec, the conditions in paragraphs 2 through 5 of subsection 2.6(4) of Multilateral Instrument 45-102 – <i>Resale of Securities</i> are satisfied; and</p> <p style="margin-left: 20px;">7.2.2 in Quebec:</p> <p style="margin-left: 40px;">7.2.2.1 at the time of the first trade the Fund is a reporting issuer in Quebec and is not in default of any of the requirements of the Legislation in Quebec;</p> <p style="margin-left: 40px;">7.2.2.2 no unusual effort is made to prepare the market or to create a demand for the DRIP Units;</p> <p style="margin-left: 40px;">7.2.2.3 no extraordinary commission or consideration is paid to a person or company other than the vendor of the DRIP Units in</p> | <p>respect of the trade; and</p> <p>7.2.2.4 the vendor of the DRIP Units, if in a special relationship with the Fund, has no reasonable grounds to believe that the Fund is in default of any requirement of the Legislation.</p> <p>August 1, 2003.</p> <p>"Stephen R. Murison"</p> | <p>"Thomas G. Cooke"</p> |
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**2.1.12 Millennium Energy Inc. - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – MI 45-102 – Issuer exempted from the requirement in the definition of ‘qualifying issuer’ in MI 45-102 to have a current annual information form (AIF) filed on SEDAR, subject to certain conditions. Relief allows first trade of issuer’s securities to be completed after a four-month resale restriction instead of the usual 12-month restricted period. Issuer allowed to use its reverse take-over information circular, approved by the TSX Venture Exchange and the Toronto Stock Exchange, as an alternate form of AIF.

**Ontario Rules**

Multilateral Instrument 45-102. Resale of Securities – s. 4.1.

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

**AND**

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

**AND**

**IN THE MATTER OF  
MILLENNIUM ENERGY INC.**

**MRRS DECISION DOCUMENT**

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in British Columbia, Alberta, and Ontario (the "Jurisdictions") has received an application from Millennium Energy Inc. ("Millennium") for a decision under section 4.1 of Multilateral Instrument 45-102 *Resale of Securities* ("MI 45-102") that the requirement contained in MI 45-102 for a qualifying issuer (the "Qualifying Issuer") to have a current annual information form ("AIF") filed on the system for electronic document analysis and retrieval ("SEDAR") shall not apply to Millennium;
2. AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Alberta Securities Commission is the principal regulator for this application;
3. AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions*;
4. AND WHEREAS Millennium has represented to the Decision Makers that:

- 4.1 Millennium is a corporation incorporated under the laws of Alberta and its head office is located in Calgary, Alberta;
- 4.2 Millennium is a reporting issuer under the securities legislation in each of the Jurisdictions (the "Legislation") and is not in default of any of its obligations under Legislation;
- 4.3 the common shares of Millennium are listed and posted on the TSX Venture Exchange (the "Exchange");
- 4.4 Millennium's authorized share capital consists of an unlimited number of common shares (the "Common Shares") and an unlimited number of Class B Shares, Class C Shares, Class D Shares and Class E Shares preferred shares of which, at the date hereof, there are 24,790,459 Common Shares outstanding;
- 4.5 by way of a statutory plan of arrangement (the "Arrangement"), expected to become effective on or about July 24, 2003, among Millennium and its security holders, Crossfield Gas Corp. ("Crossfield") and its security holders, 1036655 Alberta Ltd., and 1050412 Alberta Ltd.,
  - 4.5.1 Millennium will issue 6.3 Common Shares for each Crossfield common share and special warrant, based on an ascribed value of \$0.22 (pre-consolidated) per Common Share;
  - 4.5.2 each option of Crossfield will be changed into an option to acquire 6.3 pre-consolidated Common Shares; and
  - 4.5.3 a consolidation of the outstanding Common Shares will occur on a one for 15 basis;
- 4.6 the Arrangement constitutes a reverse take-over under Exchange Policy 5.2 *Changes of Business and Reverse Take-overs*;
- 4.7 before the closing of the Arrangement, Millennium proposes to complete a financing ("Financing") for aggregate gross proceeds of up to \$1,200,000, by way of a private placement to Millennium insiders and other parties designated by Millennium;

- 4.8 the Financing will consist of the issue of units priced at \$0.24 (pre-consolidated), that are contemplated to be issued to residents of Alberta and an international resident, each of which will consist of one Common Share and one Millennium warrant;
- 4.9 the placees under the Financing will be directors and senior officers of Millennium and certain of their spouses and children and employees of APF Energy Inc., a management company which, pursuant to a management contract with Millennium, manages the business and properties of Millennium, and certain of their spouses;
- 4.10 all of the placees under the Financing have the same access to information about Millennium, its assets and operations;
- 4.11 special meetings ("Special Meetings") for the security holders (the "Security Holders") of Millennium and Crossfield, respectively, are to be held on or about July 24, 2003, where the Security Holders, respectively, will be asked to pass a special resolution (the "Special Resolution") approving the Arrangement, amongst other matters;
- 4.12 Millennium and Crossfield prepared a draft joint management information circular (the "Circular") in connection with the Arrangement and the Special Meetings;
- 4.13 the Circular has been filed with the Exchange and the Toronto Stock Exchange ("TSX") and has been reviewed and approved by the Exchange;
- 4.14 the Circular contains prospectus level disclosure and includes,
- 4.14.1 audited financial statements of Millennium for each of its last three financial years;
- 4.14.2 audited financial statements of Crossfield for the two years that it has been in existence;
- 4.14.3 audited operating statements with respect to a significant acquisition made by Crossfield in 2001; and
- 4.14.4 pro forma financial statements for Millennium for the year ended December 31, 2002 and for the three months ended March 31, 2003;
- 4.15 Millennium and Crossfield have also had independent engineering reports consistent with National Policy Statement 2-B *Guide for Engineers, Geologists and Prospectors Submitting Oil and Gas Reports to Canadian Provincial Securities Administrators* prepared effective January 1, 2003 with respect to their oil and natural gas properties, which they have filed in accordance with National Instrument 13-101 *SEDAR*;
- 4.16 Millennium has received conditional approval from the Exchange and TSX regarding the listing of the shares to be issued on the Arrangement;
- 4.17 as Millennium does not have a current AIF, as defined in MI 45-102, filed on SEDAR, it is not a qualifying issuer under MI 45-102; and
- 4.18 the Circular contains all of the information that is prescribed by Form 44-101 F1 AIF of National Instrument 44-101 *Short Form Prospectus Distributions*;
5. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");
6. AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;
7. THE DECISION of the Decision Makers under MI 45-102 is that:
- 7.1. under section 4.1 of MI 45-102, Millennium is exempt from the requirement contained in the definition of Qualifying Issuer to have a current AIF filed on SEDAR provided that:
- 7.1.1 Millennium files a Form 45-102F2 on or before the tenth day after the distribution date of any securities certifying that it is a Qualifying Issuer except for the requirement that Millennium have a current AIF; and
- 7.1.2 at the distribution date of any securities, Millennium has filed a notice on SEDAR advising that it has filed the Circular as an alternative form of AIF and identifying the SEDAR project

number under which the  
Circular was filed; and

7.2 this order expires 140 days after  
Millennium's financial year ended  
December 31, 2003.

July 23, 2003.

"Glenda A. Campbell"

"Stephen R. Murison"

## **2.1.13 Windsor Trust 2002-A - MRRS Decision**

### **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications - issuer of asset-backed securities exempt from the requirement to prepare, file and deliver interim and annual financial statements and information circulars or, where applicable, annual filings in lieu of an information circular subject to conditions, including the requirement to prepare, file and deliver monthly and annual reports regarding performance of pools of securities.

### **Ontario Statutes**

Securities Act, R.S.O. 1990, c. S.5, as am., 77, 78, 79, 80(b)(iii), 88(2)(b).

### **Rules Cited**

National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer.

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

**AND**

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

**AND**

**IN THE MATTER OF  
WINDSOR TRUST 2002-A**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, and Newfoundland and Labrador (the "Jurisdictions") has received an application from Windsor Trust 2002-A (the "Trust") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to prepare, file and deliver:

- (a) unaudited interim financial statements;
- (b) audited annual financial statements;
- (c) an information circular where management of the Trust solicits proxies of holders of "voting securities" in respect of a meeting of which notice has or will be given; and

- (d) an annual report of the Trust, where applicable, and annual filing, where applicable, in lieu of an information circular of the Trust,

will not apply to the Trust;

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

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

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

1. The Trust was established by The Canada Trust Company ("Canada Trust"), pursuant to the declaration of trust made as of May 16, 2002 (the "Declaration of Trust"), under the laws of the Province of Ontario.
2. Canada Trust is the issuer trustee of the Trust (in such capacity, the "Issuer Trustee"). The office of the Issuer Trustee at which it carries out its administrative functions as issuer trustee is Corporate Trust Services, Canadian Pacific Tower, 4th Floor, 100 Wellington West, Toronto-Dominion Centre, Toronto, Ontario M5K 1A2.
3. The beneficiary of the Trust is a charity registered under the *Income Tax Act* (Canada) and future beneficiaries may be selected from time to time by the Issuer Trustee in its discretion under the Declaration of Trust.
4. The Trust is a special purpose entity with no independent business activities other than as follows. The Declaration of Trust restricts the activities of the Trust to only acquiring from DaimlerChrysler Services Canada Inc. ("DCSCI") a pool of receivables consisting of loans to various obligors used to finance the purchase of automobiles and light-duty trucks ("Vehicles") originated in Canada by various automobile dealers of DaimlerChrysler Canada Inc. and other automobile manufacturers that meet certain eligibility requirements ("Receivables"), the interest of DCSCI in such Vehicles and all guarantees or other security interests and property subject thereto purporting to secure payment of the Receivables, all collections with respect thereto, and all proceeds of the foregoing (collectively, the "Purchased Assets"), funding such acquisition and engaging in related activities. The Trust does not presently, and will not, carry on any business other than the activities described above.
5. The Trust currently has, and will continue to have, no material assets or liabilities other than its rights and obligations arising from the acquisition of the Purchased Assets and the issuance of the Notes described in paragraph 12 hereof.
6. The Trust currently has no securities issued and outstanding other than the Notes described in paragraph 12 hereof. The only holders of securities of the Trust are, and will be, the holders of the Notes described in paragraph 12 hereof.
7. No insider of the Trust, or associate or affiliate thereof, has a direct or indirect interest in any transaction that has materially affected or would materially the Trust.
8. The Trust has no directors or officers. DCSCI, as administrative agent (in such capacity, the "Administrative Agent"), carries out certain administrative and management activities for and on behalf of the Trust, pursuant to the administration agreement made as of May 16, 2002 (the "Administration Agreement"), between DCSCI and the Issuer Trustee. DCSCI, as servicer (in such capacity, the "Servicer"), administers, services and collects the Purchased Assets as agent for the Trust.
9. The auditors of the Trust are KPMG LLP.
10. The Trust is a "reporting issuer" or has equivalent status in each Jurisdiction and is not in default of any of the requirements of the Legislation of such Jurisdiction.
11. On June 26, 2002, the Trust purchased the Purchased Assets from DCSCI pursuant to the receivables purchase agreement made as of June 26, 2002, between DCSCI, as seller, and the Trust (the "Receivables Purchase Agreement").
12. The purchase by the Trust of the Purchased Assets was funded through the issuance of \$200,000,000, 4.124% Auto Loan Receivables-Backed Class A-1 Pay-Through Notes (the "Pay-Through Notes") due March 15, 2006 and \$104,583,456, 4.124% Auto Loan Receivables-Backed Class A-2 Pass-Through Notes (the "Pass-Through Notes"), pursuant to a trust indenture dated June 26, 2002, between the Trust, The Trust Company of Bank of Montreal (the "Indenture Trustee") and DCSCI (the "Trust Indenture"). The Pay-Through Notes were offered pursuant to a long-form prospectus dated June 19, 2002 filed with and received by the local securities regulatory authority or regulator in each of the Provinces of Canada on June 19, 2002. The Pay-Through Notes and the Pass-Through Notes are herein collectively referred to as the "Notes".
13. The Notes evidence secured, limited recourse debt obligations of the Trust. To secure payment

of all principal, interest and other monies owing under the Notes and all other sums, if any, from time to time due under the Trust Indenture and the performance of the obligations of the Trust under the Trust Indenture, the Trust has granted a security interest in favour of the Indenture Trustee over all of the Trust's interest in the Trust's present and after-acquired property (the "Secured Property"). Recourse to the Trust for amounts owing under the Notes is limited to the Secured Property.

14. DCSCI, in its capacity as Administrative Agent and Servicer, as applicable, is required pursuant to the Receivables Purchase Agreement and the Administration Agreement, as applicable, to deliver or cause to be delivered various compliance reports, including those reports described in paragraphs 15 to 17, inclusive.
15. The Receivables Purchase Agreement requires that the Servicer deliver a monthly report (the "Servicer Report") to the Trust, the Indenture Trustee, the rating agencies and the holders of the Pass-Through Notes and post the Servicer Report on the Internet at <http://investor.chryslerfinancial.com> on or before the second business day prior to the 15<sup>th</sup> day of each month. The Servicer Report provides various items of information relating to the Purchased Assets and distributions from and deposits to the Collection Account and the Pay-Through Protection Account (each as defined in the Trust Indenture). For each of the months following the issuance of the Notes and prior to the date hereof, the Servicer delivered and posted the Servicer Report in accordance with the terms of the Receivables Purchase Agreement.
16. The Receivables Purchase Agreement also requires the Servicer to have a firm of independent chartered accountants deliver to each of the Trust, the rating agencies and the Servicer on or before April 30 of each year a report (the "Annual Accountants' Servicing Report") to the effect that such firm has examined the financial statements of the Servicer and issued its report thereon and that such examination, among other things, disclosed no exceptions or errors in the records relating to retail receivables that, in the firm's opinion and as agreed upon by the Trust and the Servicer, based upon the requirements of the Uniform Single Attestation Program for Mortgage Bankers, requires such firm to report, except as described in such report. For the Servicer's fiscal year ended December 31, 2002, the auditors of the Trust delivered the Annual Accountants' Servicing Report without exception in accordance with the terms of the Receivables Purchase Agreement.
17. The Receivables Purchase Agreement also requires the Servicer to furnish to the Trust and

such other persons as the Trust may designate, in respect of the preceding fiscal year, a certificate of an officer of the Servicer (the "Annual Servicer's Compliance Certificate"), certifying that the Servicer complied in such year with its obligations under the Receivables Purchase Agreement except to the extent non-compliance therewith did not have an adverse effect. For the Trust's fiscal year ended December 31, 2002, the Servicer furnished the Annual Servicer's Compliance Certificate without exception in accordance with the terms of the Receivables Purchase Agreement.

18. The information disclosed or to be disclosed in the interim financial statements and audited annual financial statements of the Trust is not, and will not, be relevant to the holders of the Notes, since such holders only have recourse to the Secured Property and do not have any recourse to the Trust.
19. There are, and there will be, no annual meetings of holders of the Notes since the Trust Indenture provides that holders of a certain percentage of Notes have the right to direct the Indenture Trustee to take certain actions under the Trust Indenture with respect to the Notes.
20. On not less than an annual basis, the Trust will request, or cause to be requested, intermediaries to deliver a notice to holders of Notes pursuant to the procedures stipulated by National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, or its successor instrument, advising holders of Notes that the Servicer Report, the quarterly information described in paragraph 22 hereof, and the annual information described in paragraph 23 hereof is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and on a website, the website address, and that holders of Notes may request that paper copies of same be provided to them by ordinary mail.
21. The Trust, or a representative or agent of the Trust, will post on the applicable website and mail to holders of Notes who so request in accordance with the procedures described in paragraph 20 hereof, on or before the second business day prior to the 15<sup>th</sup> day of each month, and will file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, the Servicer Report.
22. Commencing with the fiscal quarter ending September 30, 2003, within 60 days of the end of each fiscal quarter of the Trust, the Trust, or a representative or agent of the Trust, will post on the applicable website and mail to holders of Notes who so request in accordance with the procedures described in paragraph 20 hereof and file on SEDAR contemporaneously therewith, or



cause to be filed on SEDAR contemporaneously therewith, management's discussion and analysis ("MD&A") with respect to the pool of Purchased Assets.

23. Within 140 days of the end of each fiscal year of the Trust, the Trust, or a representative or agent of the Trust, will post on the applicable website and mail to holders of Notes who so request in accordance with the procedures described in paragraph 20 hereof and will file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, the following:

- (a) MD&A with respect to the pool of Purchased Assets;
- (b) the Annual Servicer's Compliance Certificate; and
- (c) the Annual Accountant's Servicing Report.

24. The provision of information to holders of Notes on a monthly, quarterly and annual basis as described in paragraphs 21, 22 and 23 hereof, as well as the annual notice to be given by, or on behalf of, the Trust as to the availability of such information in accordance with the procedures described in paragraph 20 hereof, will meet the objectives of allowing the holders of Notes to monitor and make informed decisions about their investments.

25. The Trust will issue, or cause to be issued, news releases and file material change reports in accordance with the requirements of the Legislation of each Jurisdiction in respect of material changes in its affairs and in respect of changes in the status (including default in payment due to holders of Notes) of the Purchased Assets underlying the Notes which may reasonably be considered to be material to holders of Notes.

26. Other than in Ontario, fees payable by the Trust in connection with the filing of annual financial statements shall be paid no later than the date that, and in respect of, the annual financial information specified in paragraph 23 hereof is required to be filed.

27. In Ontario, the fees payable by the Trust pursuant to Ontario Securities Commission Rule 13-502 – Fees or as otherwise determined by the Decision Maker in Ontario, shall be paid no later than the date on which the annual financial information specified in paragraph 23 hereof is required to be filed.

**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 Trust is exempted from the requirements of the Legislation concerning the preparation, filing and delivery of unaudited interim financial statements of the Trust, audited annual financial statements of the Trust, an information circular of the Trust where management of the Trust solicits proxies of holders of "voting securities" in respect of a meeting of which notice has or will be given and an annual report of the Trust, where applicable, and annual filing, where applicable, in lieu of an information circular of the Trust, provided that:

- (a) the only securities that the Trust distributes to the public are the Notes;
- (b) the Trust complies with paragraphs 15, 20, 21, 22, 23 and 25 hereof; and
- (c) the exemption from the requirements of the Legislation concerning the preparation, filing and delivery of an annual report, where applicable, and annual filing, where applicable, in lieu of an information circular shall terminate sixty days after the occurrence of a material change in any of the representations of the Trust contained in paragraphs 4 through 9 hereof, inclusive, unless the Trust satisfies the applicable Decision Makers that the exemption should continue.

August 29, 2003.

"Harold P. Hands"

"H. Lorne Morphy"

## 2.1.14 Windsor Trust 2002-B - MRRS Decision

### Headnote

Mutual Reliance Review System for Exemptive Relief Applications - issuer of asset-backed securities exempt from the requirement to prepare, file and deliver interim and annual financial statements and information circulars or, where applicable, annual filings in lieu of an information circular subject to conditions, including the requirement to prepare, file and deliver monthly and annual reports regarding performance of pools of securities.

### Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., 77, 78, 79, 80(b)(iii), 88(2)(b).

### Rules Cited

National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer.

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

**AND**

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

**AND**

**IN THE MATTER OF  
WINDSOR TRUST 2002-B**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, and Newfoundland and Labrador (the "Jurisdictions") has received an application from Windsor Trust 2002-B (the "Trust") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to prepare, file and deliver:

- (a) unaudited interim financial statements;
- (b) audited annual financial statements;
- (c) an information circular where management of the Trust solicits proxies of holders of "voting securities" in respect of a meeting of which notice has or will be given; and

- (d) an annual report of the Trust, where applicable, and annual filing, where applicable, in lieu of an information circular of the Trust,

will not apply to the Trust;

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

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

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

1. The Trust was established by The Canada Trust Company ("Canada Trust"), pursuant to the declaration of trust made as of October 10, 2002 (the "Declaration of Trust"), under the laws of the Province of Ontario.
2. Canada Trust is the issuer trustee of the Trust (in such capacity, the "Issuer Trustee"). The office of the Issuer Trustee at which it carries out its administrative functions as issuer trustee is Corporate Trust Services, Canadian Pacific Tower, 4th Floor, 100 Wellington West, Toronto-Dominion Centre, Toronto, Ontario M5K 1A2.
3. The beneficiary of the Trust is a charity registered under the *Income Tax Act* (Canada) and future beneficiaries may be selected from time to time by the Issuer Trustee in its discretion under the Declaration of Trust.
4. The Trust is a special purpose entity with no independent business activities other than as follows. The Declaration of Trust restricts the activities of the Trust to only acquiring from DaimlerChrysler Services Canada Inc. ("DCSCI") a pool of receivables consisting of loans to various obligors used to finance the purchase of automobiles and light-duty trucks ("Vehicles") originated in Canada by various automobile dealers of DaimlerChrysler Canada Inc. and other automobile manufacturers that meet certain eligibility requirements ("Receivables"), the interest of DCSCI in such Vehicles and all guarantees or other security interests and property subject thereto purporting to secure payment of the Receivables, all collections with respect thereto, and all proceeds of the foregoing (collectively, the "Purchased Assets"), funding such acquisition and engaging in related activities. The Trust does not presently, and will not, carry on any business other than the activities described above.

5. The Trust currently has, and will continue to have, no material assets or liabilities other than its rights and obligations arising from the acquisition of the Purchased Assets and the issuance of the Notes described in paragraph 12 hereof.
6. The Trust currently has no securities issued and outstanding other than the Notes described in paragraph 12 hereof. The only holders of securities of the Trust are, and will be, the holders of the Notes described in paragraph 12 hereof.
7. No insider of the Trust, or associate or affiliate thereof, has a direct or indirect interest in any transaction that has materially affected or would materially affect the Trust.
8. The Trust has no directors or officers. DCSCI, as administrative agent (in such capacity, the "Administrative Agent"), carries out certain administrative and management activities for and on behalf of the Trust, pursuant to the administration agreement made as of October 10, 2002 (the "Administration Agreement"), between DCSCI and the Issuer Trustee. DCSCI, as servicer (in such capacity, the "Servicer"), administers, services and collects the Purchased Assets as agent for the Trust.
9. The auditors of the Trust are KPMG LLP.
10. The Trust is a "reporting issuer" or has equivalent status in each Jurisdiction and is not in default of any of the requirements of the Legislation of such Jurisdiction.
11. On November 13, 2002, the Trust purchased the Purchased Assets from DCSCI pursuant to the receivables purchase agreement made as of November 13, 2002, between DCSCI, as seller, and the Trust (the "Receivables Purchase Agreement").
12. The purchase by the Trust of the Purchased Assets was funded through the issuance of \$225,000,000, 3.584% Auto Loan Receivables-Backed Class A-1 Pay-Through Notes (the "Pay-Through Notes") due August 15, 2006 and \$191,676,826, 3.584% Auto Loan Receivables-Backed Class A-2 Pass-Through Notes (the "Pass-Through Notes"), pursuant to a trust indenture dated November 13, 2002, between the Trust, The Trust Company of Bank of Montreal (the "Indenture Trustee") and DCSCI (the "Trust Indenture"). The Pay-Through Notes were offered pursuant to a long-form prospectus dated November 7, 2002 filed with and receipted by the local securities regulatory authority or regulator in each of the Provinces of Canada on November 13, 2002. The Pay-Through Notes and the Pass-Through Notes are herein collectively referred to as the "Notes".
13. The Notes evidence secured, limited recourse debt obligations of the Trust. To secure payment of all principal, interest and other monies owing under the Notes and all other sums, if any, from time to time due under the Trust Indenture and the performance of the obligations of the Trust under the Trust Indenture, the Trust has granted a security interest in favour of the Indenture Trustee over all of the Trust's interest in the Trust's present and after-acquired property (the "Secured Property"). Recourse to the Trust for amounts owing under the Notes is limited to the Secured Property.
14. DCSCI, in its capacity as Administrative Agent and Servicer, as applicable, is required pursuant to the Receivables Purchase Agreement and the Administration Agreement, as applicable, to deliver or cause to be delivered various compliance reports, including those reports described in paragraphs 15 to 17, inclusive.
15. The Receivables Purchase Agreement requires that the Servicer deliver a monthly report (the "Servicer Report") to the Trust, the Indenture Trustee, the rating agencies and the holders of the Pass-Through Notes and post the Servicer Report on the Internet at <http://investor.chryslerfinancial.com> on or before the second business day prior to the 15<sup>th</sup> day of each month. The Servicer Report provides various items of information relating to the Purchased Assets and distributions from and deposits to the Collection Account and the Pay-Through Protection Account (each as defined in the Trust Indenture). For each of the months following the issuance of the Notes and prior to the date hereof, the Servicer delivered and posted the Servicer Report in accordance with the terms of the Receivables Purchase Agreement.
16. The Receivables Purchase Agreement also requires the Servicer to have a firm of independent chartered accountants deliver to each of the Trust, the rating agencies and the Servicer on or before April 30 of each year a report (the "Annual Accountants' Servicing Report") to the effect that such firm has examined the financial statements of the Servicer and issued its report thereon and that such examination, among other things, disclosed no exceptions or errors in the records relating to retail receivables that, in the firm's opinion and as agreed upon by the Trust and the Servicer, based upon the requirements of the Uniform Single Attestation Program for Mortgage Bankers, requires such firm to report, except as described in such report. For the Servicer's fiscal year ended December 31, 2002, the auditors of the Trust delivered the Annual Accountants' Servicing Report without exception in accordance with the terms of the Receivables Purchase Agreement.

17. The Receivables Purchase Agreement also requires the Servicer to furnish to the Trust and such other persons as the Trust may designate, in respect of the preceding fiscal year, a certificate of an officer of the Servicer (the "Annual Servicer's Compliance Certificate"), certifying that the Servicer complied in such year with its obligations under the Receivables Purchase Agreement except to the extent non-compliance therewith did not have an adverse effect. For the Trust's fiscal year ended December 31, 2002, the Servicer furnished the Annual Servicer's Compliance Certificate without exception in accordance with the terms of the Receivables Purchase Agreement.
18. The information disclosed or to be disclosed in the interim financial statements and audited annual financial statements of the Trust is not, and will not, be relevant to the holders of the Notes, since such holders only have recourse to the Secured Property and do not have any recourse to the Trust.
19. There are, and there will be, no annual meetings of holders of the Notes since the Trust Indenture provides that holders of a certain percentage of Notes have the right to direct the Indenture Trustee to take certain actions under the Trust Indenture with respect to the Notes.
20. On not less than an annual basis, the Trust will request, or cause to be requested, intermediaries to deliver a notice to holders of Notes pursuant to the procedures stipulated by National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, or its successor instrument, advising holders of Notes that the Servicer Report, the quarterly information described in paragraph 22 hereof, and the annual information described in paragraph 23 hereof is available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and on a website, the website address, and that holders of Notes may request that paper copies of same be provided to them by ordinary mail.
21. The Trust, or a representative or agent of the Trust, will post on the applicable website and mail to holders of Notes who so request in accordance with the procedures described in paragraph 20 hereof, on or before the second business day prior to the 15th day of each month, and will file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, the Servicer Report.
22. Commencing with the fiscal quarter ending September 30, 2003, within 60 days of the end of each fiscal quarter of the Trust, the Trust, or a representative or agent of the Trust, will post on the applicable website and mail to holders of Notes who so request in accordance with the procedures described in paragraph 20 hereof and file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, management's discussion and analysis ("MD&A") with respect to the pool of Purchased Assets.
23. Within 140 days of the end of each fiscal year of the Trust, the Trust, or a representative or agent of the Trust, will post on the applicable website and mail to holders of Notes who so request in accordance with the procedures described in paragraph 20 hereof and will file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, the following:
  - (a) MD&A with respect to the pool of Purchased Assets;
  - (b) the Annual Servicer's Compliance Certificate; and
  - (c) the Annual Accountant's Servicing Report.
24. The provision of information to holders of Notes on a monthly, quarterly and annual basis as described in paragraphs 21, 22 and 23 hereof, as well as the annual notice to be given by, or on behalf of, the Trust as to the availability of such information in accordance with the procedures described in paragraph 20 hereof, will meet the objectives of allowing the holders of Notes to monitor and make informed decisions about their investments.
25. The Trust will issue, or cause to be issued, news releases and file material change reports in accordance with the requirements of the Legislation of each Jurisdiction in respect of material changes in its affairs and in respect of changes in the status (including default in payment due to holders of Notes) of the Purchased Assets underlying the Notes which may reasonably be considered to be material to holders of Notes.
26. Other than in Ontario, fees payable by the Trust in connection with the filing of annual financial statements shall be paid no later than the date that, and in respect of, the annual financial information specified in paragraph 23 hereof is required to be filed.
27. In Ontario, the fees payable by the Trust pursuant to Ontario Securities Commission Rule 13-502 – Fees or as otherwise determined by the Decision Maker in Ontario, shall be paid no later than the date on which the annual financial information specified in paragraph 23 hereof is required to be filed.

**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 Trust is exempted from the requirements of the Legislation concerning the preparation, filing and delivery of unaudited interim financial statements of the Trust, audited annual financial statements of the Trust, an information circular of the Trust where management of the Trust solicits proxies of holders of "voting securities" in respect of a meeting of which notice has or will be given and an annual report of the Trust, where applicable, and annual filing, where applicable, in lieu of an information circular of the Trust, provided that:

- (a) the only securities that the Trust distributes to the public are the Notes;
- (b) the Trust complies with paragraphs 15, 20, 21, 22, 23 and 25 hereof; and
- (c) the exemption from the requirements of the Legislation concerning the preparation, filing and delivery of an annual report, where applicable, and annual filing, where applicable, in lieu of an information circular shall terminate sixty days after the occurrence of a material change in any of the representations of the Trust contained in paragraphs 4 through 9 hereof, inclusive, unless the Trust satisfies the applicable Decision Makers that the exemption should continue.

August 29, 2003.

"Harold P. Hands"

"H. Lorne Morphy"

## **2.1.15 AT Plastics Inc. - MRRS Decision**

### **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – issuer has only one security holder – issuer deemed to have ceased being a reporting issuer.

### **Applicable Ontario Statutory Provisions**

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

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

### **AND**

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

### **AND**

### **IN THE MATTER OF AT PLASTICS INC.**

### **MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Ontario, Québec, Nova Scotia, and Newfoundland and Labrador (the "Jurisdictions") has received an application from AT Plastics Inc. ("AT") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that AT be deemed to have ceased to be a reporting issuer under the Legislation;

**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** AT has represented to the Decision Makers that:

1. AT is a corporation incorporated under the *Business Corporations Act* (Ontario) (the "OBCA") on March 14, 1989.
2. The registered head and principal office of AT is located in Brampton, Ontario.
3. Pursuant to an amalgamation completed under section 175 of the OBCA and effective August 5, 2003 (the "Amalgamation"), 2028569 Ontario

Limited, a wholly-owned subsidiary of Acetex Corporation ("Acetex") amalgamated with AT.

4. As a result of the Amalgamation, Acetex holds all of the issued and outstanding common shares of AT.
5. AT is a reporting issuer, or the equivalent, in each of the Jurisdictions and is not in default of any requirements of the Legislation except the requirement to file interim financial statements within 60 days of June 30, 2003. The interim financial statements were due subsequent to the Amalgamation.
6. The Common Shares of AT were delisted from the Toronto Stock Exchange at the close of trading on August 7, 2003 and no securities of AT, including debt securities, are listed or quoted on any exchange or market.
7. AT has options ("Options") outstanding to acquire approximately 666,917 common shares of Acetex.
8. Other than the Common Shares and the Options, AT has no securities, including debt securities, outstanding.
9. AT does not intend to seek public financing by way of an offering of its securities.

**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 under the Legislation is that AT is deemed to have ceased to be a reporting issuer under the Legislation.

September 10, 2003.

"Paul K. Bates"

"H. Lorne Morphy"

## 2.2 Orders

### 2.2.1 Garban LLC - s. 211 of Reg. 1015

#### Headnote

Application in connection with application for registration as an international dealer, for an order pursuant to section 211 of the Regulation exempting the applicant from the requirement in subsection 208(2) of the Regulation that it carry on the business of an underwriter in a country other than Canada to be able to register in Ontario as an international dealer.

#### Statutes Cited

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

#### Regulations Cited

Regulation made under the Securities Act, R.R.O., Reg. 1015, as am., ss. 100(3), 208(2) and 211.

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

**AND**

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

**AND**

**IN THE MATTER OF  
GARBAN LLC**

**ORDER  
(Section 211 of the Regulation)**

**UPON** the application (the Application) of Garban LLC (the Applicant) to the Ontario Securities Commission (the Commission) for an order (the Order), pursuant to section 211 of the Regulation, exempting the Applicant from the requirement in subsection 208(2) of the Regulation that the Applicant carry on the business of an underwriter in a country other than Canada, in order for the Applicant to be registered under the Act as a dealer in the category of "international dealer";

**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 has filed an application for registration as a dealer under the Act in the category of "international dealer" in accordance with section 208 of the Regulation. The Applicant is not presently registered in any capacity under the Act.

2. The Applicant is a corporation organized under the laws of the State of Delaware with its registered office in New Jersey.
3. The Applicant is registered in the United States of America (the USA) as a broker-dealer under the Securities Exchange Act of 1934, and is a category 2 inter-dealer broker member of the Government Securities Clearing Corporation.
4. The Applicant is a member in good standing of the National Association of Securities Dealers in the USA and a participant in the Securities Investor Protection Corporation.
5. The Applicant carries on the business of a "dealer" (as defined in subsection 1(1) of the Act) in the USA.
6. The Applicant operates an inter-dealer brokerage system that allows institutional subscribers to trade U.S. debt securities. Subscribers connect to its inter-dealer brokerage system through interfaces between the Applicant's trading system and subscribers' order management systems.
7. The Applicant does not currently act as an "underwriter" (as defined in subsection 1(1) of the Act) in the USA or in any jurisdiction outside of the USA.
8. In the absence of the relief requested in this Applicant, the Applicant would not meet the requirements of the Regulation for registration as an "international dealer" as it does not carry on the business of an underwriter in a country other than Canada.
9. The Applicant does not currently act as an underwriter in Ontario and will not act as an underwriter in Ontario if it is registered under the Act as an "international dealer", despite the fact that subsection 100(3) of the Regulation provides that an "international dealer" is deemed to have been granted registration as an underwriter for the purposes of a distribution which it is permitted to make.

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

**IT IS ORDERED**, pursuant to section 211 of the Regulation, that, in connection with the registration of the Applicant as a dealer under the Act in the category of "international dealer", the Applicant is exempt from the provisions of subsection 208(2) of the Regulation requiring that the Applicant carry on the business of an underwriter in a country other than Canada, provided that, so long as the Applicant is registered under the Act as an "international dealer":

- (a) the Applicant carries on business of a dealer in a country other than Canada; and
- (b) notwithstanding subsection 100(3) of the Regulation, the Applicant shall not act as an underwriter in Ontario.

August 29, 2003.

"Wendell S. Wigle"

"H. Lorne Morphy"

## **2.2.2 Graham Capital Management, L.P. - ss. 38(1) of the CFA**

### **Headnote**

Subsection 38(1) of the Commodity Futures Act (Ontario)(CFA) – relief from the requirements of subsection 22(1)(b) of the CFA granted to non-resident advisers in respect of advising certain permitted clients and certain non-Canadian mutual funds regarding trades in commodity futures and options contracts traded on commodity futures exchanges outside of Canada and cleared through clearing corporations outside Canada subject to certain terms and conditions.

### **Statutes Cited**

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22(1) & 38(1).  
Securities Act, R.S.O. 1990, c. S.5, as am. - Rule 35-502 – Non Resident Advisers.

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

**AND**

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

**AND**

### **IN THE MATTER OF GRAHAM CAPITAL MANAGEMENT, L.P.**

### **ORDER (Subsection 38(1) of the Act)**

**UPON** the application of Graham Capital Management, L.P. (**Graham**) to the Ontario Securities Commission (the **Commission**) for an order pursuant to subsection 38(1) of the Act that Graham and its directors and officers are exempt, for a period of three years, from the requirements of paragraph 22(1)(b) of the Act in respect of advising a de minimus number of unsolicited clients and certain investment funds 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;

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

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

1. Graham is a limited partnership formed under the laws of Delaware.



2. Graham is registered with the U.S. Commodities Futures Trading Commission (the **CFTC**) as a commodity trading adviser and commodity pool operator and is a member of the U.S. National Futures Association (the **NFA**).
  3. Graham is not registered in any capacity under the Act.
  4. Graham is or may in the future be an investment adviser for a number of commodity pools (the **Funds**).
  5. The Funds invest in futures and options contracts traded on organized exchanges outside of Canada and cleared through clearing corporations located outside of Canada and other derivative instruments traded over the counter and may, to a lesser extent, invest in securities.
  6. Each of the Funds is not, and has no current intention of becoming, a reporting issuer in Ontario or in any other Canadian jurisdiction.
  7. Securities of the Funds (**Securities**) are being offered primarily outside of Canada to institutional investors and high net worth individuals. It is anticipated that Securities will be offered to a small number of Ontario residents (expected to be institutional investors or high net worth individuals) and that Securities distributed in Ontario will be distributed through registrants (as defined under the *Securities Act* (Ontario)) and in reliance upon an exemption from the requirements of Sections 53 and 62 of the *Securities Act* (Ontario).
  8. Prospective investors in Securities of Funds who are Ontario residents will receive disclosure that includes (a) a statement that there may be difficulty in enforcing legal rights against any of Graham, the directors, officers, trustees or managers of the Funds because they are resident outside of Canada and all or substantially all of their assets are situated outside of Canada; and (b) a statement that Graham is not registered with or licensed by any securities regulatory authority in Canada and accordingly, the protections available to clients of a registered adviser will not be available to purchasers of Securities of a Fund.
  9. In addition, Graham may wish to provide advice to clients through discretionary accounts in Ontario (**Clients**), provided that:
    - (a) it does not solicit Clients in Ontario;
    - (b) Graham and its affiliates or affiliated partnerships that are not ordinarily resident in Ontario did not act as an adviser during the preceding 12 months for more than five Clients in Canada;
- (c) the advice provided to Clients is in respect of futures and options contracts traded on organized exchanges outside of Canada and cleared through clearing corporations located outside of Canada and other derivative instruments traded over the counter and, to a lesser extent, securities;
  - (d) Clients resident in Ontario will be permitted clients within the meaning of Ontario Securities Commission Rule 35-502 – Non-Resident Advisers, promulgated under the *Securities Act* (Ontario);
  - (e) Graham notifies the Clients, prior to providing any advice, that it is not registered as an adviser in Ontario; and
  - (f) all assets of Clients are held with custodians which are selected and appointed by the Client.
- 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 Graham and its directors and officers are not subject to the requirements of paragraph 22(1)(b) of the Act in respect of their advisory activities in connection with the Funds for a period of three years, provided that:
- i. Graham is registered with CFTC as a commodity trading adviser and is a member of the NFA;
  - ii. The Funds invest in futures and options contracts traded on organized exchanges outside of Canada and cleared through clearing corporations located outside of Canada and other derivative instruments traded over the counter and may, to a lesser extent, invest in securities;
  - iii. Securities of the Funds are offered primarily abroad and are only distributed in Ontario through registrants (as defined under the *Securities Act* (Ontario)) and in reliance upon an exemption from the requirements of Sections 53 and 62 of the *Securities Act* (Ontario); and
  - iv. Prospective investors in Securities of Funds who are

Ontario residents will receive disclosure that includes (a) a statement that there may be difficulty in enforcing legal rights against any of Graham, the directors, officers, trustees or managers of the Funds because they are resident outside of Canada and all or substantially all of their assets are situated outside of Canada; and (b) a statement that Graham is not registered with or licensed by any securities regulatory authority in Canada and accordingly, the protections available to clients of a registered adviser will not be available to purchasers of Securities of a Fund.

- vi. all assets of Clients are held with custodians which are selected and appointed by the Client.

August 29, 2003.

"Wendell S. Wigle"

"H. Lorne Morphy"

**AND IT IS ORDERED** pursuant to subsection 38(1) that Graham and its directors and officers are not subject to the requirements of paragraph 22(1)(b) of the Act in respect of their advisory activities in connection with Clients for a period of three years, provided that:

- i. it does not solicit Clients in Ontario;
- ii. Graham and its affiliates or affiliated partnerships that are not ordinarily resident in Ontario did not act as an adviser during the preceding 12 months for more than five Clients in Canada;
- iii. the advice provided to Clients is in respect of futures and options contracts traded on organized exchanges outside of Canada and cleared through clearing corporations located outside of Canada and other derivative instruments traded over the counter and, to a lesser extent, securities;
- iv. Clients resident in Ontario will be permitted clients within the meaning of Ontario Securities Commission Rule 35-502 – Non-Resident Advisers, promulgated under the *Securities Act* (Ontario);
- v. Graham notifies the Clients, prior to providing any advice, that it is not registered as an adviser in Ontario; and

## 2.2.3 Skylon Advisors Inc. - ss. 104(1) of Reg. 1015

### Headnote

Applicant exempt from the requirement to file notice pursuant to subsection 104(1) of the Regulations of proposed investments by the Applicant on behalf of the Fund in securities of a Registrant.

### Applicable Statutes

Securities Act, R.S.O. 1990, c. S.5, as amended, s. 147, Ont. Reg. 1015, ss. 104(1).

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

### AND

### IN THE MATTER OF SKYLON ADVISORS INC.

### ORDER (Subsection 104(1) of the Regulation)

**UPON** the application of Skylon Advisors Inc. (the **Applicant**) for an order pursuant to section 147 of the *Securities Act* (Ontario) (the **Securities Act**) exempting the Applicant from the requirement to file notice pursuant to subsection 104(1) of the Regulations under the Securities Act (the **Regulations**) of proposed investments by the Applicant on behalf of VentureLink Financial Services Innovation Fund Inc. (the **Financial Services Fund**) and the VentureLink Diversified Income Fund Inc. (the **Income Fund** and, collectively, the **Funds**) in securities of a registered dealer, underwriter or adviser (a **Registrant**).

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

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

1. The Financial Services Fund is registered as a labour sponsored investment fund corporation under the *Community Small Business Investment Funds Act* (Ontario), as amended, and as a labour-sponsored venture capital corporation under the *Income Tax Act* (Canada) and the *Equity Tax Act* (Nova Scotia).
2. The Income Fund is registered as a labour sponsored investment fund corporation under the *Community Small Business Investment Funds Act* (Ontario), as amended, and as a labour-sponsored venture capital corporation under the *Income Tax Act* (Canada).
3. The investment objective of the Financial Services Fund is to achieve long-term capital appreciation by making debt and equity investments in a diversified portfolio of small and medium-sized

eligible businesses (a **Portfolio Company**), primarily Canadian financial services companies, and investing the remainder of the net proceeds in reserves, including debt instruments whose returns are linked to the performance of the financial services sub-index of the TSX.

4. The investment objectives of the Income Fund are: (i) to generate a superior level of income by making debt and equity investments in a diversified portfolio of established eligible businesses (an **Income Portfolio Company** or, together with a Financial Services Portfolio Company, a **Portfolio Company**) operating in traditional industries, and investing the remainder of the net proceeds in reserves which generate a return linked to the performance of a basket of ongoing business income trust units; and (ii) to preserve and enhance the net asset value of the Income Fund.
5. None of the Funds or Skylon Funds Management Inc. (the **Manager**), the manager of the Funds, is a registrant under the Securities Act. The Manager has retained the Applicant to act as the investment advisor to the Funds. The Applicant is registered as an Investment Counsel Portfolio Manager under the Securities Act. Both the Manager and the Applicant are wholly-owned subsidiaries of Skylon Capital Corp., and certain senior officers of the Funds are also senior officers of the Manager and the Applicant.
6. As a result of investments in Portfolio Companies and the relationship between the Applicant and the Funds, the Commission may consider the Applicant to have beneficial ownership or control or direction over securities of a Portfolio Company. Where the Portfolio Company is a Registrant, compliance with subsection 104(1) of the Regulations would require the Applicant to give notice to the Commission of each investment and to wait for at least 30 days during which time the Commission will review the proposed investment.
7. Section 104 of the Regulations is intended to capture the ownership and operation of one Registrant by another Registrant, not to capture financial investments made without a view to controlling the operations of the Registrant. The investments made by the Funds are and will be passive investments made in the ordinary course of their business of investing in a diversified portfolio of securities of financial services companies and will be consistent with the investment objectives of the Funds. Neither of the Funds will make any investment with the intention of acquiring and maintaining control of any Portfolio Company. In the event that either of the Funds intends to make a subsequent investment or otherwise take action that would result in its acquiring control of a Portfolio Company, it will submit an application pursuant to section 104 of

the Regulations in respect of the subsequent investment.

8. Apart from the possibility that the terms of the investments in Portfolio Companies may grant the Funds the right to representation on the board of directors of a Portfolio Company, none of the Funds, the Manager or the Applicant anticipates being involved in the management of the Portfolio Companies.
9. None of the Funds, the Manager, or the Applicant anticipates having any input into the investment decisions of any of investment portfolios of the Portfolio Companies and accordingly, there will be no opportunity for conflicts to arise regarding the allocation of investment opportunities.
10. None of the Funds, the Manager or the Investment Advisor anticipate a situation wherein as a result of an investment being made by either or both of the Funds in a Registrant, that investment will hinder the Registrant's ability to comply with the conditions of registration applicable to it.
11. The Funds are subject to a statutory requirement contained in the *Community Small Business Investment Funds Act* (Ontario), as amended, that a minimum of 70% of the capital raised from the sale of shares be invested by the end of the year after the year in which such capital is raised. Accordingly, the timing of the investments by each of the Funds is significant. If an investment opportunity arises late in the year and either or both of the Funds are required to wait thirty days for Commission approval pursuant to subsection 104(1) of the Regulations, the investment will be delayed and may not be completed until the beginning of a new year. This may put either or both of the Funds into non-compliance with their statutory obligations to have 70% of its capital invested in a particular year.
12. If the Funds are required to comply with subsection 104(1) of the Regulations, including the required thirty day notice period, for each investment they make in a Registrant, the investment opportunities available to the Funds may be compromised, placing the Funds at a disadvantage opposite other investors. In order to achieve the best returns for their securityholders, the Funds must have the flexibility to make investments in a timely manner and not risk giving up investment opportunities to investors who are not subject to a prescribed notice period.
13. The Funds are unique in that (a) they are labour sponsored funds and subject to statutory requirements and prohibitions that are not normally applicable to investments funds; (b) its investment objective gives the Financial Services Fund, in particular, a mandate to invest in financial

services companies, some of which may be Registrants; and (c) although the Funds themselves are not Registrants, their relationship with the Applicant, which is a Registrant, makes the Funds subject to the regime imposed by subsection 104(1) of the Regulations.

**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 section 147 of the Securities Act that the Applicant is exempt from the requirement to file notice pursuant to subsection 104(1) of the Regulations of proposed investments by the Applicant on behalf of the Funds in securities of a Registrant, provided that:

such investments shall be passive, non-controlling investments as described in paragraphs 6 through 10 of the recitals to this order.

August 29, 2003.

"Wendell S. Wigle"

"H. Lorne Morphy"

**2.2.4 Bradbrooke Capital Holdings, Inc. - ss. 38(1) of the CFA**

**Headnote**

Relief from the adviser registration requirement of paragraph 22(1)(b) of the Commodity Futures Act (Ontario) (**CFA**) granted to a non-resident adviser in connection with the proposed advisory services to be provided to a registered commodity trading manager under the CFA for a term of 3 years, subject to certain terms and conditions, pursuant subsection 38(1) of the CFA.

**Statutes Cited**

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22(1) & 38(1).  
Securities Act, R.S.O. 1990, c. S.5, as am. - Rule 35-502 – Non Resident Advisers.

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

**AND**

**IN THE MATTER OF  
BRADBROOKE CAPITAL HOLDINGS, INC.**

**ORDER  
(Subsection 38(1) of the CFA)**

**UPON** the application (the **Application**) of Bradbrooke Capital Holdings, Inc. (**Bradbrooke**) to the Ontario Securities Commission (the **Commission**) for a ruling pursuant to subsection 38(1) of the CFA that Bradbrooke and its directors, officers and representatives be exempt from the registration requirements of clause 22(1)(b) of the CFA.

**AND UPON** considering the Application and the recommendations of staff of the Commission;

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

1. Bradbrooke is a corporation incorporated under the laws of the State of Delaware, U.S.A. Its head office is located in Great Barrington, Massachusetts.
2. Bradbrooke is currently registered as a commodity trading advisor and commodity pool operator with the U.S. Commodities Futures Trading Commission and is a member of the U.S. National Futures Association.
3. Bradbrooke has negotiated a sub-advisory investment management agreement (the **Agreement**) with Horizons Fund Inc., the manager of Horizon Global Macro Fund (the **Fund**), and Toron Capital Markets Inc. (**Toron**), the adviser to the Fund. As the sub-adviser to the

Fund, Bradbrooke will provide investment advice to Toron with respect to commodity futures contracts and related products that trade on commodity futures exchanges (the **Proposed Advisory Services**). Bradbrooke will also provide investment advice to Toron with respect to securities.

4. Toron is registered with the Commission as an adviser in the categories of investment counsel and portfolio manager, as a limited market dealer under the *Securities Act* (Ontario) (the **Act**), and as a commodity trading manager under the CFA.
5. The Fund is an open-ended mutual fund established under the laws of British Columbia.
6. The Fund is a mutual fund as such term is defined in subsection (1) of the Act and is a commodity pool as such term is defined in subsection 1(1) of Multilateral Instrument 81-104.
7. Toron will be responsible for providing investment advice to the Fund and will be responsible for the investment advice provided by Bradbrooke.
8. Pursuant to the terms of the Agreement, Toron shall be responsible for any loss that arises as a result of Bradbrooke failing to:
  - (a) exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Fund; or
  - (b) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances

(the **Standard of Care**).

9. Bradbrooke will only provide the Proposed Advisory Services to Toron pursuant to this ruling so long as Toron is registered as an adviser under the Act and as a commodity trading manager under the CFA.
10. The offering documents of the Fund will disclose that Toron will be responsible for Bradbrooke's investment advice and that to the extent applicable, there may be difficulty in enforcing any legal rights against Bradbrooke as it is not resident in Canada and as all or a substantial portion of its assets are situated outside of Canada.

**AND UPON** the Commission being satisfied that it would not be prejudicial to the public interest for the Commission to grant the requested relief;

**IT IS ORDERED** pursuant to subsection 38(1) of the CFA that Bradbrooke, its directors, officers and representatives are exempt from the registration

requirements of clause 22(1)(b) of the CFA with respect to the Proposed Advisory Services to be provided by Bradbrooke to Toron, provided that:

- (a) the obligations and duties of Bradbrooke are set out in the Agreement;
- (b) the Agreement states that Toron will be responsible for any loss that arises as a result of Bradbrooke failing to meet the Standard of Care, and that such responsibility cannot be waived;
- (c) the offering documents of the Fund state that:
  - (i) Toron will be responsible for any loss that arises as a result of Bradbrooke failing to meet the Standard of Care;
  - (ii) Toron will be responsible for any advice given by Bradbrooke; and
  - (iii) there may be difficulty in enforcing any legal rights against Bradbrooke as it is not resident in Canada and as all or a substantial portion of its assets are situated outside of Canada;
- (d) Bradbrooke maintains its registration with the CFTC as a commodity trading advisor and commodity pool operator;
- (e) Bradbrooke will only provide the Proposed Advisory Services to Toron pursuant to this ruling so long as Toron is registered as an adviser under the Act and as a commodity trading manager under the CFA; and
- (f) this ruling shall terminate three years from the date hereof.

August 29, 2003.

"Wendell S. Wigle"

"H. Lorne Morphy"

## **2.2.5 Aurelian Resources Inc. - ss. 83.1(1)**

### **Headnote**

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

### **Statutes Cited**

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

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

### **AND**

### **IN THE MATTER OF AURELIAN RESOURCES INC. (FORMERLY BIO 1 INC.)**

### **ORDER (Subsection 83.1(1) of the Act)**

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

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

**AND UPON** Aurelian representing to the Commission as follows:

1. Aurelian was incorporated as "Bio 1 Inc." on December 6, 2000 pursuant to the *Canada Business Corporations Act*. Pursuant to Articles of Amendment dated December 10, 2001, Aurelian removed its private company restrictions. Pursuant to Articles of Amendment dated June 2, 2003, Aurelian changed its name to "Aurelian Resources Inc.";
2. The head office of Aurelian is located at 130 King Street West in Toronto, Ontario and the registered office of Aurelian is located at 421 7th Avenue SW in Calgary, Alberta;
3. Aurelian has been a reporting issuer in the Province of Alberta pursuant to the *Securities Act* (Alberta) (the "**Alberta Act**") and in the Province of British Columbia pursuant to the *Securities Act* (British Columbia) (the "**BC Act**") since March 7, 2002. Aurelian is not a reporting issuer or the equivalent under the securities legislation of any other jurisdiction in Canada;
4. The common shares of Aurelian were listed on the TSX Venture Exchange (the "**TSXV**") on June 11, 2002 and trade thereon under the symbol "ARU";

5. Aurelian was formerly a capital pool company governed by Policy 2.4 of the TSXV ("**Policy 2.4**"). On June 6, 2003, Aurelian completed the acquisition of all of the shares of Aurelian Resources Corporation Ltd., a company existing under the laws of Bermuda, as its Qualifying Transaction (as defined in Policy 2.4);
6. The TSXV issued a bulletin evidencing its approval of the Qualifying Transaction of Aurelian on June 20, 2003;
7. Five of the six directors of Aurelian, including the President of Aurelian, are resident in the Province of Ontario and these individuals hold approximately 15% of the issued and outstanding common shares of Aurelian;
8. Aurelian's authorized share capital consists of an unlimited number of common shares without nominal or par value. As of June 27, 2003, there were 13,575,000 common shares of Aurelian issued and outstanding. In addition to the outstanding capital of Aurelian, there were (i) 6,310,000 common shares reserved for issuance pursuant to 6,310,000 share purchase warrants of Aurelian; and (ii) 800,000 common shares reserved for issuance pursuant to 800,000 stock options of Aurelian;
9. Aurelian is not in default of any requirements of the securities legislation in the provinces of Alberta or British Columbia;
10. Aurelian is in good standing under the rules, regulations and policies of the TSXV;
11. The continuous disclosure materials filed by Aurelian under the Alberta Act and the BC Act are available on the System for Electronic Document Analysis and Retrieval. Aurelian's continuous disclosure record is up to date;
12. The continuous disclosure requirements of the BC Act and the Alberta Act are substantially the same as the requirements under the Act;
13. Neither Aurelian nor any of its officers, directors nor, to the knowledge of Aurelian, 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;
14. Neither Aurelian nor any of its officers, directors, nor to the knowledge of Aurelian, its officers and directors, any of its controlling shareholders, is or has been subject to:
  - (i) any known ongoing or concluded investigations by a Canadian securities regulatory authority, or a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or
  - (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years;
15. None of the officers or directors of Aurelian, nor to the knowledge of Aurelian, its officers and directors, any of its controlling shareholders, is or has been at the time of such event an officer or director of any other issuer which is or has been subject to:
  - (i) any cease trade or similar orders, or orders that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or
  - (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years;

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

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

August 14, 2003.

"Cameron McInnis"

## 2.2.6 Alegro Health Corp. - 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 2002 – issuer's securities are listed and posted for trading on the TSX Venture Exchange – continuous disclosure requirements of British Columbia and Alberta substantively the same as those of Ontario.

### Applicable Ontario Statutory Provisions

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

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

**AND**

**IN THE MATTER OF  
ALEGRO HEALTH CORP.**

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

**UPON** the application of Alegro Health Corp. ("Alegro") for an order pursuant to subsection 83.1(1) of the Act deeming Alegro to be a reporting issuer for 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** Alegro representing to the Commission as follows:

1. Alegro was incorporated on February 2, 2001 under the *Canada Business Corporations Act*. Pursuant to Articles of Amendment dated September 20, 2001 and January 29, 2002, Alegro removed its private company restrictions.
2. The head office and the registered office of Alegro is located at 4 Lansing Square, Suite 110, Toronto, Ontario M5J 5A2.
3. Alegro has been a reporting issuer in the Province of Alberta under the *Securities Act* (Alberta) (the "Alberta Act") since March 6, 2002, and a reporting issuer in the Province of British Columbia under the *Securities Act* (British Columbia) (the "BC Act") since September 4, 2002. Alegro is not a reporting issuer or the equivalent under the securities legislation of any other jurisdiction in Canada.
4. The common shares of Alegro were listed on the TSX Venture Exchange (the "TSX-V") on

September 4, 2002 and currently trade on the TSX-V under the symbol "AGO". Alegro is in compliance with all requirements of the TSX-V.

5. Alegro was formerly a capital pool company governed by Policy 2.4 of the TSX-V ("Policy 2.4"). On June 18, 2003, Alegro completed the acquisition of all of the shares of Work Able Centres Inc., a company incorporated under the laws of Ontario, as its Qualifying Transaction (as defined in Policy 2.4).
6. Alegro obtained final approval for its Qualifying Transaction from the TSX-V on June 24, 2003. Alegro is no longer designated a capital pool company under the policies of the TSX-V.
7. Alegro's authorized share capital consists of an unlimited number of common shares without nominal or par value. As of August 19, 2003, there were 17,175,762 common shares of Alegro issued and outstanding and 444,444 common shares reserved for issuance pursuant to outstanding options.
8. All of the directors and officers of Alegro are resident in the Province of Ontario. They hold, in the aggregate, approximately 85% of the issued and outstanding common shares of Alegro.
9. Alegro is not in default of any requirements of the BC Act or the Alberta Act.
10. Alegro is in good standing under the rules, regulations and policies of the TSX-V.
11. The continuous disclosure requirements of the BC Act and the Alberta Act are substantially the same as the requirements under the Act.
12. The continuous disclosure materials filed by Alegro under the BC Act and the Alberta Act are available on the System for Electronic Document Analysis and Retrieval.
13. Alegro has not been subject to any penalties or sanctions imposed against it 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 Alegro, any of its officers, directors nor, to the knowledge of Alegro 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 Alegro, any of its officers, directors nor, to the knowledge of Alegro 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 Alegro, nor, to the knowledge of Alegro 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** that under subsection 83.1(1) of the Act that Alegro be deemed a reporting issuer for the purposes of the Act.

September 4, 2003.

“Iva Vranic”

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## 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
701 Media Group Inc.	09 Sep 03	19 Sep 03		
Aurado Energy Inc.	04 Sep 03	16 Sep 03		
Clearwater Technologies Inc.	27 Aug 03	08 Sep 03	08 Sep 03	
CLN Ventures Inc.	27 Aug 03	08 Sep 03	08 Sep 03	
Davis S. Reid Limited	28 Aug 03	09 Sep 03	09 Sep 03	
Digital Rooster.com Inc.	28 Aug 03	09 Sep 03	09 Sep 03	
Fiscal Investments Limited	10 Sep 03	22 Sep 03		
Genesys Conferencing Ltd.	09 Sep 03	19 Sep 03		
Healthtrac, Inc.	21 Aug 03	02 Sep 03		04 Sep 03
Knightsbridge London Limited Partnership 1993	08 Sep 03	19 Sep 03		
Mississauga Teachers Retirement Village Limited Partnership	08 Sep 03	19 Sep 03		
Platinova A/S	09 Sep 03	19 Sep 03		
Platinova Resources Ltd.	09 Sep 03	19 Sep 03		
Teddy Bear Valley Mines, Limited	27 Aug 03	08 Sep 03	08 Sep 03	
Teton Petroleum Company	10 Sep 03	22 Sep 03		
Transpacific Resources Inc	09 Sep 03	19 Sep 03		
UNIREX Corporation	10 Sep 03	22 Sep 03		
Vision SCMS Inc.	09 Sep 03	19 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 7**

# **Insider Reporting**

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

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

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

## Chapter 8

# Notice of Exempt Financings

### Exempt Financings

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

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

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Total Purchase Price (\$)</u>	<u>Number of Securities</u>
22-Aug-2003 27-Aug-2003	3 Purchasers	Acuity Pooled Canadian Equity Fund - Trust Units	1,915,000.00	98,665.00
20-Aug-2003 27-Aug-2003	Brian Clarke Child Trust; Jean Guy Blais	Acuity Pooled Conservative Asset Allocation - Trust Units	307,584.50	21,734.00
25-Aug-2003 29-Aug-2003	4 Purchasers	Acuity Pooled High Income Fund - Trust Units	553,000.00	33,320.00
18-Aug-2003	Michelle Wan-Phillips	Acuity Pooled Social Values Canadian Fund - Trust Units	208,784.39	17,153.00
28-Aug-2003	53 Purchasers	Agnico-Eagle Mines Limited - Common Shares	5,278,500.00	251,568.00
27-Aug-2003	4 Purchasers	Alliance Financing Group Inc - Warrants	30,000.00	240,000.00
31-Aug-2003	6 Purchasers	Alternum Capital - North American Value Hedge Fund - Limited Partnership Units	4,127.32	8.00
28-Aug-2003	14 Purchasers	Aquest Explorations Ltd. - Common Shares	3,440,000.00	6,880,000.00
28-Aug-2003	CANSO Investment Counsel Limited; The Canada Life Assurance Company	Arrow Lakes Power Corporation - Bonds	23,000,000.00	23,000,000.00
10-Aug-2003 29-Aug-2003	6 Purchasers	Biogan International, Inc. - Special Warrants	718,185.00	17,028,835.00
07-Aug-2003	11 Purchasers	Blueback Limited - Shares	1,124,164.62	9,634.00
08-Aug-2003	Dana Meretsky-Katzman	BPI American Opportunities Fund - Units	150,000.00	1,267.00
15-Aug-2003	1308018 Ontario Ltd.; Vinny Hetram	BPI American Opportunities Fund - Units	157,063.50	1,304.00
05-Sep-2003	Sprott Asset Management Inc.	Campbell Resources Inc. - Common Shares	1,970,000.00	4,400,000.00

**Notice of Exempt Financings**

28-Aug-2003	4 Purchasers	Conac Software Corporation - Units	22,500.00	450,000.00
31-Aug-2003	4 Purchasers	Contemporary Investment Corp. - Common Shares	246,626.00	246,626.00
29-Aug-2003	18 Purchasers	Cranston, Gaskin, O'Reilly & Vernon - Trust Units	146,564.70	12,271.00
29-Aug-2003	8 Purchasers	Cranston, Gaskin, O'Reilly & Vernon - Trust Units	137,073.35	11,179.00
29-Aug-2003	17 Purchasers	Cranston, Gaskin, O'Reilly & Vernon - Trust Units	257,762.48	21,020.00
03-Sep-2003	16 Purchasers	Crowflight Minerals Inc. - Flow-Through Shares	411,306.00	1,020,333.00
27-Aug-2003	GCA Strategic Investment Fund Limited; Global Capital	Crystallex International Corporation - Notes	4,206,300.00	3,150,000.00
28-Aug-2003	Riverview Group; LLC	Crystallex International Corporation - Special Warrants	13,970,001.40	4,545,455.00
31-Jul-2003	4 Purchasers	Daniels Management Limited Partnership - Limited Partnership Units	298,400.00	93.00
31-Jul-2003	4 Purchasers	Daniels Management Limited Partnership - Limited Partnership Units	430,000.00	100.00
31-Jul-2003	4 Purchasers	Daniels Management Limited Partnership - Limited Partnership Units	232,500.00	93.00
31-Jul-2003	4 Purchasers	Daniels Management Limited Partnership - Limited Partnership Units	691,875.00	92.00
29-Aug-2003	23 Purchasers	Euston Capital Corp. - Common Shares	56,250.00	18,750.00
29-Aug-2003	Ontario Municipal Employees Retirement Board	Falls Management Company - Notes	25,000,000.00	1.00
28-Aug-2003	8 Purchasers	Fareport Capital Inc. - Convertible Debentures	580,000.00	8.00
22-Aug-2003	Canadian Imperial Bank of Commerce	First Asset Global Bond Trust - Units	41,999,951.09	1,800,000.00
26-Jun-2003	16 Purchasers	First Capital Realty Inc. - Common Shares	26,629,200.00	1,707,000.00
05-Sep-2003	4 Purchasers	Gateway Gold Corp. - Units	67,500.00	67,500.00
29-Aug-2003	10 Purchasers	Golden Goliath Resources Ltd. - Units	477,525.00	2,984,100.00
08-Aug-2003 11-Aug-2003	5 Purchasers	Great Northern Exploration Ltd. - Common Shares	900,000.00	225,000.00

**Notice of Exempt Financings**

08-Aug-2003	5 Purchasers	Great Northern Exploration Ltd. - Common Shares	900,000.00	225,000.00
22-Aug-2003	7 Purchasers	Headline Media Group Inc. - Shares	4,895.00	16,317.00
13-Aug-2003 03-Sep-2003	5 Purchasers	IMAGIN Diagnostics, Inc. - Common Shares	14,000.00	14,000.00
28-Aug-2003	Harold Shipp	IMAGIN Diagnostics, Inc. - Common Shares	3,000.00	3,000.00
18-Aug-2003 28-Aug-2003	6 Purchasers	IMAGIN Diagnostics, Inc. - Common Shares	29,500.00	30,000.00
26-Aug-2003	35 Purchasers	InterOil Corporation - Common Shares	51,483,075.00	1,648,100.00
21-Aug-2003	53 Purchasers	Inviro Medical Inc. - Special Warrants	465,464.00	165,080.00
21-Aug-2003	544299 Alberta Ltd.	JOG Limited Partnership No. 1 - Units	70,244.45	5,000.00
28-Aug-2003	11 Purchasers	Kalahari Resources Inc. - Units	120,800.00	1,006,667.00
03-Sep-2003	Paul Sleight;Paul Thornton	Kalahari Resources Inc. - Units	11,200.00	93,333.00
04-Sep-2003	Graeme Hepburn;Claudia Hepburn	Kids & Company Ltd. - Convertible Debentures	500,000.00	10.00
04-Sep-2003	Meridian Gold Inc.	Linear Resources Inc. - Common Shares	105,000.00	300,000.00
02-Sep-2003	Caisse de Depot et Placement	Maple Mortgage Trust Advisors - Notes	50,000,000.00	1.00
26-Aug-2003	The Canadian Consultants Bureau Inc.	Mega-C Power Corporation - Common Shares	1.00	100,000.00
26-Aug-2003	Joe Souccar	Mega-C Power Corporation - Common Shares	1.00	50,000.00
25-Aug-2003	The Canadian Consultants Bureau Inc.;Joe Souccar	Mega-C Power Corporation - Notes	75,000.00	2.00
29-Aug-2003	Harris Partners Limited	Mercator Minerals, Ltd. - Common Shares	15,000.00	1,000,000.00
28-Aug-2003	31 Purchasers	Metallic Ventures Inc. - Units	10,725,000.00	2,860,000.00
25-Aug-2003	Maria A. Bruzzese	Mexgold Resources Inc. - Units	50,000.00	100,000.00
25-Aug-2003	Bhowani P. Hiranman	Microsource Online, Inc. - Common Shares	1,200.00	200.00
25-Aug-2003	Don M. Thuillard	Microsource Online, Inc. - Common Shares	1,200.00	200.00
28-Aug-2003	Bradley N. Hutchinson	Microsource Online, Inc. - Common Shares	1,200.00	200.00



**Notice of Exempt Financings**

28-Aug-2003	Thomas C. Hodgins	Microsource Online, Inc. - Common Shares	1,800.00	300.00
28-Aug-2003	Marwan M. Farah	Microsource Online, Inc. - Common Shares	1,200.00	200.00
28-Aug-2003	Nelson Gutta	Microsource Online, Inc. - Common Shares	6,000.00	1,000.00
28-Aug-2003	Lubomir Missov	Microsource Online, Inc. - Common Shares	1,200.00	200.00
28-Aug-2003	Pino Di Stefano	Microsource Online, Inc. - Common Shares	6,000.00	1,000.00
28-Aug-2003	Jan Pilat	Microsource Online, Inc. - Common Shares	3,000.00	500.00
29-Aug-2003	Minh Tanthanlong	Microsource Online, Inc. - Common Shares	6,000.00	1,000.00
29-Aug-2003	Julie M. Vanni	Microsource Online, Inc. - Common Shares	1,200.00	200.00
28-Aug-2003	3 Purchasers	Mint Inc. - Special Warrants	350,000.00	700,000.00
01-Aug-2003	9 Purchasers	MMCAP Limited Partnership Fund - Limited Partnership Units	565,000.00	565.00
29-Aug-2003	3 Purchasers	Muskox Minerals Corp. - Units	75,000.00	75,000.00
15-Aug-2003	4 Purchasers	Navaho Networks Inc. - Common Shares	563,750.00	563,750.00
29-Aug-2003	3 Purchasers	Nexus Group International Inc. - Units	1,573,750.00	53,761,905.00
29-Aug-2003	CMP 2003 Resource Limited Partnership	Northern Shield Resources Inc. - Flow-Through Shares	350,000.00	17,500,000.00
29-Aug-2003	5 Purchasers	NRG Group Inc. (The) - Common Shares	385,000.00	19,250,000.00
02-Sep-2003	Ontario Teachers' Pension Plan Board	Oak Hill CCF Offshore Fund Ltd. - Shares	20,829,600.00	15,000.00
26-Aug-2003	Aria Trust	Oban Trust - Notes	100,000,000.00	1.00
25-Aug-2003	19 Purchasers	OntZinc Corporation - Units	202,000.00	2,020,000.00
18-Nov-2002	1375256 Ontario Inc.	Paradigm Advanced Technologies, Inc. - Notes	69,660.00	50,000.00
20-Dec-2002	McKenn Management Inc.	Paradigm Advanced Technologies, Inc. - Notes	696,600.00	500,000.00
28-Jan-2003	Lisa Marie Kerzner	Paradigm Advanced Technologies, Inc. - Notes	69,660.00	1.00
29-Aug-2003	8 Purchasers	Peregrine Diamonds Ltd. - Special Warrants	345,000.00	345,000.00

**Notice of Exempt Financings**

28-Aug-2003	VentureLink Brighter Future (Equity) Fund Inc.; VentureLink Fund Inc.	Performance Plants Inc. - Preferred Shares	1,450,000.20	878,788.00
25-Aug-2003	Adrian Van Monsjou	Pixel Album Inc. - Common Shares	200,000.00	200,000.00
28-Aug-2003	Greybrook Corporation; Jacob Steinberg and Norma Hutchison	Plazacorp Development I Limited Partnership - Limited Partnership Units	2,960,000.00	30,500.00
22-Aug-2003	MFC Global Investment Management	Providence Service Corporation (The ) - Common Shares	169,200.00	10,000.00
22-Aug-2003	MFC Global Investment Management	Providence Service Corporation (The ) - Common Shares	42,300.00	2,500.00
28-Aug-2003	Campbell Resources; Inc.	Queenstake Resources Ltd. - Common Shares	420,000.00	1,000,000.00
28-Aug-2003	Sceptre Investment Counsel Ltd.	Queenstake Resources Ltd. - Common Shares	1,462,500.00	2,250,000.00
28-Aug-2003	Sceptre Investment Counsel Ltd.	Queenstake Resources Ltd. - Common Shares	1,300,000.00	2,000,000.00
02-Sep-2003	Nursing Homes and Related Industries Pension Plan	Real Assets US Social Equity Index Fund - Units	1,598,724.07	232,440.00
29-Aug-2003	8 Purchasers	Rutter Technologies Inc. - Common Shares	1,160,000.00	14,500,000.00
27-Aug-2003	6 Purchasers	Rutter Technologies Inc. - Debentures	6,250,000.00	4.00
20-Aug-2003	47 Purchasers	Sargold Resource Corporation - Units	4,500,000.00	10,000,000.00
05-Sep-2003	Jo-Anne Chisholm	Scandinavian Gold Ltd. - Special Warrants	10,200.00	8,500.00
29-Aug-2003	10 Purchasers	Seeker Petroleum Ltd. - Flow-Through Shares	2,190,399.00	25,769,400.00
27-Aug-2003	7 Purchasers	Serco DES Inc. - Bonds	57,800,000.00	57,800.00
18-Aug-2003	19 Purchasers	Spectral Diagnostics Inc. - Units	4,590,000.00	18,000,000.00
29-Aug-2003	SRB Belvedere Trust	Stake Technology Ltd. - Common Shares	2,761,000.00	285,714.00
28-Aug-2003	53 Purchasers	Sudbury Contact Mines, Limited - Common Shares	5,278,500.00	3,167,100.00
22-Aug-2003	4 Purchasers	SynX Pharma Inc. - Debentures	400,000.00	600,000.00
31-Aug-2003	Mai Pandolfi; Christopher Burton	TD Harbour Capital Balanced Fund - Trust Units	250,000.00	2,396.00
04-Sep-2003	Harley N. Hotchkiss	Thundermin Resources Inc. - Units	50,000.00	500,000.00
04-Sep-2003	Kreative Ventures Limited	Tribute Minerals Inc. - Units	200,000.00	666,666.00

**Notice of Exempt Financings**

25-Aug-2003	Orion Securities Inc.	TUSK Energy Inc. - Shares	420,000.00	1,000,000.00
25-Aug-2003	Orion Securities Inc.	TUSK Energy Inc. - Subscription Receipts	420,000.00	100,000.00
03-Sep-2003	Casurina Performance Fund	TUSK Energy Inc. - Subscription Receipts	205,000.00	50,000.00
29-Aug-2003	Daniel Fantin	Venstar Hospitality Langley Limited Partnership - Limited Partnership Units	20,000.00	20,000.00
28-Aug-2003	The Manufactures Life Insurance Company	VFC Inc. - Debentures	5,000,000.00	1.00
02-Sep-2003	CMP 2003 Resource Limited Partnership;Canada Dominion Resources LP XI	Wolfden Resources Inc. - Flow-Through Shares	8,000,000.00	1,600,000.00

**RESALE OF SECURITIES - (FORM 45-501F2)**

<u>Transaction Date</u>	<u>Seller</u>	<u>Security</u>	<u>Total Selling Price</u>	<u>Number of Securities</u>
27-Aug-2003	United Reef Limited	AXMIN Inc. - Common Shares		30,000.00
28-Aug-2003	Investors Group Trust Co. Ltd.	Bell Mobility Cellular Inc. - Debentures	7,000,000.00	
12-Aug-2003	International Royalty Corporation	International Royalty Corporation - Special Warrants		853,750.00

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

<u>Seller</u>	<u>Security</u>	<u>Number of Securities</u>
Larry Melnick	Champion Natural Health.com Inc. - Shares	425,000.00
Quest Capital Corp.	Channel Resources Ltd. - Common Shares	2,050,850.00
Cheng Feng Zhou	China Ventures Inc. - Shares	7,874,000.00
Glen R. Estill	EMJ Data Systems Ltd. - Common Shares	9,334.00
Susan M.S. Gastle	Microbix Biosystems Inc. - Common Shares	7,548.00
Steven Hulaj	Nextair Inc. - Common Shares	2,304,000.00
Richard W. Devries Professional Corporation	Pacific Lottery Corporation - Common Shares	1,833,333.00
Targa Group Inc.	Plaintree Systems Inc. - Common Shares	34,315,760.00
Madalena Ventures Inc.	Planet Exploration Inc. - Common Shares	0.00
Discovery Capital Corporation	Vigil Health Solutions Inc. - Common Shares	1,647,432.00

## Chapter 11

# IPOs, New Issues and Secondary Financings

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**Issuer Name:**

Business Trust Equal Weight Income Fund

Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated September 2, 2003

Mutual Reliance Review System Receipt dated September 3, 2003

**Offering Price and Description:**

Price: \$10.00 per Unit

Maximum \$150,000,000 (15,000,000 Units)

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

RBC Dominion Securities Inc.

CIBC World Markets Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Scotia Capital Inc.

TD Securities Inc.

HSBC Securities (Canada) Inc.

Canaccord Capital Corporation

Desjardins Securities Inc.

Dundee Securities Corporation

First Associates Investments Inc.

Raymond James Ltd.

Acadian Securities Incorporated

Newport Securities Inc.

Research Capital Corporation

**Promoter(s):**

Brompton Business Trust Management Limited

Project #570912

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**Issuer Name:**

Cardiome Pharma Corp

Principal Regulator - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated September 8, 2003

Mutual Reliance Review System Receipt dated September 8, 2003

**Offering Price and Description:**

\$20,002,500.00 - 3,810,000 Common Shares @\$5.25 per Common Share

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

Orion Securities Inc.

Sprott Securities Inc.

First Associates Investments Inc.

Raymond James Ltd.

Research Capital Corporation

**Promoter(s):**

-

Project #572368

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**Issuer Name:**

Chou Asia Fund

Chou Europe Fund

Chou RRSP Fund

Chou Associates Fund

Principal Regulator - Ontario

**Type and Date:**

Preliminary Simplified Prospectuses dated September 2, 2003

Mutual Reliance Review System Receipt dated September 2, 2003

**Offering Price and Description:**

Mutual Fund Net Asset Value

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

-

**Promoter(s):**

Chou Associates Management Inc.

Project #567896

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**Issuer Name:**

Global (GMPC) Holdings Inc

Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated August 29, 2003

Mutual Reliance Review System Receipt dated September 2, 2003

**Offering Price and Description:**

\$10,050,000.00 TO \$15,000,000.00 - 33,500,000 to 50,000,000 Units at \$0.30 per Unit

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

Haywood Securities Inc.

Dlouhy Merchant Group Inc.

**Promoter(s):**

Gordon D. Ewart

Project #570208

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**Issuer Name:**

Goose River Resources Ltd.

Principal Regulator - Alberta (ASC)

**Type and Date:**

Amended and Restated Preliminary Prospectus dated September 8, 2003

Mutual Reliance Review System Receipt dated September 8, 2003

**Offering Price and Description:**

Maximum Offering: \$5,000,000 ( \* Flow-Through Shares)

Minimum Offering: \$4,000,000 ( \* Flow-Through Shares)

Price: \$ \* per Flow-Through Share

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

First Associates Investments Inc.

**Promoter(s):**

Curtis A. Hartzler

Leonard D. Arcovio

Project #564436

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**Issuer Name:**

Harvest Energy Trust  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Prospectus dated September 3, 2003  
Mutual Reliance Review System Receipt dated September 4, 2003

**Offering Price and Description:**

\$ \* - \* Trust Units

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

National Bank Financial Inc.  
CIBC World Markets Inc.  
FirstEnergy Capital Corp.  
Haywood Securities Inc.

**Promoter(s):**

M. Bruce Chernoff  
Kevin A. Bennett  
**Project #571489**

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**Issuer Name:**

Intertape Polymer Group Inc.  
Principal Regulator - Quebec

**Type and Date:**

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

**Offering Price and Description:**

\$50,000,000.00 - 5,000,000 Common Shares Price:  
\$10.00 per Common Share

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

TD Securities Inc.  
CIBC World Markets Inc.  
Raymond James Ltd.

**Promoter(s):**

-  
**Project #572259**

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**Issuer Name:**

Movie Distribution Income Fund  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated August 29, 2003  
Mutual Reliance Review System Receipt dated September 2, 2003

**Offering Price and Description:**

\$ \* - \* Units Price: \$10.00 per Unit

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

CIBC World Markets Inc.  
RBC Dominion Securities Inc.

**Promoter(s):**

Alliance Atlantis Communications Inc.  
**Project #570714**

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**Issuer Name:**

NCE Flow-Through (2003-2) Limited Partnership  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated September 4, 2003  
Mutual Reliance Review System Receipt dated September 5, 2003

**Offering Price and Description:**

\$ \* (Maximum Offering)  
\$5,000,000 ( Minimum Offering)  
A maximum of \* and minimum of 200,000 Limited Partnership Units  
Subscription Price: \$25 per Unit Minimum Subscription: 200 Units

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

-  
**Promoter(s):**

-  
**Project #571815**

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**Issuer Name:**

PrimeWest Energy Trust  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated September 5, 2003  
Mutual Reliance Review System Receipt dated September 5, 2003

**Offering Price and Description:**

\$80,290,000.00 - 3,100, 000 Trust Units

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

Scotia Capital Inc.  
CIBC World Markets Inc.  
BMO Nesbitt Burns Inc.  
RBC Dominion Securities Inc.  
TD Securities Inc.  
National Bank Financial Inc.  
Canacord Capital Corporation  
Desjardins Securities Inc.  
FirstEnergy Capital Corp.  
HSBC Securities (Canada) Inc.

**Promoter(s):**

-  
**Project #571917**

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**Issuer Name:**

Purcell Energy Ltd.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated September 8, 2003  
Mutual Reliance Review System Receipt dated September 9, 2003

**Offering Price and Description:**

\$20,041,000.00 - 8,180,000 Common Shares and 8,180,000 Warrants issuable upon the exercise of 8,180,000 subscription receipts

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

Salman Partners Inc.

**Promoter(s):**

-  
**Project #572395**

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**Issuer Name:**

TAL Private International Equity Fund  
TAL Private Dividend Income Fund  
TAL Private Income Trust Fund  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Simplified Prospectuses dated August 29, 2003  
Mutual Reliance Review System Receipt dated September 2, 2003

**Offering Price and Description:**

-

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

-

**Promoter(s):**

TAL Private Management Ltd.

**Project #570262**

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**Issuer Name:**

Textron Financial Canada Funding Corp.  
Principal Regulator - Nova Scotia

**Type and Date:**

Preliminary Prospectus dated September 3, 2003  
Mutual Reliance Review System Receipt dated September 9, 2003

**Offering Price and Description:**

U.S. \$4,000,000,000.00 - Guaranteed Debt Securities of  
Textron Financial Canada Funding Corp.

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

-

**Promoter(s):**

-

**Project #571562**

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**Issuer Name:**

Trophy Capital Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary CPC Prospectus dated September 2, 2003  
Mutual Reliance Review System Receipt dated September 3, 2003

**Offering Price and Description:**

Minimum of \$700,000 and a Maximum of \$1,000,000  
Minimum if 4,666,666 common shares and a Maximum of  
6,666,666 common shares  
Price: \$0.15 per common share

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

Kingsdale Capital Markets Inc.

**Promoter(s):**

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**Project #570982**

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**Issuer Name:**

Van Eck Robson Hard Assets Performance Trust  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated September 5, 2003  
Mutual Reliance Review System Receipt dated September 8, 2003

**Offering Price and Description:**

Minimum \$ \* (Units)

Maximum \$ \* (Units)

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

Desjardins Securities Inc.  
BMO Nesbitt Burns Inc.  
RBC Dominion Securities Inc.  
CIBC World Markets Inc.  
National Bank Financial Inc.  
Canaccord Capital Corporation  
Dundee Securities Corporation  
HSBC Securities (Canada) Inc.  
Raymond James Ltd.  
First Associates Investments Inc.  
Research Capital Corporation  
Wellington West Capital Inc.

**Promoter(s):**

Robson Capital Inc.

**Project #572040**

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**Issuer Name:**

VFC Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated August 29, 2003  
Mutual Reliance Review System Receipt dated September 2, 2003

**Offering Price and Description:**

\$ \* - \* Common Shares

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

Sprott Securities Inc.  
TD Securities Inc.  
First Associates Investments Inc.  
Research Capital Corporation

**Promoter(s):**

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**Project #569759**

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**Issuer Name:**

Yamana Gold Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated August 29, 2003  
Mutual Reliance Review System Receipt dated September 3, 2003

**Offering Price and Description:**

46,250,000 Common Shares and 23,125,000 Common  
Share Purchase Warrants  
issuable upon the exchange of 46,250,000 previously  
issued Subscription Receipts

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

Canaccord Capital Corporation  
BMO Nesbitt Burns Inc.  
Westwind Partners Inc.

**Promoter(s):**

Santa Elina Mines Corporation  
**Project #571149**

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**Issuer Name:**

Altamira T-Bill Fund  
Altamira Income Fund  
Altamira Bond Fund  
Altamira High Yield Bond Fund  
Altamira Short Term Canadian Income Fund  
Altamira Short Term Government Bond Fund  
Altamira Global Bond Fund  
Altamira Short Term Global Income Fund  
Altamira Balanced Fund  
Altamira Dividend Fund Inc.  
Altamira Growth & Income Fund  
Altamira Global Diversified Fund  
Altamira Canadian Value Fund  
Altamira Equity Fund  
AltaFund Investment Corp.  
Altamira Capital Growth Fund Limited  
Altamira Special Growth Fund  
Altamira European Equity Fund  
Altamira Global Value Fund  
Altamira US Larger Company Fund  
Altamira Asia Pacific Fund  
Altamira Japanese Opportunity Fund  
Altamira Global Discovery Fund  
Altamira Global 20 Fund  
Altamira Global Small Company Fund  
Altamira Select American Fund  
Altamira Precision Canadian Index Fund  
Altamira Precision Dow 30 Index Fund  
Altamira Precision European Index Fund  
Altamira Precision European RSP Index Fund  
Altamira Precision International RSP Index Fund  
Altamira Precision U.S. RSP Index Fund  
Altamira Precision U.S. Midcap Index Fund  
Altamira Biotechnology Fund  
Altamira e-business Fund  
Altamira RSP e-business Fund  
Altamira Global Financial Services Fund  
Altamira Health Sciences Fund  
Altamira RSP Health Sciences Fund  
Altamira Precious and Strategic Metal Fund  
Altamira Resource Fund  
Altamira Science and Technology Fund  
Altamira RSP Science and Technology Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectuses dated August 29, 2003  
Mutual Reliance Review System Receipt dated September 4, 2003

**Offering Price and Description:**

Mutual Fund Securities

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

Altamira Financial Services Ltd.

**Promoter(s):**

-

**Project #558001**

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**Issuer Name:**

Bema Gold Corporation  
Principal Regulator - British Columbia

**Type and Date:**

Final Short Form Prospectus dated September 4, 2003  
Mutual Reliance Review System Receipt dated September 4, 2003

**Offering Price and Description:**

Cdn\$69,000,000.00 - 23,000,000 Common Shares  
@\$3.00 per Common Share

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

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

**Promoter(s):**

-

**Project #566479**

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**Issuer Name:**

Call-Net Enterprises Inc.  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated September 2, 2003  
Mutual Reliance Review System Receipt dated September 2, 2003

**Offering Price and Description:**

\$37,500,000.00 - 10,000,000 Class B Non-Voting Shares  
@\$3.75 per Offered Share

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

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

**Promoter(s):**

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**Project #566281**

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**Issuer Name:**

Cavell Energy Corporation  
Principal Regulator - Alberta

**Type and Date:**

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

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**Issuer Name:**

Empower Technologies Corporation  
Principal Regulator - British Columbia

**Type and Date:**

Amendment #1 dated September 4, 2003 to the Final  
Prospectus dated July 31, 2003  
Mutual Reliance Review System Receipt dated September 5, 2003

**Offering Price and Description:**

Minimum: 4,000,000 Units  
Maximum: 5,714,286 Units

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

Canaccord Capital Corporation

**Promoter(s):**

Paul Leung  
**Project #549790**

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**Issuer Name:**

International Forest Products Limited  
Principal Regulator - British Columbia

**Type and Date:**

Final Short Form Prospectus dated September 4, 2003  
Mutual Reliance Review System Receipt dated September 4, 2003

**Offering Price and Description:**

\$58,500,000.00 - 10,000,000 Class "A" Subordinate  
Voting Shares Price: \$5.85 per Subordinate Voting 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**

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**Issuer Name:**

Rio Narcea Gold Mines, Ltd.  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated September 3, 2003  
Mutual Reliance Review System Receipt dated September 4, 2003

**Offering Price and Description:**

\$45,080,000.00 - 16,100,000 Units @\$2.80 per Unit

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

BMO Nesbitt Burns Inc.  
Haywood Securities Inc.  
Sprott Securities Inc.  
Griffiths McBurney & Partners  
Paradigm Capital Inc.

**Promoter(s):**

-

**Project #567341**



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**Issuer Name:**

Wireless Matrix Corporation

Principal Regulator - Alberta

**Type and Date:**

Final Short Form Prospectus dated September 4, 2003

Mutual Reliance Review System Receipt dated September 4, 2003

**Offering Price and Description:**

\$20,000,000 .00 - 8,000,000 Common Shares @\$2.50  
per Common Share

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

BMO Nesbitt Burns Inc.

Griffiths McBurney & Partners

**Promoter(s):**

-

**Project #567088**

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**Issuer Name:**

Ventax Robotics Corporation

Principal Jurisdiction - Ontario

**Type and Date:**

Preliminary Prospectus dated February 14th, 2003

Withdrawn on September 2nd, 2003

**Offering Price and Description:**

\$1,500,000.00 - 3,000,000 Common Shares (Maximum)

Price: \$0.50 per Common Share

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

Canaccord Capital Corporation

**Promoter(s):**

Hans Armin Ohlmann

**Project #514464**

## Chapter 12

# Registrations

### 12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Garban LLC Attention: Roger Campbell Harborside Financial Center 1100 Plaza Five Jersey City NJ 07311-4996 USA	International Dealer	Sep 03/03
New Registration	Scivest Capital Management Inc. Attention: John Jeffrey Laurence Schmitz 1 First Canadian Place Suite 6960, Box #12 Toronto ON M5X 1A9	Investment Counsel & Portfolio Manager Limited Market Dealer	Sep 04/03
New Registration	Orchard Asset Management Inc. Attention: Phillip Cass Canada Trust Tower, BCE Place 161 Bay Street, 27 <sup>th</sup> Floor PO Box 508 Toronto ON M5J 2S1	Limited Market Dealer Investment Counsel & Portfolio Manager	Sep 08/03
Change of Name	From: BMO Nesbitt Burns Corp.  To: Harris Nesbitt Corp.	International Dealer	Sep 04/03
Change of Name	From: Newman Financial Services of Canada, Inc.  To: GMAC Commercial Holding Capital Markets (Canada) Corp.	Limited Market Dealer	Jun 03/03
Suspension of Registration	Datile Securities Inc.	Limited Market Dealer Mutual Fund Dealer	Sep 02/03
Suspension of Registration	Select Capital Management Inc.	Securities Dealer	Sep 03/03
Suspension of Registration	Scivest Capital Management Inc.	Investment Counsel & Portfolio Manager Limited Market Dealer	Sep 04/03

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## Chapter 25

### Other Information

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#### 25.1.1 Securities

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TRANSFER WITHIN ESCROW				
<u>COMPANY NAME</u>	<u>DATE</u>	<u>FROM</u>	<u>TO</u>	<u>NO. OF SHARES</u>
Coubran Resources Ltd.	September 3, 2003	Quest Ventures Ltd.	Brian A. Bayley	174,074 common shares
Coubran Resources Ltd.	September 3, 2003	Quest Ventures Ltd.	A. Murray Sinclair	174,074 common shares

## 25.2 Exemptions

### 25.2.1 Arrow Hedge Partners Inc. - s. 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: Arrow Hedge Partners Inc. ("Arrow")  
Application for Exemptive Relief under OSC  
Rule 13-502 Fees ) the "Rule" or "Rule 13-502")  
Application #519/03**

By letter dated August 5, 2003 (the "Application"), you applied on behalf of Arrow, the manager of certain pooled funds listed in schedule A of the Application (the "Existing Pooled Funds") and other pooled funds created and managed by Arrow 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 interim and comparative annual financial statements (the "Financial Statements") with the Commission (the "Financial Statements Exemption").

By the same date and cover, you additionally applied to the securities regulatory authority in Ontario (the "Decision Maker") on behalf of Arrow 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 with respect to the Financial Statement Exemption in

accordance with item E(1) of Appendix C of the Rules, 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 (the "Fee Exemption").

Further, you requested that the activity fee of \$1,500 for the application of the Fee Exemption be waived.

Item E of Appendix C to Rule 13-502 specifies the activity fee applicable for application 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. Arrow is a corporation existing under the laws of Ontario with its head office in 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-ended mutual fund trusts established under the laws of Ontario. The Pooled Funds are not, or will 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 Financial Statements with the Commission under subsection of 77(2) and 78(1) of the Act.
4. Section 2.1(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, Arrow and the Pooled Funds have requested under subsection 147 of the Act relief from filing the Financial Statement with the Commission. The activity fee associated with the application is \$5,500 in accordance with item E(1) of Appendix C to Rule 13-502.
6. If Arrow and the Pooled Funds had, as an alternative to the Application, sought 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) to 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 to 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 Arrow and the Pooled Funds from

- i) paying an activity fee of \$5,500 in connection with the Financial Statements Exemption application, provided that Arrow and the Pooled Funds pay an activity fee on the basis that the Financial Statements Exemption 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”

#### 25.2.2 Enterprise Capital Management Inc. - s. 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.

##### VIA FAX

August 29, 2003

Stikeman Elliott LLP  
5300 Commerce Court West  
199 Bay Street  
Toronto, ON M5L 1B9

##### Attention: Ms. Jennifer Northcote

Dear Sirs/Mesdames:

**Re: Enterprise Capital Management Inc. -  
Application for Exemptive Relief under OSC  
Rule 13-502 Fees (the “Rule” or “Rule 13-502”)  
Application No 538/03**

By letter dated August 11, 2003 as amended on August 18, 2003 (the “Application”), you applied on behalf of Enterprise Capital Management Inc. (the “Company”), the manager of certain pooled funds listed in the Application (the “Existing Pooled Funds”) and other pooled funds created and managed by the Company 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 the Company, 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.

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 \$1,500.00.

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

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, distributed in Canada without a prospectus pursuant to exemptions from the registration and 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) 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, the Company 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 the Company 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 the Company and the Existing Pooled Funds from paying an activity fee of \$5,500 in connection with the Application, provided that the Company and the Existing 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.

Yours truly,

"Vera Nunes"

## 25.3 Approvals

### 25.3.1 ESC Holdings Limited - cl. 213(3)(b) of the LTCA

#### Headnote

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

#### Statutes Cited

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

August 26, 2003

Stikeman Elliot LLP  
5300 Commerce Court West  
199 Bay Street, Toronto  
M5L 1B9

#### Attention: Steven Portelli

Dear Sirs/Mesdames:

**Re: Application by ESC Holdings Limited (the  
“Applicant”) for approval to act as trustee of  
the Royalty Fund (the “Fund”)  
Application No. 540/03**

Further to the application dated August 8, 2003 (the “Application”) filed on behalf of the Applicant, and based on the facts set out in the Application, pursuant to the authority conferred on the Ontario Securities Commission (the “Commission”) in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of the Fund which it will manage.

“Harold P. Hands”

“H. Lorne Morphy”



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# Index

<b>701 Media Group Inc.</b>		<b>Current Proceedings Before The Ontario Securities Commission</b>	
Cease Trading Orders .....	6401	Notice .....	6347
<b>Alegro Health Corp.</b>		<b>Datile Securities Inc.</b>	
Order - ss. 83.1(1) .....	6398	Suspension of Registration .....	6417
<b>Arctic Glacier Income Fund</b>		<b>Daub, Sally</b>	
MRRS Decision.....	6357	News Release .....	6351
<b>Arrow Hedge Partners Inc.</b>		<b>Davis S. Reid Limited</b>	
Exemptions - s. 6.1 of OSC Rule 13-502.....	6420	Cease Trading Orders.....	6401
<b>AT Plastics Inc.</b>		<b>de la Torre, Mary</b>	
MRRS Decision.....	6387	News Release .....	6351
<b>ATI Technologies Inc.</b>		<b>Digital Rooster.com Inc.</b>	
News Release.....	6351	Cease Trading Orders.....	6401
<b>Aurado Energy Inc.</b>		<b>Dundee Real Estate Investment Trust</b>	
Cease Trading Orders .....	6401	MRRS Decision .....	6364
<b>Aurelian Resources Inc.</b>		<b>Dundee Realty Corporation</b>	
Order - ss. 83.1(1) .....	6396	MRRS Decision .....	6356
<b>Bio 1 Inc.</b>		<b>Elliott &amp; Page Limited</b>	
Order - ss. 83.1(1) .....	6396	MRRS Decision .....	6371
<b>BMO Nesbitt Burns Corp.</b>		<b>Enterprise Capital Management Inc.</b>	
Change of Name.....	6417	Exemption - s. 6.1 of OSC Rule 13-502 .....	6421
<b>Bradbrooke Capital Holdings, Inc.</b>		<b>ESC Holdings Limited</b>	
Order - ss. 38(1) of the CFA .....	6395	Approval - cl. 213(3)(b) of the LTCA .....	6423
<b>Chang, Jo-Anne</b>		<b>Fiscal Investments Limited</b>	
News Release.....	6351	Cease Trading Orders.....	6401
<b>CI Mutual Funds Inc.</b>		<b>Garban LLC</b>	
MRRS Decision.....	6369	Order - s. 211 of Reg. 1015.....	6389
<b>CitiFinancial Canada, Inc.</b>		New Registration .....	6417
MRRS Decision.....	6353	<b>Genesys Conferencing Ltd.</b>	
<b>Clearwater Technologies Inc.</b>		Cease Trading Orders.....	6401
Cease Trading Orders .....	6401	<b>GMAC Commercial Holding Capital Markets (Canada) Corp.</b>	
<b>CLN Ventures Inc.</b>		Change of Name .....	6417
Cease Trading Orders .....	6401	<b>Graham Capital Management, L.P.</b>	
<b>Coubran Resources Ltd.</b>		Order - ss. 38(1) of the CFA.....	6390
Transfer Within Escrow.....	6419	<b>Harris Nesbitt Corp.</b>	
<b>CSA Staff Notice 12-307, Ceasing to be a Reporting Issuer under the Mutual Reliance Review System for Exemptive Relief Applications</b>		Change of Name .....	6417
Notice.....	6348	<b>Healthtrac, Inc.</b>	
		Cease Trading Orders.....	6401

<b>Ho, Betty</b>		<b>Select Capital Management Inc.</b>	
News Release.....	6351	Suspension of Registration .....	6417
<b>Ho, K.Y.</b>		<b>Series S-1 Income Fund</b>	
News Release.....	6351	MRRS Decision .....	6375
<b>Knightsbridge London Limited Partnership 1993</b>		<b>Skylon Advisors Inc.</b>	
Cease Trading Orders .....	6401	Order - ss. 104(1) of Reg. 1015 .....	6393
<b>Kyrgoil Holding Corporation</b>		<b>Stone, David</b>	
MRRS Decision.....	6372	News Release .....	6351
<b>Maxxcom Inc.</b>		<b>Teddy Bear Valley Mines, Limited</b>	
MRRS Decision.....	6368	Cease Trading Orders.....	6401
<b>Millennium Energy Inc.</b>		<b>Teton Petroleum Company</b>	
MRRS Decision.....	6378	Cease Trading Orders.....	6401
<b>Mississauga Teachers Retirement Village Limited Partnership</b>		<b>Transpacific Resources Inc</b>	
Cease Trading Orders .....	6401	Cease Trading Orders.....	6401
<b>National Construction Inc.</b>		<b>UNIREX Corporation</b>	
Cease Trading Orders .....	6401	Cease Trading Orders.....	6401
<b>National Policy No. 25, Registrants Advertising Disclosure of Interest</b>		<b>Vision SCMS Inc.</b>	
Notice.....	6350	Cease Trading Orders.....	6401
<b>National Policy No. 49, Self-Regulatory Organization Membership</b>		<b>Wastecorp. International Investment Inc.</b>	
Notice.....	6350	Cease Trading Orders.....	6401
<b>Newman Financial Services of Canada, Inc.</b>		<b>Windsor Trust 2002-A</b>	
Change of Name.....	6417	MRRS Decision .....	6380
<b>Oil Sands Split Trust</b>		<b>Windsor Trust 2002-B</b>	
MRRS Decision.....	6354	MRRS Decision .....	6384
<b>Orchard Asset Management Inc.</b>			
New Registration.....	6417		
<b>Platinova A/S</b>			
Cease Trading Orders .....	6401		
<b>Platinova Resources Ltd.</b>			
Cease Trading Orders .....	6401		
<b>Rae, Alan</b>			
News Release.....	6351		
<b>RBC Capital Trust II</b>			
MRRS Decision.....	6360		
<b>Royal Bank of Canada</b>			
MRRS Decision.....	6360		
<b>Scivest Capital Management Inc.</b>			
New Registration.....	6417		
Suspension of Registration.....	6417		