The Ontario Securities Commission

OSC Bulletin

October 10, 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)

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

OCTOBER 10, 2003

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

The Harry S. Bray Hearing Room
Ontario Securities Commission
Cadillac Fairview Tower
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20 Queen Street West
Toronto, Ontario
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Derek Brown	—	DB
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Harold P. Hands	—	HPH
Robert W. Korthals	—	RWK
Mary Theresa McLeod	—	MTM
H. Lorne Morphy, Q.C.	—	HLM
Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar	—	ST
Wendell S. Wigle, Q. C.	—	WSW

SCHEDULED OSC HEARINGS

DATE: TBA	**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
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[+] 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 to March 10, 2004	**ATI Technologies Inc., Kwok Yuen Ho, Betty Ho, JoAnne Chang, David Stone, Mary de La Torre, Alan Rae and Sally Daub** s. 127 M. Britton in attendance for Staff Panel: TBA
May 2004	**Gregory Hyrniw and Walter Hyrniw** s. 127 Y. Chisholm in attendance for Staff Panel: TBA

ADJOURNED SINE DIE

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

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 Notice of Commission Approval of Amendments to National Instrument 81-102 Mutual Funds and Companion Policy 81-102CP and to National Instrument 81-101 Mutual Fund Prospectus Disclosure and Form 81-101F1 Contents of Simplified Prospectus and Form 81-101F2 Contents of Annual Information Form

NOTICE OF COMMISSION APPROVAL OF AMENDMENTS TO NATIONAL INSTRUMENT 81-102 MUTUAL FUNDS AND COMPANION POLICY 81-102CP

AND TO

NATIONAL INSTRUMENT 81-101 MUTUAL FUND PROSPECTUS DISCLOSURE AND FORM 81-101F1 CONTENTS OF SIMPLIFIED PROSPECTUS AND FORM 81-101F2 CONTENTS OF ANNUAL INFORMATION FORM

On May 13, 2003, the Commission approved amendments (the "amendments") to:

1. National Instrument 81-101 Mutual Fund Prospectus Disclosure (NI 81-101),
2. Form 81-101F1 Contents of Simplified Prospectus (Form 81-101F1),
3. Form 81-101F2 Contents of Annual Information Form (Form 81-101F2),
4. National Instrument 81-102 Mutual Funds (NI 81-102), and
5. Companion Policy 81-102CP (81-102CP).

A draft of the amendments was previously published for comment on July 19, 2002 at (2002) 25 OSCB 4705. Further to comments received, minor changes were made to the draft amendments.

The amendments were delivered to the Minister of Finance on October 10, 2003. If the Minister approves the amendments or does not take any further action by December 9, 2003, the amendments will come into force on December 31, 2003. The amendments are being published in Chapter 5 of the Bulletin.

1.1.3 Notice of Commission Approval – Amendment to MFDA Rule 1.1.3 Regarding Service Arrangements

THE MUTUAL FUND DEALERS ASSOCIATION (MFDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENT TO MFDA RULE 1.1.3
REGARDING SERVICE ARRANGMENTS

The Ontario Securities Commission approved amendment to MFDA Rule 1.1.3 regarding Service Arrangements. In addition, the Alberta Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission approved and the British Columbia Securities Commission did not object to the amendment. Proposed Amendment to MFDA Rule 1.1.3 clarifies that MFDA Members and Approved Persons may enter into service arrangements with another Member or Approved Persons. A copy and description of these amendments were published on July 11, 2003 at (2003) 26 OSCB 5439. No comments were received.

1.1.4 Notice of Commission Approval – Amendment to MFDA Rule 1.1.7(d) Regarding Business Names, Styles, Etc.

THE MUTUAL FUND DEALERS ASSOCIATION (MFDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENT TO MFDA RULE 1.1.7(d)
REGARDING BUSINESS NAMES, STYLES, ETC.

The Ontario Securities Commission approved amendment to MFDA Rule 1.1.7(d) regarding Business Names, Styles, Etc. In addition, the Alberta Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission approved and the British Columbia Securities Commission did not object to the amendment. MFDA Rule 1.1.7(d) prohibits a member and its approved persons to use a business, trade or style name of another member, unless the two members are in an introducing and carrying relationship. The amendment clarifies that approved persons of a member are also subject to this prohibition. The amendment is housekeeping in nature. The description and a copy of the amendment is contained in Chapter 13 of this Ontario Securities Commission Bulletin.

1.1.5 Notice of Commission Approval – Amendment to MFDA Rule 3.4.2(b)(vi) Regarding Early Warning

THE MUTUAL FUND DEALERS ASSOCIATION (MFDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENT TO MFDA RULE 3.4.2(b)(vi)
REGARDING EARLY WARNING

The Ontario Securities Commission approved amendment to MFDA Rule 3.4.2(b)(vi) regarding Early Warning. In addition, the Alberta Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission approved and the British Columbia Securities Commission did not object to the amendment. MFDA Rule 3.4.2(b)(vi) involves changes to MFDA procedures to reflect current practices. The amendment to Rule 3.4.2(b)(vi) will provide flexibility to the MFDA for resolving minor issues at the MFDA office. The amendment is housekeeping in nature. The description and a copy of the amendment is contained in Chapter 13 of this Ontario Securities Commission Bulletin.

1.1.6 Notice of Commission Approval – Amendment to MFDA Rule 1.1.6(a)(vi) Regarding Introducing and Carrying Arrangement

THE MUTUAL FUND DEALERS ASSOCIATION (MFDA)
NOTICE OF COMMISSION APPROVAL
AMENDMENT TO MFDA RULE 1.1.6(a)(vi)
REGARDING INTRODUCING AND CARRYING ARRANGEMENT

The Ontario Securities Commission approved amendment to MFDA Rule 1.1.6(a)(vi) regarding Introducing and Carrying Arrangement. In addition, the Alberta Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission approved and the British Columbia Securities Commission did not object to the amendment. MFDA Rule 1.1.6(a)(vi) involves correction to typographical mistakes, and changes to MFDA procedures to reflect current practices. The amendment is housekeeping in nature. The description and a copy of the amendment is contained in Chapter 13 of this Ontario Securities Commission Bulletin.

1.3 News Releases

1.3.1 OSC Approves Settlement Between Staff and Norman Riopelle and Rejects Settlement Agreement with Marlene Berry in the Saxton Matter

FOR IMMEDIATE RELEASE
October 6, 2003

OSC APPROVES SETTLEMENT BETWEEN STAFF AND NORMAN RIOPELLE AND REJECTS SETTLEMENT AGREEMENT WITH MARLENE BERRY IN THE SAXTON MATTER

TORONTO – On October 1, 2003, the Ontario Securities Commission approved a settlement reached between Staff of the Commission and the respondent Normand Riopelle. It rejected a settlement reached between Staff and the respondent Marlene Berry.

Between 1995 and 1998, various Saxton-related companies issued securities, raising approximately $37 million from investors. In 1999, KPMG reported that the value of the Saxton assets, at its highest, was approximately $5.5 million. Staff alleges that the distribution of the Saxton securities was contrary to Ontario securities law.

Berry was employed by Rick Fangeat as the office administrator of Integrated Planning Services. Staff alleges that the vast majority of Integrated Planning Services' business related to the sale of the Saxton securities and that Fangeat acted as the manager of several Saxton salespeople. Staff further alleges that Berry was involved in the illegal distributions of the Saxton securities by, among other things, acting as a liaison between the Saxton salespeople and Saxton's head office and participating in clients' execution of subscription agreements. The panel rejected the settlement agreement reached between Staff and Berry finding that her role in the distribution of the Saxton securities was minor. Staff will not be proceeding further against Berry.

During the material time, Riopelle was a licensed life insurance agent. He has never been registered with the Commission. Riopelle sold $505,700 worth of the Saxton securities to eleven of his insurance clients. Riopelle failed to conduct the appropriate due diligence respecting the nature and quality of the Saxton products and the regulatory requirements to sell such products. Among other things, Riopelle told clients that the Saxton securities were similar in nature to an insurance segregated fund notwithstanding that the Offering Memoranda described such securities as speculative. The Commission approved the settlement agreement between Staff and Riopelle. The panel reprimanded Riopelle and imposed an eleven month cease trade order on him.

Copies of the Commission's Reasons for Decision and Order and the Riopelle Settlement Agreement are available on the Commission's website at **www.osc.gov.on.ca**.

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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 Co-operators Mutual Funds Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Extension of lapse date for mutual fund prospectus to allow for completion of fund mergers and change of control of the manager.

Statutes Cited

Securities Act, R.S.O. 1990 c. S.5, as amended, ss. 62(1), 62(2) and 62(5).

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

AND

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

AND

IN THE MATTER OF

CO-OPERATORS CANADIAN CONSERVATIVE FOCUSED EQUITY FUND
CO-OPERATORS CANADIAN CORE EQUITY FUND
CO-OPERATORS CANADIAN BALANCED FUND
CO-OPERATORS CANADIAN BOND FUND
CO-OPERATORS CANADIAN MONEY MARKET FUND
CO-OPERATORS/CREDIT SUISSE INTERNATIONAL EQUITY FUND
CO-OPERATORS/CREDIT SUISSE U.S. CAPITAL APPRECIATION FUND
CO-OPERATORS/CREDIT SUISSE GLOBAL SCIENCE AND TECHNOLOGY FUND
CO-OPERATORS/CREDIT SUISSE GLOBAL POST-VENTURE CAPITAL FUND
CO-OPERATORS/CRYSTAL ENHANCED INDEX RSP FUND
CO-OPERATORS/CRYSTAL ENHANCED INDEX WORLD FUND
(collectively, the "Funds")

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Makers") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland and Labrador (collectively, the "Jurisdictions") have received an application from Co-operators Mutual Funds Limited ("CMFL") in its capacity as manager of the Funds for a decision document pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the time period prescribed by the Legislation for filing the pro forma simplified prospectus and pro forma annual information form (together, the "Renewal Prospectus") of the Funds be extended to the time period that would be applicable if the lapse date for the distribution of the units of the Funds was December 1, 2003;

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 CMFL has represented to the Decision Makers that:

1. CMFL is the manager, trustee and promoter of each of the Funds. CMFL is incorporated under the laws of Ontario. The head office of CMFL is located in Guelph, Ontario.

2. Each of the Funds, other than the Co-operators/Crystal Enhanced Index RSP Fund and Co-operators/Crystal Index World Fund (collectively, the "Co-operators/Crystal Funds"), is an open-ended mutual fund trust established under the laws of Ontario pursuant to a Master Declaration of Trust dated September 27, 2000 and a separate regulation thereunder, as amended. The Co-operators/Crystal Funds are also open-ended mutual fund trusts established under the laws of Ontario pursuant to a Master Declaration of Trust dated August 1, 2000, as amended.

3. Each Fund is a reporting issuer under the Legislation and is not in default of any requirement of the Legislation.

4. Units of the Funds are offered for sale on a continuous basis in each of the provinces and territories of Canada pursuant to a combined

simplified prospectus and an annual information form each dated October 4, 2002 (together, the "Current Prospectus").

5. Pursuant to the Legislation, the lapse date ("Lapse Date") of the Current Prospectus is October 4, 2003.

6. By press release dated August 15, 2003, CMFL announced its intention to merge (the "Mergers") each of Co-operators/Credit Suisse U.S. Capital Appreciation Fund, Co-operators/Credit Suisse Global Science and Technology Fund, and Co-operators/Credit Suisse Global Post-Venture Capital Fund (collectively, the "Terminating Funds") with Co-operators/Credit Suisse International Equity Fund (the "Global Fund").

7. In addition to the Mergers, CMFL is proposing to change the fundamental investment objective and investment strategies of the Global Fund. Upon completion of the Mergers and the change of fundamental investment objective of the Global Fund, CMFL also plans to change the name of the Global Fund to Co-operators/Credit Suisse Global Equity Fund.

8. Unitholders of the Terminating Funds will be asked to approve the Mergers at a special meeting to be held on October 15, 2003. In addition, on the same date, unitholders of the Global Fund will also be asked to approve the change to the fundamental investment objective of the Global Fund.

9. In addition to the foregoing changes, Industrial Alliance Insurance and Financial Services Inc. has agreed to acquire all of the common shares of CMFL that are owned by 3664384 Canada Inc., an indirect wholly owned subsidiary of The Co-operators Group Limited. The proposed transaction will constitute a change of control of CMFL as manager and trustee of the Funds. The sale of the shares is not expected to close until on or about October 31, 2003, after the expiry of the requisite 60-day notice period under NI 81-102 and subject to receipt of all necessary regulatory approvals. The proposed transaction was disclosed in a further press release dated August 15, 2003.

10. On August 18, 2003, CMFL filed a Material Change Report regarding the proposed Mergers, the change to the fundamental investment objective of the Global Fund, and the proposed change of control of CMFL.

11. On September 4, 2003, CMFL applied for approval of the Mergers pursuant to National Instrument 81-102 Mutual Funds ("NI 81-102"). An additional application will also be filed shortly pursuant to NI 81-102 for approval of the change of control of CMFL.

12. Upon completion of the Mergers and the change of control, CMFL will continue to be the trustee and manager of the Funds.

13. CMFL filed on August 22, 2003 an Amendment No. 1 to the Current Prospectus which discloses, *inter alia*, the proposed Mergers and change of investment objective of the Global Fund, as well as the proposed change of control of CMFL.

14. The extension of the Lapse Date for filing the Renewal Prospectus will enable the necessary approvals to be obtained and the notice period to expire for the various matters outlined in paragraphs 8 and 9 above prior to the filing of the Renewal Prospectus.

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

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

THE DECISION of the Decision Makers pursuant to the Legislation is that the Lapse Date for filing the Renewal Prospectus of the Funds be extended to the time period that would be applicable if the Lapse Date for the distribution of units of the Funds was December 1, 2003, provided:

(a) the Renewal Prospectus of the Funds is filed in final form no later than December 5, 2003, and

(b) a final receipt is issued for the Renewal Prospectus no later than December 12, 2003.

September 25, 2003.

"Susan Silma"

2.1.2 Opus 2 Financial Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Distribution of securities of the funds allowed to continue beyond the lapse date of the prospectus for a specified period of time – Distributions made after the lapse date limited to existing securityholders.

Applicable Ontario Statute:

Securities Act, R.S.O., 1990, c. S.5, as amended, ss. 62(1) and 147.

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

AND

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

AND

IN THE MATTER OF

OPUS 2 CANADIAN GROWTH EQUITY FUND
OPUS 2 CANADIAN VALUE EQUITY FUND
OPUS 2 CANADIAN FIXED INCOME FUND
OPUS 2 U.S. GROWTH EQUITY FUND
OPUS 2 U.S. VALUE EQUITY FUND
OPUS 2 INTERNATIONAL EQUITY (E.A.F.E.) FUND
OPUS 2 GLOBAL EQUITY (RSP) FUND

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta and Ontario (the "Jurisdictions") has received an application (the "Application") from Opus 2 Financial Inc. ("Opus 2 Financial"), the manager of Opus 2 Canadian Growth Equity Fund, Opus 2 Canadian Value Equity Fund, Opus 2 Canadian Fixed Income Fund, Opus 2 U.S. Growth Equity Fund, Opus 2 U.S. Value Equity Fund, Opus 2 International Equity (E.A.F.E.) Fund and Opus 2 Global Equity (RSP) Fund (collectively, the "Funds") for a decision pursuant to the 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 relating to the Funds dated November 1, 2002 (together, the "Fund Prospectus") be extended to permit the continued distribution of units of the Funds until the earlier of (i) the termination of the Funds; and (ii) December 31, 2003.

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 it has been represented by Opus 2 Financial to the Decision Makers that:

1. Opus 2 Financial is a corporation incorporated under the laws of Ontario. Opus 2 Financial is the manager, trustee and promoter of the Funds.

2. The Funds are open-ended mutual fund trusts established under the laws of Ontario.

3. Each of the Funds is a reporting issuer in each of the Jurisdictions. The Funds are not in default of any filing requirements under the Legislation.

4. The Funds are currently offered for sale on a continuous basis in each of the Jurisdictions pursuant to the Fund Prospectus. The lapse date of the Fund Prospectus is November 1, 2003. There are no new investments being made in the Funds other than through existing pre-authorized chequing plans and those described in paragraph 5 below. Similarly, no new investments will be made in the Funds, other than through existing pre-authorized chequing plans and those described in paragraph 5 below, for the duration of the extension of the distribution period granted pursuant to this Application.

5. Each of Opus 2 Ambassador Growth Portfolio, Opus 2 Ambassador Balanced Portfolio and Opus 2 Ambassador Conservative Portfolio (collectively, the "Portfolios") invests its assets in units of the Funds.

6. The Portfolios are open-ended mutual fund trusts established under the laws of Ontario. Opus 2 Financial is the manager, trustee and promoter of the Portfolios.

7. Each of the Portfolios is a reporting issuer in each of the Jurisdictions and is offered for sale on a continuous basis in the Jurisdictions under a simplified prospectus and annual information form dated November 1, 2002 (together, the "Portfolios Prospectus"). The lapse date of the Portfolios Prospectus is November 1, 2003.

8. As part of a fund reorganization (the "Reorganization"), the Funds will be terminated on or about December 10, 2003 and in conjunction with the renewal of the Portfolios Prospectus, the Portfolios will invest in the Emissary Funds, which are public mutual funds also managed by Opus 2 Financial, and whose investment objectives are similar to those of the Funds. A press release and material change report were filed September 10, 2003 on SEDAR advising of the termination of the Funds. A letter advising of the termination of the

Funds has also been sent to unitholders of the Funds.

9. In order to change the underlying funds in which the Portfolios are permitted to invest, the Portfolios' securityholders must be provided with at least 60 days' notice of such changes. Consequently, the Funds will need to continue to be in distribution to meet the notice requirement and to facilitate the continued distribution of the Portfolios. It is expected that a letter advising of the change in underlying funds will be sent to unitholders of the Portfolios on September 30, 2003.

10. To renew the Fund Prospectus would involve financial costs and time associated with producing, filing and printing the Fund Prospectus, and would be unduly onerous for Opus 2 Financial considering that the Reorganization anticipates the termination of the Funds on or about December 10, 2003.

11. The Fund Prospectus provides accurate information regarding the Funds. The Portfolios Prospectus is being renewed in the normal course with an anticipated filing date of approximately October 1, 2003. The requested extension will not affect the currency or accuracy of the information contained in the Fund Prospectus and therefore will not be prejudicial to the public interest.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of the 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 time limits provided by the Legislation as they apply to a distribution of securities under the Fund Prospectus are hereby extended to permit the continued distribution of units to existing unitholders of the Funds pursuant to the Fund Prospectus until the earlier of (i) the termination of the Funds; and (ii) December 31, 2003.

September 30, 2003.

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

2.1.3 CP Ships Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief granted to certain vice presidents of a reporting issuer from the insider reporting requirements subject to certain conditions.

Statutes Cited

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

Regulations Cited

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

Rules Cited

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

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, 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
CP SHIPS LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Newfoundland and Labrador (collectively, the "**Jurisdictions**") has received an application from CP Ships Limited ("**CP Ships**") for a decision pursuant to the securities legislation of the Jurisdictions (the "**Legislation**") that the requirement contained in the Legislation to file insider reports shall not apply to certain individuals who are insiders of CP Ships by reason of having the title Vice President;

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

AND WHEREAS CP Ships has represented to the Decision Makers that:

1. CP Ships is a corporation organized and subsisting under the laws of New Brunswick with its head office located at 62-65 Trafalgar Square, London WC2N 5DY;

2. CP Ships is one of the largest container shipping companies in the world with operations in 88 countries;

3. CP Ships is a reporting issuer (or equivalent) in each province and territory of Canada, is registered with the U.S. Securities and Exchange Commission in the United States and its common shares are listed and posted for trading on the Toronto Stock Exchange and the New York Stock Exchange;

4. CP Ships is not in default of any requirements under the Legislation;

5. Currently, CP Ships has nine directors, three of whom are the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer, five Senior Vice Presidents, 26 Vice Presidents, and 7 with other titles who perform functions similar to a senior officer of the issuer, for a total of 47 persons who are insiders of CP Ships by reason of being in one of the above categories (the "**Insiders**");

6. None of the Insiders is exempt from the insider reporting requirements contained in the Legislation by reason of an existing exemption such as National Instrument 55-101 ("**NI 55-101**") or a previous decision or order;

7. CP Ships has developed a corporate disclosure policy (the "**Disclosure Policy**") and a policy and procedures governing insider trading (the "**Insider Trading Policy**") that apply to all of the Insiders;

8. The objective of the Disclosure Policy is to ensure that communications to the investing public about CP Ships are: timely, factual, accurate and broadly disseminated in accordance with all applicable legal and regulatory requirements;

9. CP Ships has developed the Insider Trading Policy to ensure that its directors, officers and designated employees who are "insiders" under the Legislation are aware of their responsibilities under the Legislation and to assist them in complying with the Legislation;

10. The Disclosure Policy and Insider Trading Policy also apply to other employees of CP Ships who have knowledge of material undisclosed information. CP Ships has also established a disclosure committee (the "**Disclosure Committee**") to oversee administration of the Disclosure Policy;

11. Under the Disclosure Policy and the Insider Trading Policy, the Insiders and other employees with knowledge of material undisclosed information may not trade in securities of CP Ships. In addition, the Insiders and employees of CP Ships may not trade in securities of CP Ships during "black-out" periods around the preparation of financial results or any other "black-out" period as determined from time to time. Outside of the "black-out" periods, the Insiders may only trade in securities of CP Ships upon the prior approval of the General Counsel of CP Ships;

12. The Disclosure Committee (comprised of the Chief Executive Officer, Chief Financial Officer, General Counsel and Vice President Investor Relations of CP Ships) considered the job requirements and principal functions of the Insiders to determine which of them met the definition of "nominal vice president" contained in CSA Staff Notice 55-306 (the "**Staff Notice**"), and has compiled a list of those Insiders who, in the opinion of the Disclosure Committee, meet the criteria set out in the Staff Notice (the "**Exempted VPs**");

13. Each of the Exempted VPs:

    (a) is a vice president of CP Ships or a direct or indirect subsidiary;

    (b) is not in charge of a principal business unit, division or function of CP Ships or a "major subsidiary" of CP Ships (as that term is defined in NI 55-101);

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

    (d) is not an insider of CP Ships in any capacity other than as a vice president;

14. The Disclosure Committee will assess any future employee of CP Ships who has the title of Vice President on the same basis as set out above, and will re-assess all Exempted VPs who experience a change in job requirements or functions, to determine if such individuals meet, or continue to meet, the definition of "nominal vice president" contained in the Staff Notice;

15. If an individual who is designated as an Exempt VP no longer satisfies the definition of "nominal vice president" contained in the Staff Notice, the Disclosure Committee will ensure that the General Counsel of CP Ships will not provide prior approval for the trading in securities of CP Ships to such individual without informing him or her of the renewed obligation to file an insider report in respect of such trades;

16. CP Ships has filed with the Decision Makers in connection with this application a copy of the Insider Trading Policy, the Disclosure Policy and the list of Exempted VPs;

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

THE DECISION of the Decision Makers under the Legislation is that the requirement contained in the Legislation to file inside reports shall not apply to the Exempted VPs or any other employee of CP Ships who hereafter is given the title Vice President provided that:

(a) they satisfy the definition of "nominal vice president" contained in the Staff Notice;

(b) CP Ships prepares and maintains a list of all individuals who propose to rely on the exemption granted, submits the list on an annual basis to its Board of Directors for approval, and files the list with the Decision Makers;

(c) CP Ships files with the Decision Makers a copy of its internal policies and procedures relating to monitoring and restricting the trading activities of its insiders and other persons whose trading activities are restricted by CP Ships; and

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

October 1, 2003.

"Agnes Lau"

2.1.4 Rio Algom Limited - 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, BRITISH COLUMBIA, ONTARIO,
QUEBEC, NOVA SCOTIA, SASKATCHEWAN,
MANITOBA
AND NEWFOUNDLAND AND LABRADOR

AND

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

AND

IN THE MATTER OF
RIO ALGOM LIMITED

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authorities or regulator (the "Decision Maker") in each of Ontario, Alberta, British Columbia, Quebec, Saskatchewan, Nova Scotia, Manitoba and Newfoundland and Labrador (collectively, the "Jurisdictions") has received an application from Rio Algom Limited (the "Issuer") for a decision (the "Decision") pursuant to applicable securities legislation in the Jurisdictions (the "Legislation") that the Issuer is deemed to have ceased to be a reporting issuer in the Jurisdictions;

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

AND WHEREAS, 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 it has been represented by the Issuer to the Decision Makers that:

1. The Issuer is a corporation amalgamated under the OBCA pursuant to articles of amalgamation dated January 1, 2000. The Issuer is a successor corporation to a corporation originally formed on June 30, 1960 by the amalgamation of four predecessor corporations.

2. The registered head office of the Issuer is located at 66 Wellington West, Suite 4200 Toronto Dominion Bank Tower, Toronto, Ontario.

3. The Issuer is a reporting issuer or the equivalent in each of the Jurisdictions.

4. The authorized share capital of the Issuer consists of an unlimited number of common shares (the "Common Shares") of which 65,505,788 are issued and outstanding and 16,000,000 preference shares of which none are issued and outstanding.

5. As at the date hereof, Billiton Copper Holdings Inc. ("BCH") is the only registered holder of Common Shares. The principal office of BCH is located in Vancouver, British Columbia.

6. In addition to the Common Shares, the Issuer has issued and outstanding U.S.$150,000,000 principal amount of 7.05% debentures due November 1, 2005 (the "Debentures"). The Debentures are not convertible into equity securities of the Issuer.

7. The Debentures were offered for sale in the United States pursuant to a short form prospectus dated October 19, 1995 as supplemented by a Prospectus Supplement dated November 2, 1995 (collectively, the "Prospectus") filed with the Commission in accordance with the Multijurisdictional Disclosure System and with the United States Securities and Exchange Commission under a registration statement and amendment no. 1 thereto filed on October 16, 1995 and October 20, 1995, respectively. As described in the Prospectus, the underwriting agreement governing the offering and sale of the Debentures prohibited the offering or sale of the Debentures directly or indirectly to residents of Canada.

8. Neither the Common Shares nor the Debentures are listed for trading on any stock exchange.

9. As of the date hereof, the Depository Trust Company ("DTC") is the only registered holder of the Debentures. DTC's principal office is located at 55 Water Street, New York, New York, 10041, United States. As at August 8, 2003, DTC held the Debentures on behalf of 16 participants, each of whom is resident in the United States.

10. To determine whether any beneficial holders of the Debentures are resident in Canada, the Issuer retained Georgeson Shareholder Communications, Inc. ("Georgeson").

11. In the course of its enquiries, Georgeson obtained responses from 13 of the 16 participants on whose behalf DTC holds the Debentures. None of these participants had on their books any beneficial holders of the Debentures resident in Canada.

12. To the best of the Issuer's knowledge and belief, there are no beneficial holders of the Debentures resident in Canada.

13. The Issuer is not in default of any of its obligations as a reporting issuer.

14. There are no other securities, including debt securities, issued and outstanding other than those referred to herein.

15. The Issuer will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the granting of the relief contained in this decision.

16. It is not the present intention of the Issuer to seek public financing by way of an offering of any 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 granting this order would not be prejudicial to the public interest;

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 Issuer be deemed to have ceased to be a reporting issuer in the Jurisdictions.

September 26, 2003.

"P.M. Moore" "H.Lorne Morphy"

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

September 26, 2003.

"Paul Moore" "H. Lorne Morphy"

2.1.5 DuPont Canada Inc. - 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
BRITISH COLUMBIA, 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
DUPONT CANADA INC.

DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application from DuPont Canada Inc. ("DuPont Canada"), for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that DuPont Canada be deemed to have ceased to be a reporting issuer or the equivalent thereof under 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 Quebec Commission Notice 14-101.

AND WHEREAS DuPont Canada has represented to the Decision Makers that:

1. DuPont Canada is a corporation amalgamated under the *Canada Business Corporations Act* (the "CBCA"). DuPont Canada's head office is located at 7070 Mississauga Road, Mississauga, Ontario, L5M 2H3. DuPont Canada is a corporation resulting from (i) the amalgamation (the "Amalgamation") of DuPont Canada Inc. ("Old DuPont") and DCI Acquisition Inc. ("DCI Acquisition") on July 28, 2003 to create a corporation called "DuPont Canada Inc." ("Initial Amalco") and (ii) a subsequent amalgamation (the "Second Amalgamation") of DCI Holding Company Inc. ("DCI Holding") and Initial Amalco on August 1, 2003.

2. The authorized capital of DuPont Canada consists of an unlimited number of common shares ("Amalco Common Shares"). As of the date hereof, all of the issued and outstanding Amalco Common Shares are owned by an affiliate of E.I. du Pont de Nemours and Company ("EID"). On the Initial Amalgamation, certain Class A redeemable preferred shares ("Initial Amalco Redeemable Preferred Shares") were issued, all of which were subsequently redeemed. On the Second Amalgamation, each unissued Initial Amalco Redeemable Preferred Share was converted into one non-interest bearing demand promissory note of DuPont Canada in the principal amount of $21.75 (an "Amalco Note"). No Amalco Notes are issued and outstanding.

3. DuPont Canada also has outstanding a total of 18,800 options, each of which may be exercised to acquire one Amalco Note ("Amalco Options"), which are held by a total of 94 individuals (the "Optionholders"). Of the 94 Optionholders, 84 are resident in the Province of Ontario, six are resident outside of Canada, two are resident in the Province of Québec and there is one Optionholder resident in each of the Provinces of Alberta and Manitoba. Each Optionholder holds 200 Amalco Options, which were granted to the Optionholders by Old DuPont in connection with the 200th anniversary of EID. Each of the Amalco Options is "out of the money" in that each is exercisable at a price greater than the $21.75 principal amount of one Amalco Note and it is therefore anticipated that none of the Amalco Options will ever be exercised. If any such Amalco Options are exercised, it is the intention of DuPont Canada to immediately repay the Amalco Notes issued upon the exercise of any such Amalco Options.

4. In connection with a previously announced reorganization of EID's world-wide business (the "Reorganization"), on April 17, 2003, DCI Acquisition, an affiliate of EID (the then indirect holder of approximately 76% of the outstanding class A common shares, series 1 of Old DuPont ("Old DuPont Shares")), made an offer to acquire all of the Old DuPont Shares not owned by it or its affiliates at a price of $21.00 per share (the "Offer"), which was subsequently varied and extended and the price payable under the Offer was increased to $21.75 cash per Old DuPont Share.

5. On June 16, 2003, DCI Acquisition took up, and on June 19, 2003 paid for, the 47,141,872 Old DuPont Shares deposited to the Offer such that,

following completion of the Offer, EID owned, directly or indirectly, 259,733,032 Old DuPont Shares, representing approximately 93% of the outstanding Old DuPont Shares.

6. In the circular accompanying the Offer, DCI Acquisition disclosed its intention, if the Offer was successful, to acquire all of the Old DuPont Shares not deposited under the Offer by means of a subsequent acquisition transaction. As a statutory right of acquisition under the CBCA was not available following completion of the Offer, DCI Acquisition proceeded with the Initial Amalgamation.

7. Old DuPont called an annual and special meeting of its shareholders for July 28, 2003 (the "Meeting") to consider, among other things, a special resolution (the "Special Resolution") approving the Initial Amalgamation pursuant to Sections 181 and 182 of the CBCA. On July 2, 2003, Old DuPont mailed a Management Information Circular (the "Meeting Circular") to shareholders in connection with the Meeting. The Meeting Circular described the proposed Initial Amalgamation and summarized the dissent and appraisal rights available to shareholders who wished to dissent in respect of the Special Resolution.

8. The Initial Amalgamation was a second step going private transaction within the meaning of Ontario Securities Commission Rule 61-501 and Policy Q-27 of the Commission des valeurs mobilières du Québec.

9. At the Meeting, the Special Resolution was passed by 99.9% of the votes cast at the Meeting in accordance with the provisions of the CBCA. Following the Meeting, the articles of amalgamation were filed and the Initial Amalgamation became effective on July 28, 2003.

10. On the Initial Amalgamation becoming effective:

    (a) each issued and outstanding Old DuPont Share (other than those held by DCI Acquisition and its affiliates) was converted into one Initial Amalco Redeemable Preferred Share;

    (b) each issued and outstanding Old DuPont Share held by DCI Acquisition was cancelled;

    (c) each issued and outstanding Old DuPont Share held by affiliates of DCI Acquisition was converted into one Initial Amalco Common Share;

    (d) each issued and outstanding share in the capital of DCI Acquisition was converted into one Initial Amalco Common Share; and

    (e) each issued and outstanding option to acquire one Old DuPont Share became an option exercisable for one Initial Amalco Redeemable Preferred Share.

11. On July 29, 2003, the day following the Initial Amalgamation:

    (a) each of the Initial Amalco Redeemable Preferred Shares were redeemed for $21.75 in cash, in accordance with their terms, with the result that DuPont Canada is now an indirect wholly-owned subsidiary of EID; and

    (b) the Old DuPont Shares were delisted from the Toronto Stock Exchange at the close of trading.

12. On August 1, 2003, the Second Amalgamation occurred such that:

    (a) each issued and outstanding Initial Amalco Common Share (other than those held by DCI Holding) was converted into one Amalco Common Share;

    (b) each common share in the capital of DCI Holding was converted into one Amalco Common Share;

    (c) each issued and outstanding Initial Amalco Common Share held by DCI Holding was cancelled; and

    (d) each issued and outstanding option to acquire one Initial Amalco Redeemable Preferred Share became an Amalco Option exercisable for one Amalco Note.

13. In connection with implementing the Reorganization, DuPont Canada may be party to certain additional amalgamations with affiliates of EID in the future; however, EID will remain the direct or indirect owner of all of the common shares of any successor corporation to DuPont Canada created as a result of any such amalgamation.

14. DuPont Canada is a reporting issuer in each of the Jurisdictions and to the best of its knowledge, is not in default of any of the reporting requirements under the Legislation.

15. DuPont Canada has no outstanding securities, including debt securities, other than the Amalco Common Shares and the Amalco Options.

16. No securities of DuPont Canada are listed on any exchange in Canada or elsewhere, nor does DuPont Canada intend to make a distribution of its securities to the public in the future.

AND WHEREAS pursuant to the System this Decision Document evidences the decision of each Decision Maker (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 under the Legislation is that DuPont Canada is deemed to have ceased to be a reporting issuer under the Legislation.

September 26, 2003.

"R. W. Davis" "H. Lorne Morphy"

2.1.6 TD Asset Management Inc. - MRRS Decision

Headnote

A variation of a prior order to permit the RSP Funds to enter into forward contracts with a related counterparty, or its affiliates, once pricing is reviewed by an independent committee or its contract auditor - exempted from the reporting requirements and self-dealing prohibitions of clauses 111(2)(a) and 111(2)(c)(ii), subsection 111(3), clauses 117(1)(a) and (d), clause 118(2)(a).

Statutes Cited

Securities Act (Ontario), R.S.O. c. S.5, as am., ss. 111(2)(a), 111(2)(c)(ii), 111(3), 113, 117(1)(a) and (d), 117(2), 118(2)(a), 121(2)(a)(ii) and 144.

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, 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
TD ASSET MANAGEMENT INC.
TD EMERGING MARKETS RSP FUND
TD ENTERTAINMENT & COMMUNICATIONS RSP FUND
TD EUROPEAN GROWTH RSP FUND
TD GLOBAL SELECT RSP FUND
TD HEALTH SCIENCES RSP FUND
TD SCIENCE & TECHNOLOGY RSP FUND
TD U.S. BLUE CHIP EQUITY RSP FUND

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Ontario, Quebec, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application (the "Application") from TD Asset Management Inc. ("TDAM") in its own capacity and on behalf of TD Emerging Markets RSP Fund, TD Entertainment & Communications RSP Fund, TD European Growth RSP Fund, TD Global Select RSP Fund, TD Health Sciences RSP Fund, TD Science & Technology RSP Fund and TD U.S. Blue Chip Equity RSP Fund (individually, a "TD RSP Fund" and collectively, the "TD RSP Funds") and other mutual funds managed by TDAM after the date of this decision having an investment objective or strategy that links its return to the returns of another specified mutual fund while remaining 100% eligible for registered plans under the *Income Tax Act* (Canada) (individually, a "Future RSP Fund" and collectively, the "Future RSP Funds", and together with the

TD RSP Funds, individually, an "RSP Fund" and collectively, the "RSP Funds") for a decision (the "Decision") pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following requirements and restrictions contained in the Legislation (the "Requirements") shall not apply in respect of certain investments to be made by the RSP Funds in forward contracts and other specified derivatives ("Derivative Contracts") with The Toronto-Dominion Bank ("TD Bank") or any of its affiliates or associates (with TD Bank, each a "Related Counterparty") (such Derivatives Contracts, "TD Contracts") as counterparty:

A. the Requirements prohibiting each RSP Fund from knowingly making or holding an investment in any person or company who is a substantial securityholder of the mutual fund, its management company or distribution company;

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

C. the Requirements requiring TDAM to file a report relating to a purchase or sale of securities between an RSP Fund and any related person or company; and

D. the Requirements prohibiting TDAM from knowingly causing an RSP Fund to invest in any person or company in which a director, officer or employee of TDAM is a director or officer;

AND WHEREAS TDAM has previously received relief for the RSP Funds to enter into forward contracts and other specified derivatives with TD Bank in the MRRS Decision Document dated September 15, 2000 (the "Existing Decision Document") which relief will be revoked and replaced with this Decision;

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 TDAM has represented to the Decision Makers as follows:

1. TDAM is a corporation incorporated under the laws of Ontario. TDAM is a wholly-owned subsidiary of TD Bank. The registered and head office of TDAM is located in Ontario.

2. TDAM is, or will be, the manager and trustee of the RSP Funds and it is, or will be, the manager and trustee of the corresponding mutual fund (the "Underlying Fund") in which each RSP Fund invests its assets both directly and indirectly.

3. Each of the RSP Funds is, or will be, an open-ended mutual fund trust established under the laws of Ontario which is, or will be, qualified for distribution in all Jurisdictions by means of simplified prospectuses and annual information forms (collectively, the "Prospectus"). Each RSP Fund is, or will be, a reporting issuer under the securities laws of each of the provinces and territories of Canada and none of the TD RSP Funds is currently in default of any requirements of the Legislation. The Prospectus discloses, or will disclose the relationship that exists between TDAM, the Related Counterparty (as applicable) and each RSP Fund.

4. Each Underlying Fund is, or will be an open-ended mutual fund trust established under the laws of Ontario which is, or will be qualified for distribution in all Jurisdictions by means of simplified prospectuses and annual information forms. Each Underlying Fund is, or will be, a reporting issuer under the securities laws of each of the provinces and territories of Canada and none of the Underlying Funds is currently in default of any requirements of the Legislation.

5. Each RSP Fund seeks, or will seek to achieve its investment objective while ensuring that securities of the Fund do not, or will not, constitute "foreign property" for tax-deferred retirement savings plans ("Registered Plans").

6. The Prospectus contains, or will contain disclosure with respect to the investment objective and investment policies of each RSP Fund. The investment objective of each RSP Fund is, or will be, to achieve long-term capital appreciation primarily by investing in derivative instruments that permit, or will permit, the RSP Fund to link its returns to the returns of its corresponding Underlying Fund, while ensuring that securities of the RSP Fund do not constitute "foreign property" for Registered Plans. In order to achieve its investment objective, each RSP Fund uses, or will use, Derivative Contracts to obtain exposure to its corresponding Underlying Fund and it also invests, or will invest directly in its corresponding Underlying Fund as described in paragraph 8 herein.

7. The investment objective of each Underlying Fund is, or will be, achieved through investment primarily in foreign securities.

8. As each RSP Fund invests, or will invest, its assets in securities such that its securities will be "qualified investments" for Registered Plans and will not constitute foreign property in a Registered Plan, the direct investment by an RSP Fund in its corresponding Underlying Fund is, or will be, made in an amount which does not exceed the maximum percentage under the foreign property limits under the Tax Act (the "Foreign Property

Maximum"). The amount of direct investment by each RSP Fund will be adjusted from time to time so that, except for transitional cash, the aggregate of Derivative Contract exposure to, and direct investment in, its Underlying Fund will equal 100% of the assets of the RSP Fund.

9. A Related Counterparty may, from time to time, invest directly in securities of an Underlying Fund as a hedge against its obligations under its TD Contracts with an RSP Fund.

10. TDAM will engage an independent internationally recognized accounting firm (the "Contract Auditor") or request an independent committee (comprised of individuals, none of whom are directors, officers or employees of TD Bank or its affiliates or associates) (the "Independent Committee') to review and assess the then current pricing and terms of Derivative Contracts between the Related Counterparties and other third party mutual fund groups ("Arm's Length Contracts") which offer mutual funds which have investment objectives which are similar to the investment objectives of the RSP Funds ("Third Party RSP Funds"). The Contract Auditor or Independent Committee, as applicable, will compare the pricing and terms of Arm's Length Contracts respecting Third Party RSP Funds with the proposed pricing and terms of each TD Contract. The Contract Auditor will provide TDAM with an opinion (the "Contract Auditor's Opinion") or the Independent Committee will provide its confirmation respecting the relative competitiveness of the pricing and terms of the TD Contract.

11. TDAM will not cause an RSP Fund to enter into a TD Contract unless the Contract Auditor's Opinion or Independent Committee's confirmation concludes that the proposed pricing and terms of the TD Contract are at least as favourable as the pricing and terms of Arm's Length Contracts respecting Third Party RSP Funds that are similar in size to the RSP Funds and the Contract Auditor's Opinion or Independent Committee's confirmation is received and accepted by TDAM's board of directors.

12. Except to the extent evidenced by this Decision and specific approvals granted by the Canadian securities administrators ("CSA") pursuant to National Instrument 81-102, the investment by each RSP Fund in its corresponding Underlying Fund or Derivative Contracts have been, or will be, structured to comply with the investment restrictions of the Legislation and National Instrument 81-102.

13. In the absence of this Decision, pursuant to the Legislation, each RSP Fund is prohibited from (a) knowingly making an investment in a person or company who is a substantial securityholder of TDAM; (b) knowingly making and holding an investment in an issuer in which any person or company who is a substantial security holder of the mutual fund, its management company or distribution company has a significant interest; and (c) knowingly holding an investment referred to in subsection (a) or (b) hereof. As a result, in the absence of this Decision, an RSP Fund would be required to divest itself of any investments referred to in subsection (a) or (b) herein.

14. In the absence of this Decision, the Legislation requires TDAM to file a report in respect of each TD Contract.

15. In the absence of this Decision, pursuant to the Legislation, TDAM is prohibited from knowingly causing an RSP Fund to invest in any person or company in which a director, officer or employee of TDAM is a director or officer.

16. The investment in TD Contracts by each RSP Fund represents, or will represent, the business judgement of responsible persons uninfluenced by considerations other than the best interests of the RSP Fund.

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

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

THE DECISION of the Decision Makers under the Legislation is that the Existing Decision Document is hereby revoked; and

THE DECISION of the Decision Makers pursuant to the Legislation is that the Requirements shall not apply in respect of TD Contracts entered into by an RSP Fund, provided the RSP Fund's investments in TD Contracts are made in accordance with the following conditions:

1. the Contract Auditor or the Independent Committee reviews and assesses the pricing and terms of Arm's Length Contracts in respect of Third Party RSP Funds that are similar in size to the RSP Fund and compares such pricing and terms to the proposed pricing and terms of the TD Contract;

2. the Contract Auditor provides TDAM with a Contract Auditors Opinion or the Independent Committee provides its confirmation which concludes that the proposed pricing and terms of the TD Contract are at least as favourable as the pricing and terms of such Arm's Length Contracts;

3. the Contract Auditor or the Independent Committee reconsiders and reassesses the TD Contract whenever the Prospectus is renewed

and whenever it is proposed to amend the pricing and terms of the TD Contract;

4. the Prospectus identifies the applicable Related Counterparty as the counterparty to the TD Contract and discloses the relationship that exists between TDAM, the applicable Related Counterparty and the RSP Fund;

5. the Prospectus describes the Contract Auditor's or the Independent Committee's role of assessing and reassessing the TD Contract for the purpose of ensuring that the pricing and terms of the TD Contract are at least as favourable as then current Arm's Length Contracts respecting Third Party RSP Funds that are similar in size to the RSP Fund; and

6. in Quebec, any Future RSP Fund will first seek the consent of the Commission des Valeurs in Quebec prior to relying on this Decision Document.

October 2, 2003.

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

2.1.7 TomaNet 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
THE PROVINCES OF ONTARIO AND ALBERTA

AND

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

AND

IN THE MATTER OF
TOMANET INC.

MRRS DECISION DOCUMENT

WHEREAS the securities regulatory authority or regulator (the "Decision Maker) for each of the Provinces of Ontario and Alberta (the Jurisdictions) has received an application from TomaNet Inc. (TomaNet) for a decision under the securities legislation of each of the Jurisdictions (the Legislation) that TomaNet be 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 **MRRS**), 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 TomaNet has represented to the Decision Makers as follows:

1. TomaNet is a corporation continued under the Alberta *Business Corporations Act* from Ontario on November 19, 1993.

2. The head office and principal office of TomaNet is located in the City of Toronto, in the Province of Ontario.

3. TomaNet is and has been a reporting issuer (or the equivalent) for a period in excess of 12 months in each of the Jurisdictions and British Columbia. TomaNet's common shares and Class A shares were listed and principally traded on the

Canadian Venture Exchange but have been delisted since May 2001. Cease trade orders were issued by the Ontario Securities Commission, the Alberta Securities Commission and the British Columbia Securities Commission on May 25, 2001, October 12, 2001 and July 17, 2001, respectively (each, a Cease Trade Order), in each case for TomaNet's failure to file financial statements.

4. As at August, 2003, TomaNet's share capital consisted of (i) an unlimited number of common shares of which 11,631,567 were outstanding; (ii) an unlimited number of Class A shares of which, 23,225,121 were outstanding, (iii) an unlimited number of Class B shares, issuable in series, Series I, II, III, IV, V and VI, none of which were outstanding, and (iv) 5,000,002 7% non-cumulative, non-voting preference shares none of which are outstanding.

5. Pursuant to a plan of arrangement (the Arrangement) effective August 19, 2003, Maxim Atlantic Corporation (Maxim) acquired all of the outstanding shares of TomaNet.

6. The transfer of shares under the Arrangement was permitted pursuant to orders issued by each of the relevant securities regulatory authorities in July, 2003 granting partial revocations of the Cease Trade Orders.

7. As a result of the Arrangement, Maxim is now the sole securityholder of TomaNet. TomaNet does not intend to re-offer its securities to the public.

8. Other than the shares held by Maxim, TomaNet does not have any securities outstanding, including debt securities.

9. After this Decision is granted TomaNet will not be a reporting issuer or the equivalent in any jurisdiction in Canada.

10. No securities of TomaNet are traded on a marketplace as defined in National Instrument 21-101.

AND WHEREAS under MRRS, 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 TomaNet is deemed to have ceased to be a reporting issuer or the equivalent thereof under the Legislation.

October 1, 2003.

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

2.1.8 SR Telecom Inc. - MRRS Decision

Headnote

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

Statutes Cited

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

Regulations Cited

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

Rules Cited

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

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

AND

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

AND

IN THE MATTER OF
SR TELECOM INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Newfoundland and Labrador and Nova Scotia (collectively, the "Jurisdictions") has received an application from SR Telecom Inc. ("SR") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to file insider reports shall not apply to certain individuals who are insiders of SR on the grounds they are "nominal vice-presidents" (as defined in CSA Staff Notice 55-306 *Application for Relief from the Insider Reporting Requirements by Certain Vice-Presidents* (the "Staff Notice")).

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the *Commission des valeurs mobilières du Québec* is the Principal Regulator for this application;

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

AND WHEREAS SR has represented to the Decision Makers that:

1. SR is a corporation incorporated pursuant to the *Canada Business Corporations Act*.

2. SR is a reporting issuer (or equivalent) in each of the provinces of Canada and, to the best of its knowledge, is not in default of its requirements under the Legislation.

3. The authorized share capital of SR consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares (collectively, the "SR Shares"). As at July 25th, 2003, there were outstanding 60,946,415 SR Common Shares, and no shares of any other class of shares of SR had been issued.

4. The SR Shares are listed and traded on the Toronto Stock Exchange (the "TSX").

5. SR is a world leader and innovator in Point-to-Multipoint (“PMP”) fixed wireless access solutions. It offers a full range of products and services including equipment, network planning, project management, installation and maintenance. Its PMP wireless telecommunications systems are among the most advanced and reliable available today. Used by telecom operators worldwide, SR's fixed wireless technology provides high-quality voice and data for applications ranging from everyday telephone service to broadband Internet access.

6. SR maintains a corporate disclosure and insider trading policy (the "Policy") that applies to all directors, officers and employees of SR. SR has also taken steps to establish a corporate disclosure committee (the "Disclosure Committee") with a mandate to monitor the effectiveness of and compliance with the Policy and oversee SR's disclosure practices.

7. Pursuant to the Policy, insiders and employees and other persons in a "special relationship" (as defined in the Policy) with SR (collectively, the "Insiders") who have knowledge of material undisclosed information are prohibited from trading in securities of SR until the information has been fully disclosed publicly and a reasonable period of time (at least two full trading days) has passed for the information to be widely disseminated. In addition, the Insiders may not trade in securities of SR during "black-out" periods

around the preparation of financial results or any other "black-out" period as determined by the board of directors of SR (the "Board of Directors").

8. As of August 21, 2003, 27 persons were "insiders" of SR, by reason of being a senior officer or director or significant shareholder of SR or its subsidiaries. No SR insiders are currently exempt from insider reporting requirements by reason of an existing exemption, such as under National Instrument 55-101, or a previous decision or order. SR has made this application in respect of 5 individuals (the "Exempted Vice-Presidents").

9. Each of the Exempted Vice-Presidents meets the definition of "nominal vice-president" (as defined in the Staff Notice):

   (a) the individual is a vice-president;

   (b) the individual is not in charge of a principal business unit, division or function of SR or a "major subsidiary" of SR (as defined in National Instrument 55-101);

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

   (d) the individual is not an insider of SR in any other capacity.

10. SR determined that each of the Exempted Vice-Presidents meets the criteria for exemption set out in the Staff Notice, by considering each such Exempted Vice-President's activities and responsibilities within SR and/or its major subsidiaries, as applicable.

11. On an ongoing basis, SR intends to monitor the eligibility for the exemption available under the Staff Notice of each of the Exempted Vice-Presidents, and that of other employees of SR and its major subsidiaries whose title is vice-president and who may satisfy the criteria of "nominal vice-president" from time to time, by monitoring such persons' respective job functions and responsibilities and assessing the extent to which in the ordinary course they receive notice of material facts or material changes with respect to SR prior to such facts or changes being generally disclosed.

12. SR has filed with the Decision Makers in connection with the relief herein granted a copy of the Policy and a list of Exempted Vice-Presidents.

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

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

THE DECISION of the Decision Makers pursuant to the Legislation is that the requirement contained in the Legislation to file insider reports shall not apply to the Exempted Vice-Presidents or any other employee of SR or its major subsidiaries who hereafter is given the title vice-president, provided that:

(a) each such person satisfies the definition of "nominal vice-president" contained in the Staff Notice;

(b) SR prepares and maintains a list of all individuals who propose to rely on the exemption granted herein, submits the list on an annual basis to the Board of Directors for approval and files the list with the Decision Makers;

(c) SR files with the Decision Makers a copy of its internal policies and procedures relating to monitoring and restricting the trading activities of its insiders and other person whose trading activities are restricted by SR; and

(d) the relief granted herein will cease to be effective on the date when National Instrument 55-101 is amended.

September 25, 2003.

“Josée Deslauriers”

2.1.9 UBS Canada - MRRS Decision

Headnote

Exemptions from the mutual fund self-dealing prohibitions of clauses 111(2)(a), 111(3) and 118(2)(a) of the Securities Act (Ontario). Pooled funds allowed to make purchases and sales of securities of UBS AG, parent company to the managers of the pooled funds, and to retain those securities provided that a fund governance mechanism is used to oversee the holdings, purchases or sales of these securities for the mutual funds and to ensure that such holdings, purchases or sales have been made free from any influence by the UBS AG and without taking into account any consideration relevant to the UBS AG.

Portfolio managers of certain third party mutual funds granted relief from provision in securities legislation that prohibits them from knowingly causing any investment portfolio managed by them to invest in any issuer in which a responsible person is an officer or director, subject to a number of conditions.

Statutes Cited:

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

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, 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
UBS GLOBAL ASSET MANAGEMENT (CANADA) CO. ("UBS CANADA")
AND THE FUNDS LISTED ON SCHEDULE A
(COLLECTIVELY, THE "UBS (CANADA) POOLED FUNDS")

MRRS DECISION DOCUMENT

WHEREAS UBS Canada has made an application for a decision (the "Decision") of the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following provisions of the Legislation do not apply so as to prevent (i) the UBS (Canada) Pooled Funds, together with such other funds as UBS Canada or its affiliates, UBS Global Asset Management (Americas) Inc. or UBS Global Asset Management (UK) Inc. (either, an "Affiliate") may establish or manage from time to time (together with the UBS (Canada) Pooled Funds, the "UBS Pooled Funds"), where applicable, from investing in, or continuing to hold an investment in, securities of UBS AG; or (ii) the UBS Pooled Funds and the third-party mutual funds to which UBS Canada is or will be the portfolio advisor or sub-advisor, including those listed on Schedule B (the "Mutual Funds", and together with the UBS Pooled Funds, being hereinafter referred to individually as a "Fund" and collectively as the "Funds"), from investing in, or continuing to hold an investment in, securities of Manulife Financial Corporation ("Manulife") or BP p.l.c. ("BP"):

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

(b) the provision of the Legislation prohibiting the portfolio manager of an investment portfolio from knowingly causing an investment portfolio or in British Columbia prohibiting a mutual fund or a responsible person from causing a mutual fund to invest in an issuer in which a responsible person is a director or an officer unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the investment (the provisions of (a) and (b) being, collectively, the "Investment Restrictions");

AND WHEREAS the Investment Restrictions described in paragraph (a) above are applicable to the UBS Pooled Funds in the following Jurisdictions: Alberta, Ontario and Québec and the Investment Restrictions described in paragraph (b) above are applicable to the Funds in the following Jurisdictions: British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland and Labrador;

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 it has been represented by UBS Canada to the Decision Makers that:

1. The UBS (Canada) Pooled Funds currently consist of a group of 29 mutual funds offered for sale in all provinces and territories of Canada. The UBS (Canada) Pooled Funds are not reporting issuers under the Legislation, nor are they subject to National Instrument 81-102 Mutual Funds ("NI 81-102").

2. The Mutual Funds listed on Schedule B are offered for sale in one or more of the provinces and territories of Canada and are subject to NI 81-102. These funds are reporting issuers in the Jurisdictions, except that the Evolution Canadian Equity Large Capitalization Fund is only a reporting issuer in Québec, and The Newport Canadian Equity Fund and The Newport U.S. Equity Fund are not reporting issuers in Québec, Nova Scotia or Newfoundland and Labrador. Additional third-party mutual funds for which UBS Canada may be appointed portfolio advisor or sub-advisor in future will also be offered for sale in one or more of the provinces and territories of Canada and will be subject to NI 81-102.

3. UBS Canada, a Nova Scotia unlimited liability company, is registered as an investment counsel and portfolio manager in all of the Jurisdictions, and as a limited market dealer in Ontario and Newfoundland and Labrador.

4. UBS Canada is or will be the "management company" of the UBS Pooled Funds within the meaning of the Legislation.

5. UBS Canada is a 100% indirect wholly-owned subsidiary of UBS AG, and as a result UBS AG is a substantial security holder of UBS Canada within the meaning of the Legislation, except in the Province of Québec.

6. UBS Canada is or will be the "portfolio manager" of the Funds for purposes of the Legislation. UBS Canada and each of its directors and officers is a "responsible person" within the meaning of the Legislation in respect of the investment portfolio of the Funds.

7. A director and officer of UBS Canada who is a responsible person in respect of the Funds is also a director of Manulife and BP. Such individual does not participate in the formulation of, or generally have access prior to implementation to, the day to day investment decisions made on behalf of the Funds.

8. UBS Canada is prohibited by the Investment Restrictions from causing the investment portfolios of the UBS Pooled Funds to knowingly invest in or hold securities of UBS AG because UBS AG is a substantial security holder of the management company of the UBS Pooled Funds.

9. UBS Canada is prohibited by the Investment Restrictions from causing the investment portfolios of the Funds to knowingly invest in securities of Manulife or BP without prior written consent of all clients because a responsible person of UBS Canada is a director of Manulife and BP.

10. The Funds do not currently hold any investment in securities of UBS AG. Some of the Funds purchased common shares of Manulife and of BP prior to the appointment of the responsible person to UBS Canada, and those Funds continue to hold those investments. Common shares of Manulife represented approximately 1.3% of the total assets of the UBS (Canada) Canadian Equity Fund and 0.6% of the total assets of the UBS (Canada) Canadian Equity Capped Fund as at March 31, 2003. Common shares of BP represented approximately 1.9% of the UBS (Canada) International Equity Fund, 1.8% of the UBS (Canada) Global Large Cap Equity Fund, and 2.5% of the UBS (Canada) International Large Cap Equity Fund as at March 31, 2003. No additional investments in securities of Manulife or BP have been made by the Funds since the Investment Restrictions were applicable to the Funds.

11. The broad based securities market index which are relevant to comparing the performance of many of the Funds is the S&P/TSX Index in the case of the Canadian equity funds and the MSCI World Free Index and the EAFE MSCI Index in the case of the global and international equity funds.

12. Ordinary shares of UBS AG are listed on the SWX Swiss Exchange, the New York Stock Exchange and the Tokyo Stock Exchange. The shares of UBS AG represented approximately 0.47% of the MSCI World Free Index, and 1.15% of the EAFE MSCI Index as at May 5, 2003.

13. The common shares of Manulife are listed on the Toronto Stock Exchange, the New York Stock Exchange, The Stock Exchange of Hong Kong and the Philippine Stock Exchange. The common shares of Manulife represented approximately 2.90% of the S&P/TSX Index as at April 30, 2003.

14. BP's ordinary shares trade on stock exchanges in England, France, Germany, Japan and Switzerland. American Depository Securities of BP are listed on the New York Stock Exchange, the Chicago Stock Exchange, the Pacific Stock Exchange and the Toronto Stock Exchange. The equity securities of BP represented approximately 1.13% of the MSCI World Free Index and 2.72% of the EAFE MSCI Index as at May 5, 2003.

15. Where such investments are consistent with their investment objectives, the ability to invest in securities of UBS AG for the UBS Pooled Funds, and in securities of Manulife and BP for the Funds is important to the Funds. UBS Canada does not believe it is prudent for a portfolio manager to exclude securities of UBS AG, Manulife or BP from the securities available for investment.

16. As a result of the Investment Restrictions, the Funds, and therefore the unitholders of the Funds, may be prejudiced, as those Funds for which such

investments are appropriate may not be fully able to carry out their investment strategies.

17. UBS Canada considers it would be in the best interest of unitholders of the Funds if UBS Canada were permitted to invest the portfolio of the UBS Pooled Funds in securities of UBS AG, and the portfolio of the Funds in securities of Manulife and BP, where such investments are consistent with the investment objectives of the Funds.

18. UBS Canada will appoint an independent committee (the "Independent Committee") to review the UBS Pooled Funds' purchases, sales and continued holdings of securities of UBS AG, Manulife and BP.

19. The Independent Committee will have at least three members, and no member of the Independent Committee will be an employee, director, officer or associate of:

    (a) UBS Canada, UBS AG, Manulife, BP or any other portfolio manager of the UBS Pooled Funds; or

    (b) any associate or affiliate of UBS Canada, UBS AG, Manulife, BP or any other portfolio manager of the UBS Pooled Funds.

20. The Independent Committee will have a written mandate describing its duties and standard of care which, at a minimum, sets out these conditions.

21. The members of the Independent Committee will exercise their powers and discharge their duties honestly, in good faith, and in the best interests of investors in the UBS Pooled Funds and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

22. Compensation to be paid to members of the Independent Committee will be paid on a per meeting plus expense basis and will be allocated among the UBS Pooled Funds in a manner that is considered by the Independent Committee to be fair and reasonable to the UBS Pooled Funds.

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

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

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

1. UBS Canada, its Affiliates and the UBS Pooled Funds are exempt from the Investment Restrictions so as to enable the UBS Pooled Funds to invest, and continue to hold an investment in, securities of UBS AG;

2. UBS Canada and its Affiliates are exempt from the Investment Restrictions so as to enable the Funds to invest, and continue to hold an investment in, securities of Manulife and BP; and

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

provided that:

(a) UBS Canada has appointed an Independent Committee to review the UBS Pooled Funds' purchases, sales and continued holdings of securities of UBS AG, Manulife and BP;

(b) the Independent Committee has at least three members, and no member of the Independent Committee is an employee, director, officer or associate of:

    (i) UBS Canada, UBS AG, Manulife, BP or any other portfolio manager of the UBS Pooled Funds; or

    (ii) any associate or affiliate of UBS Canada, UBS AG, Manulife, BP or any other portfolio manager of the UBS Pooled Funds;

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

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

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

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

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

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

(i) the Independent Committee reviews the UBS Pooled Funds' purchases, sales and continued holdings of securities of UBS AG, Manulife and BP regularly, but not less frequently than quarterly or such shorter period as the Independent Committee may require;

(j) the Independent Committee forms the opinion, at any time, after reasonable inquiry that the decisions made on behalf of each UBS Pooled Fund by UBS Canada or the UBS Pooled Fund's portfolio manager to purchase, sell or continue to hold securities of UBS AG, Manulife or BP were, and continue to be, in the best interests of the UBS Pooled Fund and to:

  (i) represent the business judgment of UBS Canada or the UBS Pooled Fund's portfolio manager, uninfluenced by considerations other than the best interests of the UBS Pooled Fund;

  (ii) have been made free from any influence of UBS AG, Manulife or BP and without taking into account any consideration relevant to UBS AG, Manulife or BP; and

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

(k) the determination made by the Independent Committee as described in paragraph (j) above is included in detailed written minutes provided to UBS Canada not less frequently than quarterly;

(l) the reports required to be filed pursuant to applicable legislation with respect to every purchase and sale of securities of UBS AG, Manulife and BP are filed on SEDAR in respect of the relevant Fund;

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

  (i) any determination by it that the condition in paragraph (j) above has not been satisfied with respect to any purchase, sale or holding of securities of UBS AG, Manulife or BP;

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

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

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

(n) with respect to the UBS Pooled Funds only, the relationship between related parties including the percentage of ownership, where applicable, will be the initial information stated, followed thereafter with disclosure of the existence, purpose, duties and obligations of the Independent Committee, the names of its members, whether and how they are compensated by the UBS Pooled Funds, and the fact that they meet the requirements of condition (b) above:

  (i) on UBS Canada's internet website; and

  (ii) in a written notice mailed to each investor.

(o) with respect to the Mutual Funds (but only those Mutual Funds that will make an investment otherwise restricted by the Investment Restrictions), disclosure of the existence of this Decision and the consequent ability of the Mutual Funds to invest in securities of Manulife and/or BP, as applicable, will be made:

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

(ii) in item 12 Part A of the simplified prospectus of the applicable Mutual Fund, on the earlier of:

(1) the filing of an amendment in the normal course to the simplified prospectus and annual information form of the Fund after the date of this Decision; and

(2) the time of filing of the pro forma simplified prospectus and annual information form of the Fund after the date of this Decision; and

(iii) on UBS Canada's internet website.

September 29, 2003.

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

SCHEDULE A

UBS (CANADA) POOLED FUNDS
UBS (CANADA) AMERICAN EQUITY FUND
UBS (CANADA) BALANCED (CAPPED) FUND
UBS (CANADA) BALANCED FUND
UBS (CANADA) BBB CORPORATE BOND FUND
UBS (CANADA) BOND FUND
UBS (CANADA) CANADA PLUS EQUITY FUND
UBS (CANADA) CANADIAN EQUITY (CAPPED) FUND
UBS (CANADA) CANADIAN EQUITY FUND
UBS (CANADA) CASH IN ACTION FUND
UBS (CANADA) CASH MANAGEMENT FUND
UBS (CANADA) DIVERSIFIED FUND
UBS (CANADA) EMERGING MARKETS EQUITY FUND
UBS (CANADA) EMERGING TECHNOLOGIES FUND
UBS (CANADA) GLOBAL BOND FUND - (CAD)
UBS (CANADA) GLOBAL EQUITY FUND
UBS (CANADA) GLOBAL LARGE CAP EQUITY FUND
UBS (CANADA) GLOBAL LARGE CAP EQUITY WITH CASH FUND
UBS (CANADA) GOVERNMENT OF CANADA MONEY MARKET FUND
UBS (CANADA) INDEXED BOND FUND SERIES A
UBS (CANADA) INTERNATIONAL EQUITY FUND
UBS (CANADA) INTERNATIONAL LARGE CAP EQUITY FUND
UBS (CANADA) LONG TERM BOND FUND
UBS (CANADA) MONEY MARKET FUND
UBS (CANADA) QUEBEC SMALL CAP FUND
UBS (CANADA) SHORT TERM BOND FUND
UBS (CANADA) SMALL CAPITALIZATION FUND
UBS (CANADA) U.S. $ CASH MANAGEMENT SERIES A
UBS (CANADA) U.S. EQUITY FUND
UBS (CANADA) U.S. LARGE/MID CAP EQUITY FUND

SCHEDULE B
THIRD-PARTY MUTUAL FUNDS

CLARICA CANADIAN SMALL/MID CAP FUND
EVOLUTION CANADIAN EQUITY LARGE CAPITALIZATION FUND
MACKENZIE UNIVERSAL FINANCIAL SERVICES CAPITAL CLASS
PINNACLE SHORT TERM INCOME FUND
TD INTERNATIONAL EQUITY FUND
THE NEWPORT CANADIAN EQUITY FUND
THE NEWPORT U.S. EQUITY FUND
WORKING VENTURES CANADIAN FUND INC.
WORKING VENTURES OPPORTUNITY FUND INC.

2.2 Orders

2.2.1 Noront Resources Ltd. - 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 1999 – 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
NORONT RESOURCES LTD.

ORDER
(Subsection 83.1(1) of the Act)

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

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

AND UPON Noront representing to the Commission as follows:

1. Noront was incorporated under the laws of the Province of British Columbia as White Wing Resources Ltd. on November 14, 1980. By Articles of Amendment dated July 21, 1983, the name of the Corporation was changed to Noront Resources Ltd;

2. The head office of Noront is located at Third Floor, 56 Temperance Street, Toronto, Ontario;

3. The authorized share capital of Noront consists of 50,000,000 common shares without par value, of which 18,227,923 common shares are issued and outstanding as of August 1, 2003;

4. Noront has been a reporting issuer under the *Securities Act* (British Columbia) (the ABC "Act") since October 21, 1986 and became a reporting issuer under the *Securities Act* (Alberta) (the "Alberta Act") on November 26, 1999 as a result of the merger of the Vancouver Stock Exchange and the Alberta Stock Exchange to form the Canadian Venture Exchange, now the TSX Venture Exchange ("TSXV");

5. The common shares of Noront are listed on Tier 2 of the TSXV under trading symbol NOT. Noront is not designated as a Capital Pool Company by the TSXV;

6. As of August 1, 2003, the mind and management of Noront was located in Ontario and the beneficial holders of greater than 10% of its equity securities were residents of Ontario;

7. Noront is not a reporting issuer under the securities legislation of any other jurisdiction in Canada;

8. Noront is not in default of any requirements of the B.C. Act, the Alberta Act, or any of the rules and regulations thereunder, and is not on the lists of defaulting reporting issuers maintained pursuant to the B.C. Act and the Alberta Act;

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

10. The continuous disclosure materials filed by Noront under the Alberta Act and the BC Act are available on the System for Electronic Document Analysis and Retrieval. Noront's continuous disclosure record is up to date;

11. Neither Noront nor any of its officers, directors nor, to the knowledge of Noront, 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;

12. Neither Noront nor any of its officers, directors, nor to the knowledge of Noront, 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;

13. None of the officers or directors of Noront, nor to the knowledge of Noront, 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 Noront be deemed a reporting issuer for the purpose of Ontario securities laws.

September 29, 2003.

"Cameron McInnis"

2.2.2 Normand Riopelle - ss. 127(1) and 127.1

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

AND

IN THE MATTER OF
MARLENE BERRY, ALLAN EIZENGA, RICHARD JULES FANGEAT, MICHAEL HERSEY, LUKE JOHN MCGEE, NORMAND RIOPELLE AND ROBERT LOUIS RIZZUTO

ORDER
(Subsection 127(1) and section 127.1)

WHEREAS on September 24, 1998 the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and on February 7, 2003 issued an Amended Notice of Hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") respecting Normand Riopelle ("Riopelle") and others;

AND WHEREAS on September 24, 1998, the Commission made a Temporary Order as against Riopelle and others, such Temporary Order which was extended by Commission Orders dated October 9, 1998 and February 5, 1999 (the "Temporary Order");

AND WHEREAS Riopelle entered into a Settlement Agreement executed September 22 and 25, 2003 (the "Settlement Agreement") in which he agreed to a proposed settlement of the proceedings subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement and the Statement of Allegations of Staff of the Commission and upon hearing submissions from Riopelle and from Staff of the Commission;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order pursuant to subsection 127(1) of the Act

IT IS ORDERED THAT:

1. the attached Settlement Agreement is approved;

2. pursuant to subsection 127(1), paragraph 2, trading in any securities by Riopelle cease for eleven months commencing on the date of this Order;

3. pursuant to subsection 127(1), paragraph 6, Riopelle is reprimanded; and

4. the Temporary Order as against Riopelle no longer has any force or effect.

October 1, 2003.

"H. Lorne Morphy" "Robert W. Davis"

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

AND

IN THE MATTER OF
MARLENE BERRY, ALLAN EIZENGA, RICHARD JULES FANGEAT, MICHAEL HERSEY, LUKE JOHN MCGEE, NORMAND RIOPELLE AND ROBERT LOUIS RIZZUTO

SETTLEMENT AGREEMENT BETWEEN STAFF OF THE ONTARIO SECURITIES COMMISSION AND NORMAND RIOPELLE

I. INTRODUCTION

1. By Notice of Hearing dated September 24, 1998 and Amended Notice of Hearing dated February 7, 2003 (the "Notice of Hearing"), the Ontario Securities Commission (the "Commission") announced that it proposed to hold a hearing to consider, among other things, whether, pursuant to subsection 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act"), it is in the public interest for the Commission to make an order that the exemptions contained in Ontario securities law do not apply to the respondent Normand Riopelle ("Riopelle") permanently or for such time as the Commission may direct or such other orders as the Commission deems appropriate.

2. By Temporary Order dated September 24, 1998, the Commission ordered that the exemptions contained in subsections 35(1)21 and 35(2)10 of the Act do not apply to Riopelle (the "Temporary Order"). The Temporary Order was extended by Commission Orders dated October 9, 1998 and February 4, 1999.

II. JOINT SETTLEMENT RECOMMENDATION

3. Staff of the Commission ("Staff") agrees to recommend settlement of the proceeding respecting Riopelle initiated by the Notice of Hearing in accordance with the terms and conditions set out below. Riopelle consents to the making of an order against him in the form attached as Schedule "A" based on the facts set out in Part III of this Settlement Agreement.

III. STATEMENT OF FACTS

Acknowledgement

4. Solely for the purposes of this proceeding, and of any other proceeding commenced by a securities regulatory agency, Staff and Riopelle agree with the facts set out in paragraphs 5 through 20 of this Settlement Agreement.

Facts

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

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

6. Saxton and the Offering Corporations represented to the public that they were investing in businesses in Cuba and other Caribbean companies.

7. On or about October 7, 1998, the Court appointed KPMG Inc. ("KPMG") as the custodian of Saxton's assets. In early 1999, KPMG reported that the Offering Corporations had raised approximately $37 million from investors. All funds invested in the Offering Corporations had been transferred to Saxton. At that time, KPMG held the view that the value of the Saxton assets, at its highest (as

reported by related companies), was approximately $5.5 million.

8. During the material time, Riopelle was a level two life insurance agent. He has never been registered with the Commission under the Act to trade in securities.

9. Riopelle sold two Saxton investment products namely: (i) a "Fixed Dividend Account" product; and (ii) an "Equity Dividend Account" product. In either case, the investor purchased securities in one or more of the Offering Corporations (the "Saxton Securities").

10. Riopelle sold the Saxton Securities to 11 Ontario investors for a total amount sold of approximately $505,700. Each of the investors was an existing client of Riopelle.

11. The Offering Corporations were incorporated pursuant to the laws of Ontario. Riopelle's sales of the Saxton Securities constituted trades in securities of an issuer that had not been previously issued. None of the Offering Corporations filed a prospectus with the Commission.

12. By selling the Saxton Securities to his clients, Riopelle traded in securities, which trades were distributions, without a prospectus being filed or receipted by the Commission and with no available exemption from the prospectus requirements of Ontario securities law.

13. Further, by selling the Saxton Securities to his clients, Riopelle traded in securities without being registered with the Commission and with no exemption from the registration requirements being available to him.

14. Riopelle failed to provide his clients with access to substantially the same information concerning the Saxton Securities that a prospectus filed under the Act would provide. Although investors were provided with an Offering Memorandum, such Memorandum provided little information about Saxton other than the geographic location in which the company conducted business. Further, Riopelle never received any financial statements from Saxton.

15. Riopelle did not have a sufficient understanding of the Saxton products. He failed to conduct the appropriate due diligence respecting the nature and quality of the Saxton products and the regulatory requirements to sell such products.

16. Riopelle told his clients that the Saxton products were similar in nature to an insurance segregated fund notwithstanding that the Saxton Securities were described in the Offering Memoranda as "speculative".

17. The Fixed Dividend Account product was marketed by Saxton and sold by Riopelle as providing an annual rate of return of 10.25% for a three year term compounded or 12% for a five year term compounded. Investors' quarterly account statements reflected this rate of return.

18. Riopelle told investors that the Saxton products had been available for purchase for five years. He also told investors that a dividend of 30% had been paid on the Equity Dividend Account in each of the last two years. Investors' quarterly account statements reflected a market increase of between 25% to 30%.

19. Riopelle received commissions of approximately $25,000 on the sales described in paragraph 10 above.

20. Riopelle's conduct was contrary to Ontario securities law and the public interest.

IV. RIOPELLE'S POSITION

21. Riopelle takes the position and represents to Staff that:

(a) Rick Fangeat ("Fangeat") and Eizenga told him that he did not need a license to sell the Saxton Securities;

(b) With reference to paragraph 18, he was told by Fangeat and Eizenga that Saxton had been in operation for five years and a dividend of 30% had been paid in each of the last two years. Fangeat and Eizenga showed him account statements that reflected a 30% dividend. He passed that information on to his clients;

(c) He took comfort in the involvement of the Laurentian Bank. He received an agent number from, and investors opened accounts at, the Bank in order to purchase Saxton RRSP products. He assumed that the Bank had done due diligence on Saxton and the agents' licensing requirements; and

(d) He did not move clients' money out of secure investments to purchase the Saxton Securities.

V. TERMS OF SETTLEMENT

22. Riopelle agrees to the following terms of settlement:

(a) the making of an order:

(i) approving this settlement;

(ii) that trading in any securities by Riopelle cease for eleven months;

(iii) reprimanding Riopelle; and

(iv) that the Temporary Order no longer has any force or effect.

VI. STAFF COMMITMENT

23. If this Settlement Agreement is approved by the Commission, Staff will not initiate any proceeding under Ontario securities law respecting any conduct or alleged conduct of Riopelle in relation to the facts set out in Part III of this Settlement Agreement.

VII. APPROVAL OF SETTLEMENT

24. Approval of the settlement set out in this Settlement Agreement shall be sought at the public hearing of the Commission scheduled for October 1, 2003 or such other date as may be agreed to by Staff and Riopelle (the "Settlement Hearing") in accordance with the procedures described in this Settlement Agreement. Riopelle will attend the Settlement Hearing in person.

25. Counsel for Staff or for Riopelle may refer to any part, or all, of this Settlement Agreement at the Settlement Hearing. Staff and Riopelle agree that this Settlement Agreement will constitute the entirety of the evidence to be submitted at the Settlement Hearing.

26. If this settlement is approved by the Commission, Riopelle agrees to waive his rights to a full hearing, judicial review or appeal of the matter under the Act.

27. Staff and Riopelle agree that if this settlement is approved by the Commission, they will not make any public statement inconsistent with this Settlement Agreement.

28. If, for any reason whatsoever, this settlement is not approved by the Commission, or an order in the form attached as Schedule "A" is not made by the Commission:

(a) this Settlement Agreement and its terms, including all discussions and negotiations between Staff and Riopelle leading up to its presentation at the Settlement Hearing, shall be without prejudice to Staff and Riopelle;

(b) Staff and Riopelle shall be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Notice of Hearing and Statement of Allegations of Staff, unaffected by this Agreement or the settlement discussions/negotiations;

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

(d) Riopelle agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement, the settlement discussions/negotiations or the process of approval of this Settlement Agreement as the basis for any attack on the Commission's jurisdiction, alleged bias or appearance of bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

VIII. DISCLOSURE OF SETTLEMENT AGREEMENT

29. Subject to paragraph 25 above, this Settlement Agreement and its terms will be treated as confidential by Staff and Riopelle until approved by the Commission, and forever if, for any reason whatsoever, this settlement is not approved by the Commission, except with the written consent of Staff and Riopelle, or as may be required by law.

30. Any obligations of confidentiality shall terminate upon approval of this settlement by the Commission.

IX. EXECUTION OF SETTLEMENT AGREEMENT

31. This Settlement Agreement may be signed in one or more counterparts which together shall constitute a binding agreement.

32. A facsimile copy of any signature shall be as effective as an original signature.

September 22, 2003.

"Normand Riopelle"
Normand Riopelle

October 1, 2003.

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

2.2.3 The Thailand International Fund Limited - s. 104(2)(c)

Headnote

Cash issuer bid made by a company incorporated under the laws of the Cayman Islands – Issuer bid comprised of two tender offers and an on-market repurchase program - Issuer bid made in accordance with the laws of the United Kingdom, the rules and regulations of the London Stock Exchange and the Listing Rules of the UK Listing Authority - De minimis exemptions unavailable because the City Code on Take-Overs and Mergers does not apply to the bid - Issuer bid exempted from the issuer bid requirements of Part XX, subject to certain conditions.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 93(3)(h), 95 to 100 and 104(2)(c).

Recognition Orders Cited

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

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

AND

IN THE MATTER OF
THE THAILAND INTERNATIONAL FUND LIMITED

ORDER
(Section 104(2)(c))

UPON the application (the "Application") of The Thailand International Fund Limited ("TIFL") to the Ontario Securities Commission (the "Commission") for an order pursuant to clause 104(2)(c) of the Act exempting TIFL from the requirements of sections 95 through 100 of the Act (the "Issuer Bid and Take-over Bid Requirements") in connection with two proposed tender offers by TIFL to repurchase approximately 50% in the aggregate of its issued and outstanding participating redeemable preference shares (the "Shares") and the implementation by TIFL of an on-market repurchase program for the ongoing repurchase of the Shares (collectively, the "Offer").

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

AND UPON TIFL having represented to the Commission that:

1. TIFL is incorporated under the *Companies Law* (Cap. 22) of the Cayman Islands and the Shares are listed only on the London Stock Exchange (the "LSE") (although TIFL Shares are also held in a depositary program whereby International Depositary Receipts are issued by a depositary, Sogès Fiducom S.A. of Brussels, Belgium, some of which are held through Euroclear Bank S.A./N.V. and Clearstream International Limited).

2. TIFL is not a reporting issuer under the securities legislation of any province or territory in Canada and none of the Shares of TIFL are listed for trading on any Canadian stock exchange.

3. As at September 22nd, 2003, TIFL had 7,500,002 Shares issued and outstanding.

4. The principal object of TIFL is to carry on the business of an investment company and it has sought to fulfil long-term capital appreciation of its assets by investment in Thailand with a structure providing for TIFL to invest through the Thailand International Fund ("TIF"), a closed-end domestic fund established in Thailand and regulated by the Securities and Exchange Commission of Thailand ("SEC"), which enables TIFL to enjoy the status of a local investor in the Thai market, free of certain restrictions applicable to foreign investors. TIFL's sole investment is as the sole unit-holder of TIF.

5. The Shares have, as with other closed-ended emerging market funds, increasingly tended to trade at a significant discount to net asset value per share. The average discount over the last five years has been 23.46% and over the last twelve months has been 18.2%.

6. The board of directors of TIFL believes that the majority of its shareholders do not wish to hold Shares for the longer term and continue their exposure to the Thai market. Accordingly, the necessary submissions to the SEC concerning TIF have been made to permit the phased open-ending of TIF so that the board of directors of TIFL may redeem units of TIF to make available the proceeds of redemption in cash to fund the repurchase of Shares under the Offer. In addition, TIF will make a special dividend payment to TIFL which will also be used to finance the Offer.

7. The proposed Offer is an all-cash offer and will consist of two tender offers by TIFL to repurchase the Shares and the implementation by TIFL of an on-market repurchase program as follows:

   (a) the first tender offer by TIFL to acquire at least 20% of its issued and outstanding Shares held by each TIFL shareholder (a "Shareholder") is anticipated to open on October 7th, 2003 (or as soon as practicable thereafter) and to close on or about December 10th, 2003;

   (b) the second tender offer by TIFL to acquire at least 30% of its issued and outstanding Shares held by each Shareholder prior to the first tender offer

is anticipated to open and close approximately twelve months after the first tender offer; and

(c) an on-market share repurchase program to be implemented by TIFL to repurchase Shares on an ongoing basis in accordance with the applicable rules of the LSE and the UK Listing Authority for such repurchases.

8. The Offer is conditional and will not proceed unless:

(a) the resolutions at TIFL's Extraordinary General Meeting to be held on or about November 3rd, 2003 are duly passed authorizing TIFL to take all steps necessary to make the Offer and to amend TIFL's Articles of Association in order to facilitate the repurchase of Shares in accordance with the Offer; and

(b) valid tenders for at least 75,000 Shares (representing 1% of the existing issued Shares) have been received by the close of the first tender offer (on or about December 10th, 2003).

9. The offer prices will be determined as follows:

(a) the repurchase price per Share for the first tender offer will be a cash amount equal to the US dollar amount received by TIFL in respect of the redemption of 20 percent of the units of TIF less expenses apportioned on a *pro rata* basis divided by 1,500,000, being 20 percent of the total number of Shares in issue (rounded down to the nearest whole number) rounded down to the nearest whole cent;

(b) the repurchase price per Share for the second tender offer will be determined by the same method as used for the first tender offer, on a date to be determined approximately twelve months after the first tender offer; and

(c) under the rules of the LSE, the maximum number of Shares which may be repurchased under the on-market share repurchase program will be equal to 14.99% of the Shares following completion of the first tender offer and the maximum price that may be paid by TIFL will be 105% of the average mid-market price of the Shares over the five trading days immediately preceding the day on which the purchase is effected. Any purchase of Shares will be made in the market for cash at prices below the prevailing asset value per share.

10. The Offer is being made in compliance with the laws of the United Kingdom, the rules and regulations of the LSE and the Listing Rules of the UK Listing Authority and not pursuant to any exemption from such requirements.

11. The City Code on Take-Overs and Mergers (the "City Code") does not apply to the Offer because the City Code only applies to listed companies that the Panel on Takeovers and Mergers considers to be resident in the United Kingdom. TIFL is not such a company.

12. As at September 22nd, 2003, there were 5 Shareholders whose last address as shown in the books of TIFL is in Ontario (collectively, the "Ontario Shareholders") holding in the aggregate 10,000 Shares, representing 0.1333% of the issued and outstanding Shares.

13. The Offer is being made on the same terms and conditions to the Ontario Shareholders as it is being made to Shareholders resident in the United Kingdom.

14. Insofar as the Offer is made to the Ontario Shareholders, the Offer may be construed as a direct issuer bid within the meaning of subsection 89(1) of the Act and section 92 of the Act.

15. Although the Commission has recognized the laws of the United Kingdom for the purposes of clauses 93(1)(e) and 93(3)(h) of the Act where a take-over bid or issuer bid complies with the requirements of the rules of the City Code and is not exempt therefrom, TIFL cannot rely upon these exemptions because the City Code does not apply to TIFL.

16. All materials relating to the Offer which are provided to Shareholders resident in the United Kingdom will be concurrently sent to Ontario Shareholders and filed with the Commission.

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that in connection with the Offer, TIFL is exempted from the Issuer Bid and Take-over Bid Requirements, provided that:

(a) the Offer and any amendments thereto are made in compliance with the laws of the United Kingdom, the rules and regulations of the LSE, the Listing Rules of the UK Listing Authority and the laws of the Cayman Islands and not pursuant to any exemption from such requirements; and

(b) all materials relating to the Offer and any amendments thereto that are sent by or on behalf of TIFL to the Shareholders resident in the United Kingdom are also concurrently sent to Ontario Shareholders and copies of such materials are filed with the Commission.

October 3, 2003.

"Robert L. Shirriff" "Robert W. Davis"

2.3 Rulings

2.3.1 Allied Real Estate Investment Trust - s. 74(1)

Headnote

Section 74 – exemption from registration and prospectus requirements granted for the issuance by the issuer of units to the vendor in part consideration for certain commercial real estate where the purchase price for the real estate is over $10 million.

Statutes Cited

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

Rules Cited

Rule 45-501 Exempt Distributions.
Multilateral Instrument 45-102 Resale of Securities.

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

AND

IN THE MATTER OF
ALLIED PROPERTIES REAL ESTATE INVESTMENT TRUST

RULING
(Section 74(1))

UPON the application of Allied Real Estate Investment Trust (the "REIT") to the Ontario Securities Commission (the "Commission') for a ruling pursuant to subsection 74(1) of the Act that the issuance by the REIT of units of the REIT ("Units") to The 93-99 Spadina Limited Partnership (the "Vendor") in part consideration for the purchase by Allied Properties REIT Acquisition Corporation ("Allied Acquisition") of a certain parcel of real property in the City of Toronto (the "Property") from the Vendor, shall not be subject to section 25 or 53 of the Act.

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 REIT was created by Declaration of Trust under, and is governed by, the laws of the Province of Ontario. The principal executive offices of the REIT are located in Toronto, Ontario.

2. The principal business of the REIT is the ownership and management for a portfolio of class I office revenue properties located in the City of Toronto. The REIT is also focused on adding to its portfolio by acquiring and redeveloping additional class 1 office properties situated in the City of Toronto.

3. The Units are listed on the Toronto Stock Exchange under the symbol "AP".

4. The REIT is a reporting issuer or the equivalent in each province of Canada and is not in default of any requirement under the Act.

5. Allied Acquisition was incorporated pursuant to the *Business Corporations Act* (Ontario) on April 20, 1993 and is wholly-owned by the REIT. The principal executive offices of Allied Acquisition are located in Toronto, Ontario.

6. The Vendor is a limited partnership formed under the *Limited Partnerships Act* (Ontario) on September 7, 2000. The Vendor is a sole purpose limited partnership whose only business is the ownership and management of the Property. The general partner of the Vendor is 1395109 Ontario Inc. and the Vendor has seven limited partners.

7. The Property, municipally known as 93-99 Spadina Avenue in the City of Toronto, is a revenue property comprised of mixed of office and commercial space.

8. Allied Acquisition and the Vendor entered into a purchase agreement made as of August 28, 2003 (the "Agreement") providing for the purchase by Allied Acquisition from the Vendor of the Property. Allied Acquisition and the REIT are acting at arm's length with the Vendor in the proposed acquisition.

9. The purchase price for the Property is $10,850,000, which is to be satisfied in part by the REIT issuing 110,000 Units to the Vendor. The remainder of the purchase price is being satisfied as to $350,000 in cash and the balance through the assumption by Allied Acquisition of an existing mortgage on the Property that will have a principal balance of $6,690,000 as at September 30, 2003.

10. The Vendor is not an "accredited investor", as such term is defined in Rule 45-501 *Exempt Distributions*, since its "net assets" are less than $5 million. Of the seven limited partners of the Vendor, five are "accredited investors" and two are not.

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

IT IS RULED, pursuant to subsection 74(1) of the Act, that the issuance by the REIT of 110,000 Units to the Vendor in connection with the purchase of the Property shall not be subject to section 25 or 53 of the Act, provided that the first trade by the Vendor in any of the Units acquired in reliance on this Ruling shall be a distribution

unless such trade is made in accordance with subsection 2.5(2) or (3) of Multilateral Instrument 45-102 Resale of Securities.

September 30, 2003.

"Wendell S. Wigle" "Lorne Morphy"

Chapter 4

Cease Trading Orders

4.1.1 Temporary, Extending & Rescinding Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/Revoke
CD Rom Network Corp.	22 Sep 03	03 Oct 03	03 Oct 03	
First Strike Diamonds Inc.	25 Sep 03	07 Oct 03	07 Oct 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		

4.3.1 Issuer CTO's Revoked

Company Name	Date of Revocation
ePhone Telecom, Inc.	**01 Oct 03**
Fiscal Investments Limited	25 Sep 03
Genoray Advanced Technologies Ltd.	07 Oct 03

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Chapter 5

Rules and Policies

5.1.1 Notice of Amendments to National Instrument 81-102 Mutual Funds and Companion Policy 81-102CP and to National Instrument 81-101 Mutual Fund Prospectus Disclosure and Form 81-101F1 Contents of Simplified Prospectus and Form 81-101F2 Contents of Annual Information Form

**NOTICE OF AMENDMENTS TO
NATIONAL INSTRUMENT 81-102 MUTUAL FUNDS
AND COMPANION POLICY 81-102CP**

AND TO

**NATIONAL INSTRUMENT 81-101 MUTUAL FUND PROSPECTUS DISCLOSURE AND
FORM 81-101F1 CONTENTS OF SIMPLIFIED PROSPECTUS
AND FORM 81-101F2 CONTENTS OF ANNUAL INFORMATION FORM**

Introduction

The amendments (the "amendments") to:

1. National Instrument 81-101 Mutual Fund Prospectus Disclosure (NI 81-101),

2. Form 81-101F1 Contents of Simplified Prospectus (Form 81-101F1),

3. Form 81-101F2 Contents of Annual Information Form (Form 81-101F2),

4. National Instrument 81-102 Mutual Funds (NI 81-102), and

5. Companion Policy 81-102CP (81-102CP).

are initiatives of the Canadian Securities Administrators ("CSA" or "we"). The rules and the policy regulate mutual funds that offer securities under a simplified prospectus for so long as the mutual fund remains a reporting issuer. The amendments have been made or are expected to be made by each member of the CSA, and will be implemented as a:

- rule in each of British Columbia, Alberta, Manitoba, Ontario, and Nova Scotia;

- commission regulation in Saskatchewan and in Québec; and

- policy in all other jurisdictions represented by the CSA.

If the required government approval is obtained in British Columbia, the British Columbia Securities Commission intends to make the instrument and adopt the policy. The BCSC will also publish the instrument and policy at that time.

In Ontario, the amendments and other required materials were delivered to the Minister of Finance on October 10, 2003. The Minister may approve or reject the Instrument or return it for further consideration. If the Minister approves the Instrument or does not take any further action by December 9, 2003, the Instrument will come into force on December 31, 2003.

The amendments are effective December 31, 2003 provided that the above noted government approvals have been obtained.

Substance and Purpose of the Amendments

The purpose of the amendments is to provide:

- a regulatory framework to permit mutual funds to invest in other mutual funds (the "fund of fund amendments") that is appropriate to ensure investor protection, and permit mutual funds to realize the potential benefits of these transactions for their securityholders; and

- make various housekeeping amendments to the existing rules.

Fundamental Principles of Fund of Fund Amendments

The fund of fund amendments are based on the following fundamental principles:

1. If a mutual fund invests in another mutual fund that is subject to the same rules,

   (i) the mutual fund should be able to pursue its investment objectives indirectly by investing in the other mutual fund;

   (ii) the mutual fund should be able to actively manage the investment as it would any other investment (i.e. it is not necessary to restrict the investment to fixed percentages disclosed in the simplified prospectus); and

   (iii) it is not necessary to "look through" the fund of fund structure and treat investors *as if they themselves purchased the securities of the underlying mutual fund.*

2. A fund of fund structure provides investors with access to one or more other mutual funds and the strategies pursued by those mutual funds, therefore,

   (i) fund of fund structures should not permit the indirect distribution of securities of other mutual funds that otherwise would not be distributed in a jurisdiction;

   (ii) fund of fund structures should not permit the use of investment strategies that a mutual fund at the top of the structure could not use directly; and

   (iii) it is necessary to "look through" fund of fund structures to ensure that they do not lead to the sale of products or use of strategies that cannot be sold or used directly in a jurisdiction.

3. Fees charged in a fund of fund structure should be transparent and not duplicated (i.e. fees must be for services which add value to the mutual fund and its securityholders).

4. Multi-layered fund of fund structures can reduce transparency for investors and regulators. Regulators are concerned about multi-layered fund of fund structures for a number of reasons including

   - the inherent complexity of the structure would make it difficult to ensure that investors are able to understand how these multi-layered funds operate and are able to make informed investment decisions,
   - diluted accountability for portfolio management services,
   - reduced transparency with respect to fees, investments and investment practices,
   - potential for abuse, and
   - other major jurisdictions also prohibit these types of multi-layered structures.

As a result, multi-layered structures should be restricted to specific exceptions that benefit investors and are not contrary to the public interest. We agree that the following are appropriate exceptions: the bottom fund "the other mutual fund" may hold no more than 10% of its net assets in certain other mutual funds, may be an RSP clone fund, may purchase or hold securities of a money market fund or that are index participation units.

Transitional Issue relating to discretionary relief granted previously for fund of fund structures

The amendments provide a new comprehensive regime under which fund of fund structures can operate and so supersede the discretionary relief that has been granted in the past. The CSA consider that the proposed changes to NI 81-102 and NI 81-101 will render the discretionary relief obsolete. The amendments introduce a new section 19.3 of NI 81-102 that deals with the revocation of such exemptions previously granted under National Policy Statement 39 and NI 81-102 in order to treat all mutual funds uniformly, one year after the coming into force of the amendments. Section 19.3 refers specifically to exemptions or approvals relating to a mutual fund investing in other mutual funds.

In some cases these exemptions have been provided in decision documents which also incorporate other exemptive relief, such as the relief required for RSP clone funds to enter into forward contracts with related counterparties. Section 19.3 does not apply to such additional relief that may have been included in the same document.

Section 19.3 will not apply in British Columbia. This is because the BC Securities Commission has decided that within its legislative framework, it can more effectively deal with this issue by issuing a BC Instrument revoking the exemptions or approvals issued to mutual funds that invest in other mutual funds. The effective date of that BC Instrument will be the same as the transition provided in s. 19.3.

Summary of Written Comments Received by the CSA

During the comment period, we received submissions from 17 commenters. We have considered the comments received and thank all the commenters. The names of all the commenters and a summary of their comments, together with our responses, are contained in Appendices A and B of this notice.

After considering the comments, we have made changes to the proposed amendments. However, as these changes are not material, we are not republishing the instrument for a further comment period.

Summary of Changes to the Proposed Amendments

This section describes changes made from the proposed amendments published for comment on July 19, 2002 in all jurisdictions and from the proposed amendments published for comments on June 13, 2003 in Québec only (the "proposed amendments") except that changes of a minor nature, or those made only for the purposes of clarification or drafting reasons, are generally not discussed.

Amendments to NI 81-102

Section 1.1 – Definitions

"bottom fund"/"top fund"

The proposed amendments created two new definitions that determined the eligibility of a mutual fund to invest in other mutual funds. A top fund was required to disclose its intention to invest in other mutual funds in its investment objective. A bottom fund could not invest in other mutual funds.

The definitions were introduced to address the CSA's concerns with multi-layered structures. They were also intended to facilitate compliance with the multi-layering restriction by allowing a top fund manager to look only at the investment objective of a potential bottom fund.

In response to comments received, we have removed the definitions of top fund and bottom fund. However, we have retained the principle of restricting multi-layered structures to specific exceptions. The restriction on multi-layered structures is set out in section 2.5.

Removing the definitions addresses the concerns raised by commenters that mutual funds would have to hold securityholder meetings to change their investment objectives in order to become top funds. It also allows the disclosure requirements in NI 81-101 to address disclosure issues. By virtue of those rules, some funds will have to include their use of a fund of fund structure in their investment objective disclosure.

Section 2.1 – Concentration Restriction

In response to comments, we modified section 2.1 to provide an additional exemption from the concentration restrictions for investments in index participation units. After reviewing the comments on how index participation units are used as an investment tool by mutual funds, the CSA believe that mutual funds should be permitted to invest in index participation units similar to the way they can invest in conventional mutual funds.

Section 2.2 – Control Restriction

Similarly, in response to comments, we modified new subsection 2.2(1.1) to provide an additional exemption from the control restriction for investments in index participation units.

Section 2.5 – Investments in Other Mutual Funds

We modified section 2.5 because we deleted the definitions of "top fund" and "bottom fund".

Subsection 2.5(2)(b) sets out a general prohibition against multi-layered structures unless the other mutual fund holds no more than 10% of its net assets in other mutual funds. This will continue the current exemption found in 2.5(1)(a) of NI 81-102, and will provide greater flexibility to the manager. Subsection 2.5(4) sets out the three other exceptions to that prohibition: RSP clone

funds, money market funds and index participation units. We added these exceptions for money market funds and index participation units to the amendments because of comments. These changes will permit all mutual funds to use money market funds and index participation units as investment tools (e.g., "sweep" accounts for cash management purposes).

We also made changes to simplify and clarify restrictions about fees for fund of fund structures. In response to comments, the amendments no longer contain broad restrictions on fees. Instead, there is a prohibition on duplicating management fees, incentive fees, sales fees and redemption fees. The amendments provide for a reasonable person test in determining whether there is a duplication of fees for the same service. We prohibit sales and redemption fees in relation to investments in related mutual funds. A number of commenters agreed that such a prohibition was a reasonable restriction.

In response to comments, we modified subsection 2.5(6) to provide a manager with discretion to pass through voting rights attached to securities of a related underlying mutual fund, if it so chooses, so that beneficial holders of the mutual fund can vote those securities.

Section 2.8 – Swap Provisions

We sought to clarify the swap provisions. We have withdrawn these amendments for further consideration.

Section 5.8 – Notice Requirement for Change of Control of Manager

We sought to modify section 5.8 to address the issue of providing a securityholder list to a person making a hostile bid for another fund manager in order to facilitate sending the 60-day notice for a change of control of a manager. These amendments have been withdrawn for further consideration.

Amendments to NI 81-101

Item 5 of Part A, Form 81-101F1 and Item 4 of Part B, Form 81-101F1

We added a new disclosure requirement for managers to disclose, if applicable, whether they may arrange for the securities of other related mutual funds to be voted by the beneficial holders of the securities of the mutual fund.

Item 8 of Part A, Form 81-101F1

We updated the disclosure requirements in the fees section to reflect the changes made to section 2.5 of NI 81-102.

Item 6 of Part B, Form 81-101F1

We deleted the requirement to disclose in the investment objective that a mutual fund may invest in securities of other mutual funds, because the definition of "top fund" was removed. Depending on the nature of a particular mutual fund, it may be necessary to disclose the use of a fund of fund structure in the investment objective section under the current disclosure requirements in Item 6 of Part B.

Item 7 of Part B, Form 81-101F1

Because of the change to Item 6, the requirement to disclose if the other mutual fund is managed by the manager of the mutual fund has been moved from the investment objective section to the investment strategies section.

Questions

Please refer your questions to any of the following:

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Amendments

The text of the amendments follows.

October 10, 2003.

APPENDIX A
TO
NOTICE OF AMENDMENTS TO
NATIONAL INSTRUMENT 81-102 *MUTUAL FUNDS* AND
NATIONAL INSTRUMENT 81-101 *MUTUAL FUND PROSPECTUS DISCLOSURE*

LIST OF COMMENTERS

1. AIM Funds
2. AGF Management Limited
3. Barclays Global Investors
4. Borden Ladner Gervais LLP
5. Canadian Life and Health Insurance Association Inc.
6. Desjardins
7. Fasken Martineau DuMoulin LLP
8. Fidelity Investments Canada Limited
9. Franklin Templeton Investments Corp.
10. Highstreet Asset Management Inc.
11. Investment Funds Institute of Canada
12. Investors Group Inc.
13. International Swaps and Derivatives Association
14. Royal Bank of Canada
15. Torys – Primerica/ AGF
16. TD Asset Management Inc.
17. The Toronto Stock Exchange

APPENDIX B
TO
SUMMARY OF COMMENTS AND RESPONSES OF THE CANADIAN SECURITIES ADMINISTRATORS (the "CSA")

#	Theme	Comments	CSA Response
1.	Definition of "Top Fund"/ "Bottom Fund"	Several commenters expressed concern that the requirement for top funds to disclose in their investment objective their intention to invest in other mutual funds would require each top fund to hold securityholders' meetings to change its current investment objective. These commenters suggested that this disclosure was more suited for the investment strategies section of the prospectus. Several commenters expressed concern that by declaring itself a "top fund", a mutual fund would be disqualified from being purchased by another mutual fund. Also, the proposed amendments (the "proposed amendments") published on July 19, 2002 prohibit "bottom funds" from investing any amount of their assets in other mutual funds. Three commenters suggested that the disclosure requirements under Item 6, Part B, NI 81-101F1 should be only for funds which intend to invest more than 10% in bottom funds. Two other commenters suggested that funds be able to declare whether they intend to invest in other mutual funds as a primary or as a secondary strategy. Funds which choose to declare fund of fund investing as a secondary strategy should be permitted to be bottom funds.	The definitions of "top fund" and "bottom fund" were created to implement the prohibition against multi-layered fund of fund structures. The definitions were also designed to assist top fund managers in complying with the prohibition by allowing them to rely on the investment objective disclosure of the bottom fund. In response to comments, mandatory investment objective disclosure has been eliminated along with both definitions. This addresses a concern that unitholder meetings would have to be called to amend investment objective disclosure. The general prohibition against multi-layered fund of fund structures has been modified. Section 2.5 now contains four (4) exceptions to the general prohition. RSP clone funds were proposed as an exception to the prohibition. We are now retaining the 10% provision currently found in 2.5(1)(a) of NI 81-102. This would continue to allow the bottom fund to hold no more than 10% of its net assets in other mutual funds. Money market funds and IPUs have also been added as exceptions. As a consequence of these changes, a fund manager must exercise due diligence to ensure that the multi-layering prohibition is not violated (i.e. cannot just rely on what is disclosed in the investment objective of the bottom fund). Disclosure of fund of fund investing in the investment objectives still may be necessary in certain circumstances – see Item 6, Part B, NI 81-101F1.
2.	Disclosure in the Investment Strategies section	One commenter expressed concerns with the requirement to disclose in the Investment Strategies section the selection criteria for bottom funds. The commenter suggested that this level of disclosure is not required for mutual funds which invest in individual securities. The commenter also raised concerns with the requirement to disclose a range, as well as the selection criteria for mutual funds which invest in individual securities.	No change. The CSA expect mutual fund managers to disclose the process or criteria used to select investments in other mutual funds. The requirement addresses disclosure. It does not mandate the use of fixed percentage ranges or any other strategy.

#	Theme	Comments	CSA Response
3.	Multiple Layering	Two commenters argued that multi-layered fund of fund structures should be permitted. A comparison was made to investments in conglomerates with multi-tiered corporate structures such as Brascan. It was also argued that there may be valid commercial reasons for a portfolio manager to invest in such structures if in the best interest of the mutual fund. Two other commenters argued that a portfolio manager's investment options should not be limited to "bottom funds" (as defined in the proposed amendments). Any policy concerns with multi-layering should be addressed through disclosure.	Multiple Layering is generally prohibited. The CSA are concerned about multi-layering because of: (i) the complexity of the information regarding these pyramidal structures; (ii) accountability (i.e. who is providing the portfolio management services); and (iii) transparency of fees, investments and investment practices. Although the prohibition against multi-layered fund of fund structures remains, three (3) additional exceptions have been added (in addition to the exception for RSP clone funds) for investments by the other fund of not more than 10% of its net assets in other mutual funds (de minimis level), in money market funds and IPUs. The CSA added the 10% exception in order to provide the manager with greater flexibility without endangering investor's protection. Also, this recognizes the potential benefits of money market funds and IPUs as investment tools (eg. for "sweep accounts" to manage cash).
4.	De Minimis Exception to Multi-Layering	Some commenters expressed concern with the removal of the 10% provision currently in paragraph 2.5(1)(a) of NI 81-102. "Bottom fund" managers should not be precluded from using a small portion of their assets in money market funds or equity funds (pending investment in individual securities). Using funds in this way is not a *primary* or *essential aspect* of the mutual fund. This restriction reduces a portfolio adviser's flexibility.	The rule has been changed to permit the other mutual fund to hold no more than 10% of its assets into certain other mutual funds. This retains the exemption currently found in 2.5(1)(a). Other exceptions added to the multi-layering prohibition for investments include investments into money market funds and IPUs so that all mutual funds will have the flexibility to use them as investment tools eg. for cash management purposes.
5.	"RSP Clone Fund" Definition	Three commenters expressed concern that the "RSP Clone Fund" definition was too restrictive and that it should include mutual funds whose strategy is to track a basket of securities reflecting portfolio investments of a bottom fund while also investing in securities of the target mutual fund.	The definition has been changed so that it is now broad enough to encompass mutual funds that use derivatives on a basket of securities or derivatives on funds.
6.	Index Participa-tion Units (IPUs)	Five commenters expressed concern that only top funds can purchase IPUs. They argued that bottom funds would benefit from the use of IPUs for cash management and as an "equitization" mechanism to avoid a cash-drag on performance. It was argued that bottom funds are permitted to use exchange traded *index* futures and other "specified derivatives" while the use of IPUs is restricted. It was submitted that IPUs are more liquid and more transparent than these derivatives contracts. These commenters also argued that the concentration	In response to comments received, the amendments (the "Amendments") published with this summary of comments have been modified to permit all mutual funds to invest in IPUs. This is in recognition of comments received about how IPUs are used by mutual funds as investment tools. This change was accomplished by deleting the definitions of "top" and "bottom" funds and by creating an exception to the multi-layering

#	Theme	Comments	CSA Response
		and control restrictions should not apply to IPUs. IPUs are relatively small in the Canadian marketplace. The restrictions might prevent large mutual funds from investing in them. One commenter suggested that proposed subsections 2.5(1)(d), (f) and (g) of NI 81-102, which restrict fees, are not necessary for investments in IPUs as they are arm's length investments. One commenter suggested that the definition of IPU should be broadened beyond securities traded on Canadian and American exchanges. It was submitted that there are more than 120 IPUs listed on stock exchanges in Europe, Japan, Australia, South Africa, Hong Kong, South Africa, India, Israel and Singapore which a mutual fund may want to invest in. It was suggested that short selling of IPUs should be permitted to effect risk management strategies.	prohibition for investments in IPUs. In response to comments received, the Amendments were changed to exempt investments in IPUs from the concentration and control restrictions. The CSA believe that it is appropriate to continue to limit the definition of IPUs to those traded on a Canadian or U.S. exchange. No change was made concerning short selling of IPUs. The issue of short selling of securities by mutual funds is a larger issue which is beyond the scope of the fund of fund project.
7.	Exchange Traded Mutual Funds (ETFs)	One commenter argued that ETFs are similar in nature to any other traded security and should be an eligible investment for mutual funds. Another commenter suggested that the proposed approach may significantly disadvantage the development and growth of ETFs in the Canadian market. It was submitted that the amendments create an unlevel playing field vis-a-vis conventional mutual funds. The prohibition on investing in ETFs constrains a portfolio adviser's ability to actively manage its portfolio using these products.	No change. Only ETFs that are IPUs are eligible investments. The amendments maintain the fundamental principle that a mutual fund cannot use a fund of fund structure to invest indirectly in a manner that it could not invest directly. Many ETFs have received exemptions from the restrictions and requirements of NI 81-102 which would not have been granted if those funds were distributed pursuant to NI 81-101.
8.	Bottom Fund must be Qualified in the Same Jurisdic-tions as the Top Fund	Three commenters argued that a mutual fund should be permitted to invest in another mutual fund if it has been qualified pursuant to a simplified prospectus in any CSA jurisdiction. Investors should be able to rely on other members of the CSA for regulating such mutual funds.	No change. A fundamental principle of the amendments is that if a mutual fund invests in another mutual fund that is subject to the same rules, then there is no need to "look through" to the bottom fund. Conversely, if the bottom fund is not subject to the same rules, a "look through" is appropriate. This will ensure that a mutual fund cannot use a fund of fund structure to do indirectly what it cannot do directly. If the bottom fund cannot be sold directly to the public in the jurisdiction where the top fund is distributed, it should not be permitted to be sold indirectly. There are other reasons for rejecting this comment: • mutual funds do not always file in every CSA jurisdiction, therefore it cannot be assumed that mutual reliance will address all concerns; • some mutual funds could have been refused exemptive relief and a prospectus receipt in one or more other jurisdictions; such

#	Theme	Comments	CSA Response
			mutual funds should not be distributed indirectly through a fund of fund structure; • the proposal could lead to "forum shopping" for lesser regulatory scrutiny (eg. limited staff review) and lower fees; • the issue of filing fees should be (and is being) addressed in another forum; • this is not just a fund of fund issue it is a jurisdictional issue. The CSA believes that the fund of funds amendments are not the proper forum to address this issue. • it is premature to relax prospectus qualification requirements; the USL project is proposing a delegation model to streamline regulation.
9.	Pooled Funds	Eight commenters suggested that a mutual fund should be permitted to invest in any fund, including "pooled funds", which voluntarily comply with the investment restrictions and custodial provisions in NI 81-102. So long as these funds have a registered portfolio adviser making investment decisions, they should be eligible investment. One benefit of non-prospectus funds is that they usually offer a lower MER. Another commenter suggested that pooled funds which are managed for the benefit of pension funds should be permitted underlying funds. Such funds which offer securityholder redemption on demand (i.e., a level of liquidity) should be eligible investments. Two commenters submitted that any fund which may be considered liquid assets should be a permitted investment. One commenter submitted that the CSA have approved an existing structure where a public mutual fund is permitted to invest in a related pooled fund, which has adopted the investment restrictions in NI 81-102. It was submitted that this structure provides adequate protections through: (i) privity of contract (i.e., duty of care of the portfolio adviser) and (ii) where an investor has appointed the portfolio adviser on a fully discretionary basis that discretion (or trust) remains whether the investment is in public mutual funds or in pooled funds.	No change. Consistent with the fundamental principle of the amendments that bottom funds be subject to the same rules. Pooled funds are not subject to the investment restrictions and practices of NI 81-102. In addition, pooled funds cannot be distributed to retail investors, therefore they should not be distributed indirectly through a fund of fund structure. See CSA response to comment #8. There are broader issues about the use of pooled funds that are being addressed in other forums (e.g., Joint Forum project on Capital Accumulation Plans). The CSA expect that cost concerns can and are addressed (at least in part) by the use of separate classes of securities.
10.	Foreign Funds	One commenter suggested that Canadian mutual funds should be able to invest in securities of foreign mutual funds just as they are permitted to invest in foreign corporate issuers, such as Enron or Tyco. It was submitted that there is no policy justification for treating mutual fund securities differently. The use of mutual funds	No change. An investment in another mutual fund is not the same as investing in corporate securities in the secondary market. Investment management takes place in the underlying fund and there are rules related to such investment

#	Theme	Comments	CSA Response
		to gain exposure is not a fundamental feature, the investment exposure itself is fundamental. Another commenter suggested that mutual funds should be permitted to invest in mutual funds and pooled funds domiciled within or outside of Canada. At minimum, mutual funds should be permitted to invest in funds registered with the SEC and pooled funds offered in Canada or the U.S.	management. Those rules must not be avoided through the creation of a fund of fund structure. See CSA response to comments #8 and #9. This issue raises many broad policy concerns, and these amendments are not the proper forum to address them. There is presently no regulatory recognition between Canadian mutual funds and foreign mutual funds.
11.	Commodity Pools	Three commenters suggested that mutual funds should be able to invest in any funds, including commodity pools, as long as they can be considered liquid assets.	No change. Commodity pools employ strategies that cannot be used by conventional mutual funds. Also, the prospectus form and registration (sales) requirements are different because of the strategies employed. See response to comment #9.
12.	Sales and Redemption Fees	Six commenters agreed with a prohibition on sales and redemption fees for related mutual funds. However, these commenters submitted that disclosure, rather than a prohibition, is more appropriate for unrelated mutual funds. One commenter agreed with the proposal that sales and redemption fees should be prohibited in all fund of fund investments.	The rule has been changed to prohibit sales and redemption fees only for investments in related mutual funds. Sales and redemption fees are otherwise permitted so long as there is no duplication of fees, i.e. an investor should not pay such fees directly as well as indirectly through the mutual fund.
13.	Short-term Trading Fee	One commenter argued that it would be a mistake to take away a mutual fund manager's right to levy a short-term trading fee on investors which are mutual funds. It was submitted that this fee is used to discourage short-term trading and to protect the interest of the remaining securityholders.	The result of the amendments to the fee provisions in section 2.5 is such that the use of a short-term trading fee is permitted.
14.	Duplication of Manage-ment Fees	One commenter submitted that "no duplication of management fees" makes sense for related mutual funds, but not for third party mutual funds. Two other commenters submitted that a top fund should be permitted to charge a fee. Three other commenters stated that the "no duplication of management fees" restriction would not work for U.S. IPUs which cannot rebate management fees.	Duplication of fees is prohibited; however, the drafting has been changed to clarify that fees can be charged for value added services.
15.	Trailer Fees and Rebates	One commenter argued that fee rebates payable by underlying funds to top fund managers should be permitted as such fee rebates are currently being paid to life companies that invest through segregated funds in mutual funds. Four commenters submitted that the prohibition on paying trailer fees to a top fund's manager removes an efficient way to redistribute income to cover distribution fees incurred by the top fund. In some cases, the proposed approach would require some top funds to increase their management fee which would require a securityholder vote. The commenters encouraged the CSA to replace paragraphs 2.5(1)(d), (g) and (h) with provisions which permit maximum flexibility to negotiate their financial arrangements.	Change. The prohibition against trailer fees has been removed.

#	Theme	Comments	CSA Response
		Another commenter expressed concern that the prohibition on paying trailer fees to a top fund's manager would create a material change to its business relationship, as a retail distributor of other mutual funds provided by a wholesaler. In that case, the responsibility for funding of obligations for paying initial sales commissions for deferred sales charges (DSC) units have been taken on by the wholesaler (i.e., the bottom fund manager). Limited partnerships, which may be traded on an exchange, have been created to deal with these funding arrangements. In addition, the use of management fee rebates, as required by the amendments, would create tax problems. This commenter also expressed concern that the use of the terminology "fees payable in connection with holding" may catch certain third party negotiated bundles of services provided by a mutual fund wholesaler.	
16.	Voting Rights	Four commenters were supportive of the removal of the requirement to pass through voting rights to top fund investors. They also agreed with the restriction of voting units of related bottom funds. They stated that the current pass-through of voting rights was both cumbersome and ineffective. It is a huge cost burden which adds little value. One commenter stated that it agreed with the approach for unrelated mutual funds; however, it would prefer a pass-through of voting rights when the bottom fund is related. It was argued that this approach would empower securityholders of mutual funds. One commenter expressed concern with the restriction on voting units held in related bottom funds. Its concern was that the top fund securityholders would have no say, directly or indirectly, in the affairs of the related bottom fund. An example was submitted where a top fund currently owns more than 50% of units of bottom funds. It was suggested that rather than a prohibition on voting, the current pass-through approach should be used.	The rule has been amended to address concerns with the restriction on related mutual funds. A fund manager that invests in a related mutual fund may not vote the securities but has the option of passing all of the mutual fund's voting rights in the underlying fund through to its securityholders.
17.	Massive Redemp-tions	Five commenters expressed concern with the requirement to disclose "large redemption risk" in the simplified prospectus of a bottom fund. It was submitted that top funds which hold large investments in bottom funds are no different from any other large institutional investor with large holdings. There is no specific disclosure requirement for large holdings by institutional investors. Two commenters suggested that bottom funds should have a sufficient delay to permit a bottom fund to execute massive redemption orders. However, one commenter argued that this issue should be dealt by agreements between the top fund and bottom fund. The other commenter argued that the rule should provide a bottom fund with sufficient time to sell its assets in an orderly manner.	Most of the comments on this part supported our proposed approach. We have expanded the disclosure requirement to treat the risk of large scale redemption by all large investors in the same way. No change.
18.	Disclosure re: Significant Fund	Five commenters stated that a disclosure requirement for changes to a significant bottom fund would defeat the purpose of active management. These commenters argued that if the removal of a significant bottom fund is a	No change. The comments were supportive of the approach taken in the proposed amendments.

#	Theme	Comments	CSA Response
		"significant change", then the top fund would have to provide timely disclosure which is currently addressed in NI 81-102.	
19.	Concentration and Control Restrictions	Three commenters expressed agreement with the removal of the concentration and control restrictions for fund of fund investing.	In response to comments receive relating to IPUs, the rule has been modified to also exclude investments in IPUs from the control, concentration and from the self-dealing prohibitions.
20.	Grandfathering Existing Orders	Three commenters expressed concern that old orders would not be "grandfathered" under the new rule. It was argued that existing fund of fund structures (and their investors) with established business models for delivery of investment management services would be unfairly prejudiced by the proposed amendments. The fund companies may not have a legal right to change the way those units have been structured and third party financial relationships with limited partnerships will be impacted. One commenter also expressed concern that the current approach will potentially prejudice existing securityholders currently relying on existing decisions. In particular, a real property fund, which is currently permitted, would not qualify as a bottom fund as it does not comply with NI 81-101.	No change. The CSA note that the new rule is more permissive than the standard fund of funds conditions currently in place through exemption orders and believe that most parts of the existing orders will become obsolete. If an existing order includes unique provisions that would not be permitted in the proposed amendments, fund companies may make an application for new discretionary relief. Because the proposed amendments will permit much more flexibility to fund managers when operating fund of fund structures, we expect these applications to be rare.
21.	Section 13.1 of NI 81-102 – Compatible Valuation Dates	One commenter asked for clarification as to whether the valuation dates must be "consistent", rather than "compatible". In particular, this commenter was concerned with different holidays in different geographic markets. Another commenter argued that its understanding of "compatible valuation date" means on a consistent basis, but not necessarily the same frequency. For example, a fund which has weekly valuation (and redemption) dates which are co-incidental with daily valuation (and redemption) dates for top funds should be permitted under the rule.	No change. The CSA believe that the rule is appropriate and would permit a mutual fund to invest in other mutual funds which invest in different geographic markets.
22.	Section 5.1 of NI 81-102 – Increasing Fees and Expenses	Four commenters expressed concern that the changes to section 5.1 of NI 81-102 were overly broad and would give rise to unintended results. It was submitted that fees charged outside the control of the mutual fund manager may be caught by the requirement. For example, it will require unitholder approval for changes to fees charged within dealer accounts. Two of the commenters highlighted that clause 5.1(a)(ii) did not include "could result in an increase in charges", as does clause 5.1(a)(i). The commenters express concern that a fund could create a new fee, while removing an old fee, that could not increase the charges payable by securityholders and a vote would be required for the change. One of the commenters expressed concern that the new language would catch funds which disclose a maximum fee, which increase their fees subject to the disclosed maximum. One of the commenters expressed concerns that proposed section 5.1(a) would necessitate securityholder's vote at all times even if fees were	To address the comments received, the drafting has been revised to include a reference to increasing fees and to ensure that fees outside the control of the manager are not caught by section 5.1 of NI 81-102. To address the comment received, section 6.3 of the Companion Policy has been modified to indicate non-application of the

#	Theme	Comments	CSA Response
		negotiated directly on an individual basis.	section 5.1(a) in such circumstances.
23.	Section 5.8 of NI 81-102	Two commenters submitted the requirement to provide a securityholder list should be modified to read "upon the occurrence of a *bona fide* or *successful* offer". Another commenter argued that the CSA should reconsider the 60 day notice requirement for the change of control of a manager. The requirement creates unwanted negative effects, such as investors receiving several notices creating much confusion. This requirement could deter alternative bids to a mutual fund manager.	The proposed amendments to this section have been deleted for further consideration.
24.	Section 11.3 of NI 81-102	One commenter questioned why it is necessary to provide an annual notice to financial institutions that an account is a trust account.	No change. This change was made in response to unsatisfactory field compliant checks of mutual funds.
25.	Swap Provisions	One commenter made specific drafting comments on the proposed amendments to the swap provisions. The commenter did not disagree with the focus of the swap provisions.	These amendments have been deleted for further consideration.

5.1.2 National Instrument 81-102 Mutual Funds Amendment Instrument

NATIONAL INSTRUMENT 81-102
MUTUAL FUNDS AMENDMENT INSTRUMENT

1. National Instrument 81-102 Mutual Funds is amended by this Instrument.

2. Section 1.1 is amended

(a) by repealing the definition of "approved credit rating" and substituting the following:

"approved credit rating" means, for a security or instrument, a rating at or above one of the following rating categories issued by an approved credit rating organization for that security or instrument or a category that replaces one of the following rating categories if

(a) there has been no announcement by the approved credit rating organization of which the mutual fund or its manager is or reasonably should be aware that the rating of the security or instrument to which the approved credit rating was given may be down-graded to a rating category that would not be an approved credit rating, and

(b) no approved credit rating organization has rated the security or instrument in a rating category that is not an approved credit rating:

Approved Credit Rating Organization	Commercial Paper/ Short Term Debt	Long Term Debt
Dominion Bond Rating Service Limited	R-1 (low)	A
Fitch Ratings	F1	A
Moody's Investors Service	P-1	A2
Standard & Poor's	A-1(Low)	A”;

(b) by repealing the definition of "approved credit rating organization" and substituting the following:

"approved credit rating organization" means Dominion Bond Rating Service Limited, Fitch Ratings, Moody's Investors Service, Standard & Poor's and any of their respective successors;”;

(c) by repealing the definition of "guaranteed mortgage" and substituting the following:

"guaranteed mortgage" means a mortgage fully and unconditionally guaranteed, or insured, by the government of Canada, by the government of a jurisdiction or by an agency of any of those governments or by a corporation approved by the Office of the Superintendent of Financial Institutions to offer its services to the public in Canada as an insurer of mortgages;”;

(d) by repealing the definition of “mutual fund conflict of interest investment restrictions” and substituting the following:

“mutual fund conflict of interest investment restrictions” means the provisions of securities legislation that

(a) prohibit a mutual fund from knowingly making or holding an investment in any person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder, as defined in securities legislation,

(b) prohibit a mutual fund from knowingly making or holding an investment in an issuer in which any person or company who is a substantial securityholder of the mutual fund, its management company or distribution company, has a significant interest, as defined in securities legislation,

(c) prohibit a portfolio adviser from knowingly causing any investment portfolio managed by it to invest in, or prohibit a mutual fund from investing in, any issuer in which a responsible person or an associate of a responsible person, as defined in securities legislation, is an officer or director unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the purchase, or

(d) prohibit the portfolio adviser from subscribing to or buying securities on behalf of a mutual fund, where his or her own interest might distort his or her judgment, unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the subscription or purchase;";

(e) by repealing paragraph (e) of the definition of "permitted gold certificate" and substituting the following:

"(e) if not purchased from a bank listed in Schedule I, II or III of the *Bank Act (Canada)*, fully insured against loss and bankruptcy by an insurance company licensed under the laws of Canada or a jurisdiction;";

(f) by adding the following after the definition of "restricted security":

"RSP clone fund" means a mutual fund that has adopted fundamental investment objectives to link its performance to the performance of another mutual fund whose securities constitute foreign property for registered plans and to ensure that the securities of the mutual fund will not constitute foreign property under the ITA;"; and

(g) in the definition of "synthetic cash"

(i) by striking out "or" at the end of paragraph (a);

(ii) by inserting "or" at the end of (b); and

(iii) by adding the following after paragraph (b):

"(c) a long position in securities of an issuer and a short position in a standardized future of which the underlying interest is securities of that issuer, if the ratio between the value of the securities of that issuer and the position in the standardized future is such that, for any change in the value of one, a change of similar magnitude occurs in the value of the other;".

3. Section 2.1 is amended

(a) by repealing subsection (2) and substituting the following:

"(2) Subsection (1) does not apply to a purchase of a government security, a security issued by a clearing corporation, a security issued by a mutual fund to which this Instrument and National Instrument 81-101 apply, or an index participation unit that is a security of a mutual fund.";

(b) by repealing subsection (5) and substituting the following:

"(5) Despite subsection (1), an index mutual fund, the name of which includes the word "index", may, in order to satisfy its fundamental investment objectives, purchase a security, enter into a specified derivatives transaction or purchase index participation units if its simplified prospectus contains the disclosure referred to in subsection (5) of Item 6 and subsection (5) of Item 9 of Part B of Form 81-101F1 Contents of Simplified Prospectus.";

and

(c) by repealing subsections (6) and (7).

4. Section 2.2 is amended by adding the following after subsection (1):

"(1.1) Subsection (1) does not apply to the purchase of a security issued by a mutual fund to which this Instrument and National Instrument 81-101 apply, or an index participation unit that is a security of a mutual fund.".

5. Section 2.5 is repealed and the following is substituted:

"2.5 Investments in Other Mutual Funds

(1) For the purposes of this section, a mutual fund is considered to be holding a security of another mutual fund if

(a) it holds securities issued by the other mutual fund, or

(b) it is maintaining a position in a specified derivative for which the underlying interest is a security of the other mutual fund.

(2) A mutual fund shall not purchase or hold a security of another mutual fund unless,

(a) the other mutual fund is subject to this Instrument and National Instrument 81-101,

(b) at the time of the purchase of that security, the other mutual fund holds no more than 10% of the market value of its net assets in securities of other mutual funds,

(c) the securities of the mutual fund and the securities of the other mutual fund are qualified for distribution in the local jurisdiction,

(d) no management fees or incentive fees are payable by the mutual fund that, to a reasonable person, would duplicate a fee payable by the other mutual fund for the same service,

(e) no sales fees or redemption fees are payable by the mutual fund in relation to its purchases or redemptions of the securities of the other mutual fund if the other mutual fund is managed by the manager or an affiliate or associate of the manager of the mutual fund, and

(f) no sales fees or redemption fees are payable by the mutual fund in relation to its purchases or redemptions of securities of the other mutual fund that, to a reasonable person, would duplicate a fee payable by an investor in the mutual fund.

(3) Paragraphs (2)(a) and (c) do not apply if the security

(a) is an index participation unit issued by a mutual fund, or

(b) is issued by another mutual fund established with the approval of the government of a foreign jurisdiction and the only means by which the foreign jurisdiction permits investment in the securities of issuers of that foreign jurisdiction is through that type of mutual fund.

(4) Paragraph (2)(b) does not apply if the other mutual fund

(a) is a RSP clone fund, or

(b) in accordance with this section purchases or holds securities

(i) of a money market fund, or

(ii) that are index participation units issued by a mutual fund.

(5) Paragraph (2)(f) does not apply to brokerage fees incurred for the purchase or sale of an index participation unit issued by a mutual fund.

(6) A mutual fund that holds securities of another mutual fund that is managed by the same manager or an affiliate or associate of the manager

(a) shall not vote any of those securities, and

(b) may, if the manager so chooses, arrange for all of the securities it holds of the other mutual fund to be voted by the beneficial holders of securities of the mutual fund.

(7) The mutual fund conflict of interest investment restrictions and the mutual fund conflict of interest reporting requirements do not apply to a mutual fund which purchases or holds securities of another mutual fund if the purchase or holding is made in accordance with this section.".

6. Section 2.17 is amended by adding the following after subsection (2):

"(3) Paragraph (1)(b) does not apply if each simplified prospectus of the mutual fund since its inception contains the disclosure referred to in paragraph (1)(a).".

7. Subsection 5.1(a) is repealed and the following is substituted:

"(a) the basis of the calculation of a fee or expense that is charged to the mutual fund or directly to its securityholders by the mutual fund or its manager in connection with the holding of securities of the mutual fund is changed in a way that could result in an increase in charges to the mutual fund or to its securityholders;

(a.1) a fee or expense, to be charged to the mutual fund or directly to its securityholders by the mutual fund or its manager in connection with the holding of securities of the mutual fund that could result in an increase in charges to the mutual fund or to its securityholders, is introduced;".

8. Section 6.2 is amended by repealing item 1 and substituting the following:

"1. A bank listed in Schedule I, II or III of the *Bank Act* (Canada).".

9. Section 9.1 is amended

(a) by repealing subsections (1) and (2) and substituting the following:

"(1) Each purchase order for securities of a mutual fund received by a participating dealer at a location that is not its principal office shall, on the day the order is received, be sent by same day or next day courier, same day or next day priority post, telephone or electronic means, without charge to the person or company placing the order or to the mutual fund, to the principal office of the participating dealer or a person or company providing services to the participating dealer.

(2) Each purchase order for securities of a mutual fund received by a participating dealer at its principal office, a person or company providing services to the participating dealer, or by the principal distributor of the mutual fund at a location that is not an order receipt office of the mutual fund shall, on the day the order is received, be sent by same day or next day courier, same day or next day priority post, telephone or electronic means, without charge to the person or company placing the order or to the mutual fund, to an order receipt office of the mutual fund."; and

(b) by repealing subsection (4) and substituting the following:

"(4) A participating dealer, a principal distributor or a person or company providing services to the participating dealer or principal distributor, that sends purchase orders electronically may

(a) specify a time on a business day by which a purchase order must be received in order that it be sent electronically on that business day; and

(b) despite subsections (1) and (2), send electronically on the next business day a purchase order received after the time specified under paragraph (a).".

10. Subsection 9.4(1) is repealed and the following is substituted:

"(1) A principal distributor, a participating dealer, or a person or company providing services to the principal distributor or participating dealer shall forward any cash received for payment of the issue price of securities of a mutual fund to an order receipt office of the mutual fund so that the cash arrives at the order receipt office as soon as practicable and in any event no later than the third business day after the pricing date.".

11. Section 10.2 is amended

(a) by repealing subsections (1) and (2) and substituting the following:

"(1) Each redemption order for securities of a mutual fund received by a participating dealer at a location that is not its principal office shall, on the day the order is received, be sent by same day or next day courier, same day or next day priority post, telephone or electronic means, without charge to the relevant securityholder or to the mutual fund, to the principal office of the participating dealer or a person or company providing services to the participating dealer.

(2) Each redemption order for securities of a mutual fund received by a participating dealer at its principal office, by the principal distributor of the mutual fund at a location that is not an order receipt

office of the mutual fund, or a person or company providing services to the participating dealer or principal distributor shall, on the day the order is received, be sent by same day or next day courier, same day or next day priority post, telephone or electronic means, without charge to the relevant securityholder or to the mutual fund, to an order receipt office of the mutual fund."; and

(b) by repealing subsection (4) and substituting the following:

"(4) A participating dealer, a principal distributor, or a person or company providing services to the participating dealer or principal distributor, that sends redemption orders electronically may

(a) specify a time on a business day by which a redemption order must be received in order that it be sent electronically on that business day; and

(b) despite subsections (1) and (2), send electronically on the next business day a redemption order received after the time specified under paragraph (a).".

12. Section 11.3 is repealed and the following is substituted:

"11.3 Trust Accounts – A principal distributor or participating dealer, or a person or company providing services to the principal distributor or participating dealer, that deposits cash into a trust account in accordance with section 11.1 or 11.2 shall

(a) advise, in writing, the financial institution with which the account is opened at the time of the opening of the account and annually thereafter, that

(i) the account is established for the purpose of holding client funds in trust,

(ii) the account is to be labelled by the financial institution as a "trust account",

(iii) the account is not to be accessed by any person other than authorized representatives of the principal distributor or participating dealer or of a person or company providing services to the principal distributor or participating dealer, and

(iv) the cash in the trust account may not be used to cover shortfalls in any accounts of the principal distributor or participating dealer, or of a person or company providing services to the principal distributor or participating dealer,

(b) ensure that the trust account bears interest at rates equivalent to comparable accounts of the financial institution; and

(c) ensure that any charges against the trust account are not paid or reimbursed out of the trust account.".

13. Subsection 11.4(1) is repealed and the following is substituted:

"(1) Sections 11.1 and 11.2 do not apply to members of the Investment Dealers Association of Canada.".

14. Subsection 12.1(4) is repealed and the following is substituted:

"(4) Subsection (3) does not apply to members of the Investment Dealers Association of Canada.".

15. Section 13.1 is amended by adding the following after subsection (1):

"(1.1) A mutual fund that holds securities of other mutual funds must have dates for the calculation of net asset value that are compatible with those of the other mutual funds.".

16. The following is added after section 19.2:

"19.3 Revocation of exemptions

(1) A mutual fund that has obtained an exemption or waiver from, or approval under, National Policy Statement No. 39 or this Instrument before December 31, 2003, that relates to a mutual fund

investing in other mutual funds, may no longer rely on the exemption, waiver or approval as of December 31, 2004;

(2) In British Columbia, subsection (1) does not apply.”.

17. This Instrument comes into force on December 31, 2003.

COMPANION POLICY 81-102CP
MUTUAL FUNDS AMENDMENT INSTRUMENT

1. Companion Policy 81-102CP is amended by this Instrument.

2. Section 3.4 is amended by repealing subsection (1) and (2) and substituting the following:

   "(1) Paragraph 2.5(2)(c) of the Instrument provides that a mutual fund may not invest in another mutual fund unless the securities of both mutual funds are qualified for distribution in the local jurisdiction. This requirement does not however preclude an investment by a mutual fund in an unqualified class or series of another mutual fund, provided this class or series is referable to the same portfolio of assets of a class or series that is qualified in the local jurisdiction."

3. Section 6.3 is amended by adding the following at the end of subsection (3):

   "The CSA are of the view that the requirement of subsection 5.1(a) would not apply in instances where the change to the basis of the calculation is the result of separate individual agreements between the manager of the mutual fund and individual securityholders of the mutual fund, and the resulting increase in charges is payable directly or indirectly by those individual securityholders only.

4. Section 16.2 is amended by adding the following after subsection (2):

   "(3) The CSA are of the view that the new provisions of the Instrument relating to mutual funds investing in other mutual funds introduced on December 31, 2003 are not "substantially similar" to those of the Instrument which they replace."

5. Section 16.3 is amended by adding the following after subsection (1)

   "(2) For greater certainty, note that the coming into force of National Instrument 81-102 did not trigger the "sunset" of those waivers and orders. However, the coming into force of section 19.3 of the Instrument will effectively cause those waivers and orders to expire one year after its coming into force."

6. This amendment comes into force on December 31, 2003.

5.1.3 National Instrument 81-101 Mutual Fund Prospectus Disclosure, Form 81-101F1 Contents of Simplified Prospectus and Form 81-101F2 Contents of Annual Information Form Amendment Instrument

NATIONAL INSTRUMENT 81-101
MUTUAL FUND PROSPECTUS DISCLOSURE,
FORM 81-101F1 CONTENTS OF SIMPLIFIED PROSPECTUS
AND FORM 81-101F2 CONTENTS OF ANNUAL INFORMATION FORM
AMENDMENT INSTRUMENT

1. National Instrument 81-101 Mutual Fund Prospectus Disclosure is amended by this Instrument.

2. Form 81-101F1 Contents of Simplified Prospectus is amended

(a) by adding the following after subsection (4) of Item 5 of Part A:

"(4.1) If a mutual fund holds, in accordance with section 2.5 of National Instrument 81-102 Mutual Funds, securities of another mutual fund that is managed by the same manager or an affiliate or associate of the manager, disclose

(a) that the securities of the other mutual fund held by the mutual fund will not be voted; and

(b) if applicable, that the manager may arrange for the securities of the other mutual fund to be voted by the beneficial holders of the securities of the mutual fund.";

(b) by adding the following after subsection (1) of section 8.1 of Item 8 of Part A:

"(1.1) If the mutual fund holds securities of other mutual funds, disclose that with respect to securities of another mutual fund

(a) there are fees and expenses payable by the other mutual fund in addition to the fees and expenses payable by the mutual fund;

(b) no management fees or incentive fees are payable by the mutual fund that, to a reasonable person, would duplicate a fee payable by the other mutual fund for the same service;

(c) no sales fees or redemption fees are payable by the mutual fund in relation to its purchases or redemptions of the securities of the other mutual fund if the other mutual fund is managed by the manager or an affiliate or associate of the manager of the mutual fund; and

(d) no sales fees or redemption fees are payable by the mutual fund in relation to its purchases or redemptions of securities of the other mutual fund that, to a reasonable person, would duplicate a fee payable by an investor in the mutual fund.";

(c) by adding the following after subsection (4) of Item 4 of Part B:

"(4.1) If a mutual fund holds in accordance with section 2.5 of National Instrument 81-102 Mutual Funds securities of another mutual fund that is managed by the same manager or an affiliate or associate of the manager, disclose that

(a) the securities of the other mutual fund held by the mutual fund shall not be voted; and

(b) if applicable, that the manager may arrange for the securities of the other mutual fund to be voted by the beneficial holders of the securities of the mutual fund.";

(d) in Item 6 of Part B

(i) by repealing paragraphs (5) (c) and (d);

(ii) by repealing subsection (1) of the instructions and substituting the following:

"(1) State the type or types of securities, such as money market instruments, bonds, equity securities or securities of another mutual fund, in which the mutual fund will primarily invest under normal market conditions." ;

(e) in Item 7 of Part B

(i) by adding the following after subsection (1)(b) :

"(c) if the mutual fund may hold other mutual funds,

(i) whether the mutual fund intends to purchase securities of, or enter into specified derivative transactions for which the underlying interest is based on the securities of, other mutual funds;

(ii) whether or not the other mutual funds may be managed by the manager or an affiliate or associate of the manager of the mutual fund;

(iii) what percentage of net assets of the mutual fund is dedicated to the investment in the securities of, or the entering into of specified derivative transactions for which the underlying interest is based on the securities of, other mutual funds; and

(iv) the process or criteria used to select the other mutual funds."; and

(ii) by adding the following after subsection (8):

"(9) For an index mutual fund,

(a) for the 12 month period immediately preceding the date of the simplified prospectus,

(i) indicate whether one or more securities represented more than 10 percent of the permitted index or permitted indices;

(ii) identify that security or those securities; and

(iii) disclose the maximum percentage of the permitted index or permitted indices that the security or securities represented in the 12 month period," and

(b) disclose the maximum percentage of the permitted index or permitted indices that the security or securities referred to in paragraph (a) represented at the most recent date for which that information is available.";

(f) in Item 8 of Part B

(i) by designating the existing paragraph as subsection "(1)"; and

(ii) by adding the following subsections:

"(2) If a mutual fund holds substantially all of its assets directly or indirectly (through the use of specified derivatives) in securities of another mutual fund,

(a) list only the ten largest holdings of the other mutual fund by percentage of net assets of the other mutual fund, as disclosed as at a date within 30 days of the date of the simplified prospectus of the mutual fund;

(b) provide a statement to the effect that the information contained in the list may change due to the ongoing portfolio transactions of the other mutual fund; and

(c) state how more current information may be obtained by investors, if available.

(3) If the mutual fund holds securities of other mutual funds, a statement must be made to the effect that the simplified prospectus and other information about the other mutual funds are available on the internet at www.sedar.com.";

(g) by adding the following after subsection (1) of Item 9 of Part B:

"(1.1) If more than 10% of the securities of a mutual fund are held by a securityholder, including another mutual fund, the mutual fund must disclose

(a) the percentage of securities held by the securityholder as at a date within 30 days of the date of the simplified prospectus of the mutual fund, and

(b) the risks associated with a possible redemption requested by the securityholder.

(1.2) If the mutual fund may hold securities of a foreign mutual fund in accordance with subsection 2.5(3)(b) of National Instrument 81-102 Mutual Funds, disclose the risks associated with that investment."; and

(h) by adding the following after subsection (8) of section 13.1 of Item 13 of Part B:

"(9) If the mutual fund is the result of the reorganization with, or the acquisition of assets from, one or more mutual funds, include in the table only the financial information of the continuing mutual fund.".

3. Form 81-101F2 Contents of Annual Information Form is amended by adding the following after subsection (5) of Item 12:

"(6) If the mutual fund held securities of other mutual funds during the year, provide details on how the manager of the mutual fund exercised its discretion with regard to the voting rights attached to the securities of the other mutual funds when the securityholders of the other mutual funds were called upon to vote.".

4. This Instrument comes into force on December 31, 2003.

Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

Exempt Financings

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

REPORTS OF TRADES SUBMITTED ON FORM 45-501F1

Transaction Date	Purchaser	Security	Total Purchase Price ($)	Number of Securities
25-Jul-2003	4 Purchasers	01 Communique Laboratory Inc. - Common Shares	4,300,030.00	4,300,030.00
23-Sep-2003	John Simmons	Acuity Pooled Canadian Small Cap Fund - Trust Units	150,000.00	8,766.00
23-Sep-2003 to 26-Sep-2003	8 Purchasers	Acuity Pooled High Income Fund - Trust Units	504,101.00	30,630.00
16-Sep-2003 to 22-Sep-2003	5 Purchasers	Biogan International, Inc. - Special Warrants	46,840.00	1,116,400.00
23-Sep-2003	5 Purchasers	CastleRock Resources Inc. - Units	930,199.00	1,550,332.00
24-Sep-2003	6 Purchasers	Columbia Metals Corporation Limited - Units	65,000.00	650,000.00
18-Sep-2003	Mida Investments Ltd.	Comac Food Group Inc. - Common Shares	25,000.00	250,000.00
18-Sep-2003	10 Purchasers	Defiance Mining Corporation - Units	4,100,000.00	8,200,000.00
25-Jul-2003	4 Purchasers	Diversified balanced CSBIF (1) Fund Inc. - Common Shares	4,300,030.00	4,300,030.00
26-Sep-2003 to 30-Sep-2003	Granite 95 Holdings Inc. and 2JG Investments	DK Energy Fund Limited Partnership - Limited Partnership Units	1,000,000.00	20.00
23-Sep-2003	2030719 Ontario Ltd.	Dura Products International Inc. - Common Shares	1,700,000.00	687,452,492.00
26-Sep-2003	24 Purchasers	Euston Capital Corp. - Common Shares	103,200.00	34,400.00
25-Sep-2003	23 Purchasers	Fareport Capital Inc. - Special Warrants	975,960.00	8,133,000.00

02-Jan-2002 to 31-Mar-2003	10 Purchasers	FGP Balanced Fund - Units	11,462,955.00	504,292.00
02-Jan-2002 to 31-Mar-2003	5 Purchasers	FGP Bond Fund - Units	19,253,431.00	958,944.00
02-Jan-2003 to 31-Mar-2003	29 Purchasers	FGP Canadian Equity Fund - Units	25,395,901.00	513,563.00
02-Jan-2002 to 31-Mar-2003	9 Purchasers	FGP International Equity Fund - Units	2,720,317.00	147,510.00
02-Jan-2002 to 31-Mar-2003	14 Purchasers	FGP Private Balanced Fund - Units	1,447,556.00	60,171.00
02-Jan-2002 to 31-Mar-2003	16 Purchasers	FGP Private Bond Fund - Units	2,356,000.00	115,589.00
02-Jan-2002 to 31-Mar-2003	25 Purchasers	FGP Private Combined Equity Fund - Units	1,922,071.00	55,883.00
02-Jan-2002 to 31-Mar-2003	25 Purchasers	FGP Private Foreign Equity Fund - Units	24,776,276.00	594,916.00
02-Jan-2003 to 31-Mar-2003	62 Purchasers	FGP Short-Term Investment Fund - Units	22,748,229.00	163,004.00
02-Jan-2002 to 31-Mar-2003	8 Purchasers	FGP US Equity Fund - Units	19,367,914.00	671,007.00
19-Sep-2003	Epic Limited Partnership and Epic Limited Partnership II	Gibraltar Exploration Ltd. - Common Shares	200,000.00	40,000.00
19-Sep-2003 to 24-Sep-2003	3 Purchasers	IMAGIN Diagnostics, Inc. - Common Shares	8,000.00	8,000.00
12-Sep-2003	15 Purchasers	KREMEKO Inc. - Common Shares	1,881,564.00	356,357.00
26-Sep-2003	Patricia A. Beckman	Mavrix Fund Managment Inc. - Common Shares	95,000.00	47,500.00
26-Sep-2003	Sandra Baker	Microsource Online, Inc. - Common Shares	24,000.00	4,000.00

26-Sep-2003	Curt Gotthartsleitner	Microsource Online, Inc. - Common Shares	10,800.00	1,800.00
26-Sep-2003	Chris J. E. Lund	Microsource Online, Inc. - Common Shares	2,100.00	350.00
19-Sep-2003	Doyne & Gloria Harstone	O'Donnell Emerging Companies Fund - Units	25,000.00	3,214.00
24-Sep-2003	Milestone Medica Corporation	OncoGenex Technologies Inc. - Units	488,186.00	130,671.00
22-Sep-2003	75 Purchasers	OntZinc Corporation - Units	2,190,526.00	19,914,463.00
31-Aug-2003	Canadian Commercial Workers Industry Pension Plan	Performance Market Neutral Fund - Limited Partnership Units	1,000,000.00	677.00
25-Sep-2003	Ross Nelson and 3078337 Nova Scotia Company	Plazacorp Development I Limited Partnership - Limited Partnership Units	153,700.00	1,537.00
25-Sep-2003	7 Purchasers	Plazacorp Partners II Limited Partnership - Limited Partnership Units	650,000.00	6,500.00
19-Sep-2003	19 Purchasers	QGX Ltd. - Common Shares	3,240,000.00	1,350,000.00
29-Sep-2003	John A. Young and 1413200 Ontario Limited	Quorum Information Technologies Inc. - Common Shares	125,000.00	250,000.00
31-Aug-2003	Absolute Return Concepts Fund	RBC Asset Management - Units	530,614.00	3,527.00
26-Sep-2003	12 Purchasers	RNC Gold Inc. - Special Warrants	2,300,000.00	1,150,000.00
24-Sep-2003	5 Purchasers	SigmaTel, Inc. - Shares	465,577.00	23,000.00
23-Sep-2003	10 Purchasers	Thermal Energy International Inc. - Common Shares	130,024.00	866,833.00
08-Sep-2003	Brascan Opportunity Fund	TutorsEdge Inc. - Preferred Shares	1,000,000.00	1,000,000.00
15-Sep-2003	Sprott Asset Management Inc.	Tyhee Development Corp. - Units	54,450.00	99,000.00
17-Sep-2003	6138241 Canada Inc.	Unique Broadband Systems, Inc. - Common Shares	1,955,000.00	8,500,000.00
22-Sep-2003	8 Purchasers	VW Credit Canada, Inc. - Notes	141,943,200.00	8.00
18-Sep-2003	EdgeStone Capital Venture Fund Nominee;Inc.	Workbrain Corporation - Warrants	328,900.00	524,167.00
22-Sep-2003	18 Purchasers	World Heart Corporation - Units	28,735,100.00	33,806,000.00
30-Sep-2003	27 Purchasers	Xillix Technologies Corp. - Common Shares	7,851,427.00	13,085,713.00

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

Seller	Security	Number of Securities
Chengfeng Zhou	China Ventures Inc. - Shares	7,874,000.00
Kalimantan Investment Corporation	Kalimantan Gold Corporation Limited - Common Shares	2,160,708.00
Andrew J. Malion	Spectra Inc. - Common Shares	275,000.00
Stanley Mourin	Western Troy Capital Resources Inc. - Common Shares	190,000.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Acclaim Energy Trust
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated October 6, 2003
Mutual Reliance Review System Receipt dated October 6, 2003
Offering Price and Description:
$40,700,000
3,700,000 Trust Units
Price: $11.00 per Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
National Bank Financial Inc.
FirstEnergy Capital Corp.
Promoter(s):
-
Project #578775

Issuer Name:
Capital International - Global Equity
Capital International - Global Discovery
Capital International - Global Small Cap
Capital International - U.S. Equity
Capital International - International Equity
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated September 29, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
Class H Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Capital International Asset Management (Canada), Inc.
Project #577324

Issuer Name:
Chartwell Seniors Housing Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated October 2, 2003
Mutual Reliance Review System Receipt dated October 2, 2003
Offering Price and Description:
$ * - * Units
Price: $10.00 per Unit
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Promoter(s):
Chartwell Care Corporation
Project #578008

Issuer Name:
Cineplex Galaxy Income Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated October 2, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
$ * - * Units
Price: $10.00 per Unit
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Scotia Capital Inc.
Promoter(s):
Cineplex Odeon Corporation
Project #578293

Issuer Name:
CNH Capital Canada Receivables Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Shelf Prospectus dated October 3, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
Up to $1,000,000,000 of Receivable-Backed Notes
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #578370

Issuer Name:
COM DEV International Ltd.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated October 3, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
$20,000,001 - 9,523,810 Common Shares
Price: $2.10 per Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
Promoter(s):
-
Project #578433

Issuer Name:
Creststreet 2003 (II) Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated October 1, 2003
Mutual Reliance Review System Receipt dated October 2, 2003
Offering Price and Description:
$25,000,000 (Maximum Offering)
$5,000,000 (Minimum Offering)
A maximum of 2,500,000 and a minimum of 500,000 Limited Partnership Units
Price: $10.00 per Unit
Minimum Purchase: 250 Units
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
TD Securities Inc.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Canaccord Capital Corporation
Raymond James Ltd.
Wellington West Capital Inc.
Promoter(s):
Creststreet 2003 (II) Management Limited
Creststreet Asset Management Limited
Project #578049

Issuer Name:
Diplomat Balanced Portfolio
Diplomat Growth Portfolio
Diplomat Maximum Growth Portfolio
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated October 1, 2003
Mutual Reliance Review System Receipt dated October 2, 2003
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Opus 2 Financial Inc.
Project #577917

Issuer Name:
First Calgary Petroleums Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated October 3, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
Up to $140,000,000
Up to 35,000,000 Common Shares
Price: $4.00 per Common Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Octagon Capital Corporation
Promoter(s):
-
Project #578481

Issuer Name:
ID Biomedical Corporation
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated September 23, 2003
Mutual Reliance Review System Receipt dated September 23, 2003
Offering Price and Description:
US$
5,000,000 Common Shares
Price: $ per Common Share
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Canaccord Capital Corporation
RBC Dominion Securities Inc.
Promoter(s):
-
Project #575794

Issuer Name:
Look Communications Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Prospectus dated October 1, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
Rights to Subscribe for $ * Principal Amount of * % Secured Convertible Debentures
Price : $1,000 per Convertible Debentures
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #578205

Issuer Name:
MRF 2003 II Resource Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated October 3, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
$40,000,000 (maximum)
(maximum - 1,600,000 Units)
$5,000,000 (minimum)
(minimum - 200,000 Units)
Price : $25.00 per Unit
Minimum Subscription $2,500.00
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Canaccord Capital Corporation
Dundee Securities Corporation
First Associates Investments Inc.
Haywood Securities Inc.
Wellington West Capital Inc.
Desjardins Securities Inc.
Griffiths McBurney & Partners
Middlefield Securities Limited
Research Capital Corporation
Promoter(s):
MRF 2003 II Resource Management Limited
Middlefield Group Limited
Project #578438

Issuer Name:
National Bank Monthly Income Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Simplified Prospectus dated September 30, 2003
Mutual Reliance Review System Receipt dated October 2, 2003
Offering Price and Description:
Advisor Series
Underwriter(s) or Distributor(s):
National Bank Securities Inc.
Promoter(s):
National Bank Securities Inc.
Project #577869

Issuer Name:
Newalta Income Fund
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated October 2, 2003
Mutual Reliance Review System Receipt dated October 2, 2003
Offering Price and Description:
$45,600,000
3,800,000 Trust Units
Price: $12.00 per Trust Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Sprott Securities Inc.
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #578258

Issuer Name:
Scotia Canadian Corporate Bond Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated October 1, 2003
Mutual Reliance Review System Receipt dated October 6, 2003
Offering Price and Description:
Scotia Private Client units
Underwriter(s) or Distributor(s):
Scotia Securities Inc.
Promoter(s):
The Bank of Nova Scotia
Project #578501

Issuer Name:
Shoppers Drug Mart Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Shelf Prospectus dated October 1, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
$500,000,000
Medium Term Notes
(unsecured)
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Scotia Capital Inc.
RBC Dominion Securities Inc.
Merrill Lynch Canada Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
Promoter(s):
-
Project #577692

Issuer Name:
The Thomson Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Shelf Prospectus dated September 30, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
US$2,000,000,000
Debt Securities
(unsecured)
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #577465

Issuer Name:
TriOil Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated October 2, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
Minimum: $ *
(Common Shares, * Flow-Through Shares or any combination thereof)
Maximum: $ *
(Common Shares, * Flow-Through Shares, or any combination thereof)
Price: $ * per Common Share and $ * per Flow-Through Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
Joseph M. Dutton
Robert M. Libin
Project #578342

Issuer Name:
Alto Aggressive Registered Portfolio
Alto Aggressive Portfolio
Alto Moderate Aggressive Registered Portfolio
Alto Moderate Aggressive Portfolio
Alto Moderate Portfolio
Alto Moderate Conservative Portfolio
Alto Conservative Portfolio
Principal Regulator - Manitoba
Type and Date:
Final Simplified Prospectuses and Annual Information Forms dated October 1, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
Investors Group Financial Services Inc.
Investors Group Financial Services
Promoter(s):
Investors Group Financial Services Inc.
Project #554135

Issuer Name:
Bolivar Gold Corp.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated September 26, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
$53,333,000.10.00 - 39,505,926 UNITS (each consisting of one common share and one-half of one warrant) To be Issued upon the exercise of 39,505,926 Special Warrants
Underwriter(s) or Distributor(s):
Griffiths McBurney & Partners
BMO Nesbitt Burns Inc.
Orion Securities Inc.
Sprott Securities Inc.
Canaccord Capital Corporation
McFarlane Gordon Inc.
Promoter(s):
-
Project #567481

Issuer Name:
Calpine Natural Gas Trust
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated October 3, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
$184,542,000
Price: 18,454,200 Trust Units
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Nationa Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
First Energy Capital Corporation
Promoter(s):
Calpine Corporation
Project #567718

Issuer Name:
CIBC Managed Income Portfolio
CIBC Managed Income Plus Portfolio
CIBC Managed Balanced Portfolio
CIBC Managed Balanced Growth Portfolio
CIBC Managed Balanced Growth RRSP Portfolio
CIBC Managed Growth Portfolio
CIBC Managed Growth RRSP Portfolio
CIBC Managed Aggressive Growth Portfolio
CIBC Managed Aggressive Growth RRSP Portfolio
CIBC U.S. Dollar Managed Income Portfolio
CIBC U.S. Dollar Managed Balanced Portfolio
CIBC U.S. Dollar Managed Growth Portfolio
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses and Annual Information Forms dated October 3, 2003
Mutual Reliance Review System Receipt dated October 6, 2003
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
CIBC Securities Inc.
Promoter(s):
Canadian Imperial Bank of Commerce
Project #554388

Issuer Name:
Clarington Canadian Core Portfolio
Clarington U.S. Core Portfolio
Clarington Global Core Portfolio
Clarington Canadian Bond Fund
Clarington Money Market Fund
Clarington Short-Term Income Class
Clarington Canadian Dividend Fund
Clarington Canadian Income Fund
Clarington Canadian Income Fund II
Clarington Diversified Income Fund
Clarington Global Income Fund
Clarington Canadian Balanced Fund
Clarington Canadian Equity Fund
Clarington Canadian Equity Class
Clarington Canadian Growth Fund
Clarington Canadian Small Cap Fund
Clarington Canadian Value Fund
Clarington Navellier U.S. All Cap Fund
Clarington Navellier U.S. All Cap Class
Clarington U.S. Growth Fund
Clarington U.S. Value Class
Clarington U.S. Smaller Company Growth Fund
Clarington Asia Pacific Fund
Clarington Global Equity Fund
Clarington Global Equity Class
Clarington Global Small Cap Fund
Clarington Global Value Class
Clarington International Equity Fund
Clarington Global Communications Fund
Clarington Global Health Sciences Class -
Clarington RSP Global Communications Fund
Clarington RSP Global Equity Fund
Clarington RSP Global Income Fund
Clarington RSP Navellier U.S. All Cap Fund
Principal Regulator - Ontario
Type and Date:
Amended and Restated Annual Information Forms dated September 25, 2003, amending and restating the Annual Information Forms dated July 23, 2003
Mutual Reliance Review System Receipt dated October 2, 2003
Offering Price and Description:
Series A and Series B Units and Class of Shares of Clarington Sector Fund Inc.
Underwriter(s) or Distributor(s):
Clarington Funds Inc.
Promoter(s):
Clarington Funds Inc.
Project #553091

Issuer Name:
Credential Balanced Portfolio
Credential Growth Portfolio
Credential Equity Portfolio
Principal Regulator - British Columbia
Type and Date:
Amendment #1 dated September 30, 2003 to Simplified Prospectuses and Annual Information Forms dated June 27, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
Credential Asset Management Inc.
Promoter(s):
Ethical Funds Inc.
Project #546730

Issuer Name:
CryoCath Technologies Inc.
Principal Regulator - Quebec
Type and Date:
Final Short Form Prospectus dated October 1, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
$25,200,000.00 - 4,500,000 Common Shares @$ 5.60 per Common Share
Underwriter(s) or Distributor(s):
Orion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Dloughy Merchant Group Inc.
Promoter(s):
-
Project #576016

Issuer Name:
EnerVest Diversified Income Trust
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated September 30, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
$25,000,000 Minimum (3,833,491 Units)
$2000,000,000 Maximum (30,667,932 Units
Exchange Offer
Underwriter(s) or Distributor(s):
Griffiths McBurney & Partners
TD Securities
Promoter(s):
Enervest Diversified Management Inc.
Project #569797

Issuer Name:
Ethical Global Bond Fund
Ethical Canadian Dividend Fund
Ethical Canadian Equity Fund
Ethical International Equity Fund
Ethical Pacific Rim Fund
Principal Regulator - British Columbia
Type and Date:
Amendment #1 dated September 30, 2003 to Simplified Prospectuses and Annual Information Forms dated July 4, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
Credential Asset Management Inc.
Promoter(s):
Ethical Funds Inc.
Project #545093

Issuer Name:
Evolved Digital Systems Inc.
Principal Regulator - Quebec
Type and Date:
Final Prospectus dated October 2, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
82,640,000 Common Shares (prior to the 1 for 8 consolidation)
Price: 10,330,000 Common Shares at $1.84/Share = $19,007,200
Underwriter(s) or Distributor(s):
Orion Securities Inc.
National Bank Financial Inc.
Desjardins Securities Inc.
Promoter(s):
-
Project #566221

Issuer Name:
Gaz Metropolitain and Company, Limited Partnership
Principal Regulator - Quebec
Type and Date:
Final Short Form Prospectus dated September 22, 2003
Mutual Reliance Review System Receipt dated September 22, 2003
Offering Price and Description:
$70,035,000.00 - 3,450,000 Units @$20.30
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
Scoita Capital Inc.
Desjardins Securities Inc.
Promoter(s):
-
Project #573903

Issuer Name:
Golden Credit Card Trust
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated October 2, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
$950,000,000 4.159% credit Card Receivables - Backed Senior Notes, Series 2003-1 Expected Payment Date of October 15, 2008 &
$50,000,000 5.069% credit Card Receivables - Backed Subordinated Notes, Series 2003-1 Expected Payment Date of October 15, 2008
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
TD Securities Inc.
Merrill Lynch Canada Inc.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Desjardins Securities Inc.
Laurentian Bank Securities Inc.
Promoter(s):
-
Project #576194

Issuer Name:
ID Biomedical Corporation
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated October 1, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
US$ *.*8 - 5,000,000 Common Shares @$*.** per Common Share
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Canaccord Capital Corporation
RBC Dominion Securities Inc.
Promoter(s):
-
Project #575794

Issuer Name:
Jones Collombin Balanced Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus and Annual Information Form dated September 30, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Jones Collumbin Investment Counsel Inc.
Project #560230

Issuer Name:
Movie Distribution Income Fund
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated October 2, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
$155,614,370 Units
Price: 15,561,437 Units @ $10/Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
Dundee Securities Corporation
Westwind Partners Inc.
Promoter(s):
Alliance Atlantis Communications Inc.
Project #570714

Issuer Name:
Northern Property Real Estate Investment Trust
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated October 6, 2003
Mutual Reliance Review System Receipt dated October 7, 2003
Offering Price and Description:
$25,045,500 - 1,770,000 Units @ $14.15 per Unit
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
National Bank Financial Inc.
Promoter(s):
Urbco Inc.
Project #577210

Issuer Name:
Oncolytics Biotech Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated October 2, 2003
Mutual Reliance Review System Receipt dated October 6, 2003
Offering Price and Description:
$6,000,000
Price: 1,200,000 Units @ $5/Unit
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Promoter(s):
-
Project #576439

Issuer Name:
Purcell Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated September 22, 2003
Mutual Reliance Review System Receipt dated September 23, 2003
Offering Price and Description:
$20,041,000 .00 - 8,180,000 COMMON SHARES AND 8,180,000 WARRANTS ISSUABLE UPON EXERCISE OF 8,180,000 SUBSCRIPTION RECEIPTS
Underwriter(s) or Distributor(s):
Salman Partners Inc.
Promoter(s):
-
Project #572395

Issuer Name:
Pursuit Canadian Bond Fund
Pursuit Canadian Equity Fund
Pursuit Money Market Fund
Pursuit Global Bond Fund
Pursuit Global Equity Fund
Pursuit Growth Fund
Type and Date:
Amendment #1 dated September 29, 2003 to Simplified Prospectuses and Annual Information Forms dated January 21, 2003
Receipt dated October 6, 2003
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
Pursuit Financial Management Corporation
Pursuit Financial Services Corp.
Promoter(s):
Pursuit Financial Management Corporation
Project #501199

Issuer Name:
ShawCor Ltd.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated October 1, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
$80,080,000 5,600,000 Class A Subordinate Voting Shares
Price: $14.30 per Class A Subordinate Voting Share
Underwriter(s) or Distributor(s):
TD Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Sprott Securities Inc.
Griffiths McBurney & Partners
Promoter(s):
-
Project #575984

Issuer Name:
TD Managed Income Portfolio
TD Managed Income & Moderate Growth Portfolio
TD Managed Balanced Growth Portfolio
TD Managed Aggressive Growth Portfolio
TD Managed Maximum Equity Growth Portfolio
TD Managed Income RSP Portfolio
TD Managed Income & Moderate Growth RSP Portfolio
TD Managed Balanced Growth RSP Portfolio
TD Managed Aggressive Growth RSP Portfolio
TD Managed Maximum Equity Growth RSP Portfolio
TD FundSmart Managed Income Portfolio
TD FundSmart Managed Income & Moderate Growth Portfolio
TD FundSmart Managed Balanced Growth Portfolio
TD FundSmart Managed Aggressive Growth Portfolio
TD FundSmart Managed Maximum Equity Growth Portfolio
TD FundSmart Managed Income RSP Portfolio
TD FundSmart Managed Income & Moderate Growth RSP Portfolio
TD FundSmart Managed Balanced Growth RSP Portfolio
TD FundSmart Managed Aggressive Growth RSP Portfolio
TD FundSmart Managed Maximum Equity Growth RSP Portfolio
TD Managed Index Income Portfolio
TD Managed Index Income & Moderate Growth Portfolio
TD Managed Index Balanced Growth Portfolio
TD Managed Index Aggressive Growth Portfolio
TD Managed Index Maximum Equity Growth Portfolio
TD Managed Index Income RSP Portfolio
TD Managed Index Income & Moderate Growth RSP Portfolio
TD Managed Index Balanced Growth RSP Portfolio
TD Managed Index Aggressive Growth RSP Portfolio
TD Managed Index Maximum Equity Growth RSP Portfolio
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus and Annual Information Form dated October 6, 2003
Mutual Reliance Review System Receipt dated October 6, 2003
Offering Price and Description:
Investor Series and e-Series Units and Investor Series Units
Underwriter(s) or Distributor(s):
TD Asset Management Inc.
TD Investment Services Inc.
Promoter(s):
TD Asset Management Inc.
Project #559546

Issuer Name:
TD Managed Income & Moderate Growth RSP Portfolio
TD Managed Balanced Growth RSP Portfolio
TD Managed Aggressive Growth Portfolio
TD Managed Aggressive Growth RSP Portfolio
TD Managed Maximum Equity Growth Portfolio
TD Managed Maximum Equity Growth RSP Portfolio
TD FundSmart Managed Income & Moderate Growth RSP Portfolio
TD FundSmart Managed Balanced Growth RSP Portfolio
TD FundSmart Managed Aggressive Growth Portfolio
TD FundSmart Managed Aggressive Growth RSP Portfolio
TD FundSmart Managed Maximum Equity Growth Portfolio
TD FundSmart Managed Maximum Equity Growth RSP Portfolio
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses and Annual Information Forms dated October 6, 2003
Mutual Reliance Review System Receipt dated October 6, 2003
Offering Price and Description:
Advisor Series Units
Underwriter(s) or Distributor(s):
TD Investment Services Inc.
TD Asset Management Inc.
Promoter(s):
TD Asset Management Inc.
Project #559523

Issuer Name:
TD Canadian T-Bill Fund
TD Canadian Money Market Fund
TD Premium Money Market Fund
TD U.S. Money Market Fund
TD Short Term Bond Fund
TD Mortgage Fund
TD Canadian Bond Fund
TD Real Return Bond Fund
TD Global RSP Bond Fund
TD High Yield Income Fund
TD Income Advantage Portfolio
TD Monthly Income Fund
TD Balanced Fund
TD Balanced Income Fund
TD Balanced Growth Fund
TD Global Asset Allocation Fund
TD Dividend Income Fund
TD Dividend Growth Fund
TD Canadian Blue Chip Equity Fund
TD Canadian Equity Fund
TD Canadian Value Fund
TD Canadian Small-Cap Equity Fund
TD U.S. Blue Chip Equity Fund
TD U.S. Blue Chip Equity RSP Fund
TD U.S. Equity Fund
TD AmeriGrowth RSP Fund
TD U.S. Large-Cap Value Fund
TD U.S. Mid-Cap Growth Fund
TD U.S. Small-Cap Equity Fund
TD Global Select Fund
TD Global Select RSP Fund
TD International Equity Fund
TD International Growth Fund
TD European Growth Fund
TD European Growth RSP Fund
TD Japanese Growth Fund
TD Asian Growth Fund
TD AsiaGrowth RSP Fund
TD Emerging Markets Fund
TD Emerging Markets RSP Fund
TD Latin American Growth Fund
TD Resource Fund
TD Energy Fund
TD Precious Metals Fund
TD Entertainment & Communications Fund
TD Entertainment & Communications RSP Fund
TD Science & Technology Fund
TD Science & Technology RSP Fund
TD Health Sciences Fund
TD Health Sciences RSP Fund
TD Canadian Government Bond Index Fund
TD Canadian Bond Index Fund
TD Balanced Index Fund
TD Canadian Index Fund
TD Dow Jones Industrial Average Index Fund
TD U.S. Index Fund
TD U.S. RSP Index Fund
TD Nasdaq RSP Index Fund
TD International Index Fund
TD International RSP Index Fund
TD European Index Fund
TD Japanese Index Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses and Annual Information Forms dated October 2, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
Investor Series Units, e-Series Units and Institutional Series Units
Underwriter(s) or Distributor(s):
TD Investment Services Inc.
Promoter(s):
-
Project #564959

Issuer Name:
Textron Financial Canada Funding Corp.
Principal Regulator -
Type and Date:
Final MJDS Prospectus dated September 26, 2003
Mutual Reliance Review System Receipt dated September 29, 2003
Offering Price and Description:
US$4,000,000,000 Guaranteed Debt Securities
Underwriter(s) or Distributor(s):
Promoter(s):
-
Project #571562

Issuer Name:
Trimark Government Income Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated September 25, 2003 to Simplified Prospectus and Annual Information Form dated August 15, 2003
Mutual Reliance Review System Receipt dated October 1, 2003
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
AIM Funds Management Inc.
AIM Funds Group Canada Inc.
Promoter(s):
AIM Funds Management Inc.
Project #555579

Issuer Name:
VSM MedTech Ltd.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated October 3, 2003
Mutual Reliance Review System Receipt dated October 3, 2003
Offering Price and Description:
4,700,000 Common Shares
Price: $30,550,000 = 4,700,000 @ $6.50/Common Share
Underwriter(s) or Distributor(s):
Clarus Securities Inc.
First Associates Investments Inc.
Orion Securities Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #576564

Issuer Name:
Energy Conversion Technologies Inc.
Type and Date:
Rights Offering dated September 24, 2003
Accepted September 25, 2003
Offering Price and Description:
Underwriter(s) or Distributor(s):
Promoter(s):
-
Project #567819

Issuer Name:
The Gabelli Utility Trust
Type and Date:
Rights Offering dated August 20, 2003
Accepted on September 25, 2003
Offering Price and Description:
Underwriter(s) or Distributor(s):
Promoter(s):
-
Project #P30626

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Downing Street Financial Corp. Attention: Dimitrios Neilas 425 Bloor Street East Suite 100 Toronto ON M4W 3R5	Limited Market Dealer	Oct 02/03
New Registration (Amended)	Blair Franklin Capital Partners Inc. Attention: Gordon Cheesbrough 26 Wellington Street East Suite 610 Toronto ON M5E 1S2	Limited Market Dealer Investment Counsel & Portfolio Manager	Sep 26/03
New Registration	Hanbury Management Ltd. Attention: Zareer Sam Ruttonsha 4 Armour Blvd. Toronto ON M5M 3C1	Limited Market Dealer	Oct 08/03

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 CNQ Notice - Repeal of Policy 10

CNQ Notice 2003-004
September 4, 2003

CANADIAN TRADING AND QUOTATION SYSTEM INC.
REPEAL OF POLICY 10

On August 28, 2003, the Board of Directors of Canadian Trading and Quotation System Inc. ("CNQ") approved repealing CNQ Policy 10 to be effective immediately. The fee schedule contained in the Policy remains in effect until further notice.

Policy 10 contains the fees charged to issuers and dealers for quotation and trading on the CNQ System. Because it is a policy, under the order recognizing CNQ as a quotation and trade reporting system (the "Recognition Order"), the prior approval of the Ontario Securities Commission must be obtained for any change, even a fee reduction, after public notice and comment unless CNQ can demonstrate an urgent need to implement a rule immediately. If implemented immediately, the Commission may still disapprove the rule.

The rule review process hinders the ability of CNQ to react quickly to competitive developments, and requires the OSC to approve a market's fee changes, which it has not done since fixed commissions were abolished. Indeed, one of the reasons the Commission ordered the unfixing of Commissions was that it did not believe it was appropriate for it to act as a rate review board and believed that it was preferable to let competitive forces determine fees.

CNQ must have the ability to adjust its fees immediately on an ongoing basis or risk losing issuers and dealers to competing markets, which are not subject to a fee approval requirement. Because of the urgent need for such responsiveness in its start-up phase, the Board has determined to implement the repeal effective immediately.

CNQ will continue to be governed by the provisions of its recognition order that any an all fees be equitably allocated, and not be a barrier to access, balanced with the criteria that CNQ must have sufficient revenues to fulfill its regulatory responsibilities. CNQ is also required to set fees in a fair, appropriate and transparent manner. CNQ will continue to publicly post its fee schedule and to give prior notice of any fee increases. CNQ reserves the right to implement fee reductions immediately.

Questions may be referred to:

Timothy Baikie
General Counsel & Secretary
Canadian Trading and Quotation Systems Inc.
416-572-2000

APPENDIX "A"

Be it resolved that:

1. Policy 10 is hereby repealed.

Passed and enacted this 28th day of August, 2003 to become effective immediately.

"Ian Bandeen"
Chairman

"Timothy Baikie"
Secretary

13.1.2 MFDA Notice – Housekeeping Amendment to MFDA Rule 1.1.7(d) (Business Names, Styles, Etc.)

MFDA NOTICE – HOUSEKEEPING AMENDMENT TO MFDA RULE 1.1.7(d) (BUSINESS NAMES, STYLES, ETC.)

Current Rule

Rule 1.1.7(d) currently prohibits a Member or Approved Person from using any business or trade or style name that is used by any other Member unless the relationship with such other Member is that of an introducing or carrying dealer in compliance with Rule 1.1.6.

Reason for Amendment

The proposed amendment is intended to clarify that Approved Persons of a Member are only permitted to use the business, trade or style name of the Member with which they are associated and may not use the trade name of any other Member.

Description of Amendment

The amendment will add the words "of such Member" after the reference to Approved Person in Rule 1.1.7(d). The amendment is housekeeping is nature in that it clarifies the application of the existing Rule.

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

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MFDA Rule 1.1.7(d) (Business Names, Styles, Etc.)

On June 13, 2003, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to Rule 1.1.7(d):

1.1.7 Business Names, Styles, Etc.

(d) No Member or Approved Person <u>of such Member</u> shall use any business or trade or style name that is used by any other Member, unless the relationship with such other Member is that of an introducing dealer and carrying dealer, in compliance with Rule 1.1.6.

13.1.3 MFDA Notice – Housekeeping Amendment to MFDA Rule 3.4.2(b)(vi) – Early Warning

MFDA NOTICE – HOUSEKEEPING AMENDMENT TO MFDA RULE 3.4.2(b)(vi) – EARLY WARNING

Current Rule

Rule 3.4.2(b)(vi) currently provides that as soon as practicable after the Member is designated as being in an early warning category, the Corporation shall conduct an on-site review of the Member's procedures for monitoring capital on a daily basis and prepare a report as to the results of the review.

Reason for Amendment

There may be circumstances where a Member triggers early warning for a minor or temporary issue. In these types of situations, it may not be necessary for MFDA staff to conduct an on-site review. The matter may be resolved through discussions between the Member and MFDA staff or by requests for additional information or documentation.

Description of Amendment

The amendment will allow MFDA staff to exercise discretion where early warning is triggered for a minor issue and can be cleared up without the need for an on-site review. The reference in Rule 3.4.2(b)(vi) to "as soon as practicable" will be replaced with the words " the Corporation may conduct an on-site review". The amendment is housekeeping is nature in that it involves a change to an internal procedure or administrative practice of the MFDA.

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

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MFDA Rule 3.4.2(b)(vi) (Early Warning)

On June 13, 2003, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to Rule 3.4.2(b)(vi):

(vi) ~~as soon as practicable~~ after the Member is designated as being in an early warning category, the Corporation ~~shall~~ may conduct an on-site review of the Member's procedures for monitoring capital on a daily basis and prepare a report as to the results of the review, or…..

13.1.4 MFDA Notice – Housekeeping Amendment to MFDA Rule 1.1.6(a) (Introducing/Carrying Arrangement)

MFDA NOTICE – HOUSEKEEPING AMENDMENT TO MFDA RULE 1.1.6(a) (INTRODUCING/CARRYING ARRANGEMENT)

Current Rule

Rule 1.1.6(a)(iv) currently requires Members to enter into a written agreement "in a form prescribed by the Corporation" evidencing an introducing/carrying arrangement.

Reason for Amendment

Unlike the Investment Dealers Association, the MFDA does not prescribe a standard form agreement for Introducing/Carrying Dealer Arrangements. All Introducing/Carrying Agreements must be individually approved by the MFDA (Rule 1.1.6(a)(v)).

Description of Amendment

The amendment will remove the wording "in a form prescribed by the Corporation" from Rule 1.1.6(a)(iv). The amendment is housekeeping is nature in that it will ensure consistency with the existing approved Rule.

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

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MFDA Rule 1.1.6(a)(iv) (Introducing/Carrying Arrangements)

On June 13, 2003, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to Rule 1.1.6(a):

1.1.6 Introducing and Carrying Arrangement

(a) Permitted Arrangements. A Member may enter into an arrangement with another Member pursuant to which the accounts of one Member (the "introducing dealer") are carried by the other Member (the "carrying dealer") provided that:

(i) the arrangement shall satisfy the requirements of a carrying arrangement described in Rule 1.1.6(b);

(ii) an introducing dealer shall not introduce accounts to any person who is not a Member;

(iii) an introducing dealer may not introduce accounts to more than one Member, except that a

Level 2, 3 or 4 Member may introduce to another Member accounts of clients which are self-directed plans registered for income tax purposes;

(iv) the Members shall enter into a written agreement ~~in a form prescribed by the Corporation~~ evidencing the arrangement and reflecting the requirements of Rule 1.1.6(b) and such other matters as may be required by the Corporation;

(v) the arrangement (including the form of agreement referred to in Rule 1.1.6(b)) and any amendment to or termination of the arrangement or agreement, shall have been approved by the Corporation before it is to become effective; and

(vi) the arrangement shall be in compliance with the By-laws and Rules and the securities legislation applicable to either of the Members.

Chapter 25

Other Information

25.1 Consents

25.1.1 407 International Inc. - ss. 4(b) of Reg. 289 of the OCBA

Headnote

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

Statutes Cited

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

Regulations Cited

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

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

AND

IN THE MATTER OF
407 INTERNATIONAL INC.

CONSENT
(Subsection 4(b) of the Regulation)

UPON the application of 407 International Inc. ("**407**") to the Ontario Securities Commission (the "**Commission**") requesting a consent from the Commission for 407 to continue in another jurisdiction pursuant to subsection 4(b) of the Regulation;

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

AND UPON 407 having represented to the Commission that:

1. 407 is proposing to submit an application to the Director under the *Business Corporations Act* (Ontario) (the "**OBCA**") pursuant to section 181 of the OBCA (the "**Application for Continuance**") for authorization to continue as a corporation under the *Canada Business Corporations Act* (the "**CBCA**").

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

3. 407 was incorporated under the provisions of the OBCA on March 17, 1999. The head office of 407 is located at 6300 Steeles Avenue West, Woodbridge, Ontario.

4. The authorized share capital of 407 is owned by two security holders and is comprised of an unlimited number of common shares, of which 650,000,003 are issued and outstanding as of the date hereof.

5. 407 has issued by way of prospectus offering 6.40% Subordinated Bonds (Series 01-C1), 4.50% Subordinated Bonds (Series 01-C2), 5.29% Senior Bonds (Series 00-A2), 6.90% Senior Bonds (Series 00-A3) exchangeable for 6.90% Senior Bonds (Series 00-A4), 7.00% Junior Bonds (Series 00-B1) maturing July 26, 2010, extendible to July 26, 2040 at an increased rate of 7.125%, 9.00% Subordinated Bonds (Series 00-C1), 6.05% Senior Bonds (Series 99-A1), 6.47% Senior Bonds (Series 99-A2), 6.75% Senior Bonds (Series 99-A3) and 6.55% Senior Bonds (Series 99-A8) (collectively, the "**Bonds**").

6. In connection with the issuance of the Bonds, 407 is an offering corporation under the OBCA and is a reporting issuer under the *Securities Act*, R.S.O. 1990, c. S. 5, as amended (the "**Act**"). 407 is also a reporting issuer under the securities legislation of each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. 407 intends to remain a reporting issuer in Ontario and in the other jurisdictions where it is currently a reporting issuer.

7. 407 is not in default under any provision of the Act or the regulations of the Act, nor under the securities legislation of any other jurisdiction where it is a reporting issuer.

8. 407 is not a party to any proceeding nor, to the best of its knowledge, information and belief, any pending proceeding under the Act.

9. The Application for Continuance of 407 has been approved by the shareholders of 407, by a resolution in writing signed by all shareholders dated September 25, 2003 (the "**Resolution**").

10. Pursuant to section 185 of the OBCA, all shareholders entitled to vote on the Resolution were entitled to dissent rights with respect to the Application for Continuance.

11. The Application for Continuance is proposed to be made as it is in the best interests of 407 that it conduct its affairs in accordance with the CBCA.

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

THE COMMISSION HEREBY CONSENTS to the continuance of 407 as a corporation under the CBCA.

October 3, 2003.

"Robert L. Shirriff" "Robert W. Korthals"

25.2 Approvals

25.2.1 Heathbridge Graham Inc. - cl. 213(3)(b) of the LTCA

Headnote

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

Statutes Cited

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

October 7, 2003

Osler, Hoksin & Harcourt LLP

Dear Linda G. Currie:

Re: Heathbridge Graham Inc. ("Heathbridge") Application pursuant to clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario) to act as trustee of mutual funds to be established by Heathbridge from time to time and offered pursuant to prospectus exemptions (the "Pooled Funds"). Application No. 645/03

Further to your letter dated September 15, 2003 (the "Application") filed on behalf of Heathbridge, 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 Heathbridge may act as trustee of the Pooled Funds which Heathbridge manages.

"Robert W. Korthals" "H. Lorne Morphy"

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