

The Ontario Securities Commission

OSC Bulletin

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

The Ontario Securities Commission

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

MAY 5, 2006

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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Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

SCHEDULED OSC HEARINGS

May 11, 2006	11:00 a.m.	Limelight Entertainment Inc., Carlos A. Da Silva, David C. Campbell and Jacob Moore
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s. 127

D. Ferris in attendance for Staff

Panel: PMM/ST

May 23, 2006	10:00 a.m.	Momentas Corporation et al
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s.127 and 127.1

P. Foy in attendance for Staff

Panel: WSW/RWD/CSP

May 24, 2006	9:00 a.m.	Momentas Corporation et al
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s.127 and 127.1

P. Foy in attendance for Staff

Panel: WSW/RWD/CSP

May 25, 2006	10:00 a.m.	Momentas Corporation et al
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s.127 and 127.1

P. Foy in attendance for Staff

Panel: WSW/RWD/CSP

May 26, 2006	10:00 a.m.	Momentas Corporation et al
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s.127 and 127.1

P. Foy in attendance for Staff

Panel: WSW/RWD/CSP

May 29, 2006	2:00 p.m.	Maitland Capital Ltd et al
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s. 127 and 127.1

D. Ferris in attendance for Staff

Panel: PMM

Notices / News Releases

May 30, 2006 2:30 p.m.	Jose Castaneda s. 127 and 127.1 T. Hodgson in attendance for Staff Panel: WSW	October 16, 2006 to November 10, 2006 10:00 a.m.	James Patrick Boyle, Lawrence Melnick and John Michael Malone* s. 127 and 127.1 Y. Chisholm in attendance for Staff Panel: TBA
May 31, 2006 10:00 a.m.	Mega-C Power Corporation, Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited S. 127 T. Hodgson in attendance for Staff Panel: TBA	TBA	* Malone settled December 22, 2005 Yama Abdullah Yaqeen s. 8(2) J. Superina in attendance for Staff Panel: TBA
June 9, 2006 10:00 a.m.	Olympus United Group Inc. s.127 M. MacKewn in attendance for Staff Panel: TBA	TBA	Cornwall et al s. 127 K. Manarin in attendance for Staff Panel: TBA
June 9, 2006 10:00 a.m.	Norshield Asset Management (Canada) Ltd. s.127 M. MacKewn in attendance for Staff Panel: TBA	TBA	Robert Patrick Zuk, Ivan Djordjevic, Matthew Noah Coleman, Dane Alan Walton, Derek Reid and Daniel David Danzig s. 127 J. Waechter in attendance for Staff Panel: TBA
June 26, 2006 10:00 a.m.	Universal Settlement International Inc.	TBA	John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir
June 27, 2006 2:30 p.m.	s. 127 & 127.1 Y. Chisholm in attendance for Staff		S. 127 & 127.1
June 28-30, 2006 10:00 a.m.	Panel: TBA		K. Manarin in attendance for Staff Panel: TBA
July 31, 2006 10:00 a.m.	Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton s. 127 J. Cotte in attendance for Staff Panel: TBA	TBA	Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boulton and Peter Y. Atkinson s.127 J. Superina in attendance for Staff Panel: SWJ/RWD/MTM

TBA **Philip Services Corp., Allen Fracassi**, Philip Fracassi**, Marvin Boughton**, Graham Hoey**, Colin Soule*, Robert Waxman and John Woodcroft****

s. 127

K. Manarin & J. Cotte in attendance for Staff

Panel: TBA

* Settled November 25, 2005

** Settled March 3, 2006

TBA **Momentas Corporation, Howard Rash, Alexander Funt, Suzanne Morrison* and Malcolm Rogers***

s. 127 and 127.1

P. Foy in attendance for Staff

Panel: WSW/RWD/CSP

* Settled April 4, 2006

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

Andrew Keith Lech

S. B. McLaughlin

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

Andrew Stuart Netherwood Rankin

1.2 Notices of Hearing

1.2.1 Limelight Entertainment Inc. et al. - ss. 127, 127(1)

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

AND

**IN THE MATTER OF
LIMELIGHT ENTERTAINMENT INC.,
CARLOS A. DA SILVA,
DAVID C. CAMPBELL, JACOB MOORE
AND JOSEPH DANIELS**

**AMENDED NOTICE OF HEARING
Sections 127 and 127(1)**

WHEREAS the Ontario Securities Commission (the "Commission") issued a Notice of Hearing dated April 7, 2006 which advised that the Commission would hold a hearing at its offices at 20 Queen Street West, 17th Floor Hearing Room on Thursday, the 13th day of April, 2006 at 10:00 a.m. to consider whether it would be in the public interest for the Commission to issue a temporary order that all trading in the securities of Limelight Entertainment Inc. ("Limelight") cease pursuant to s.127(5) of the *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "*Act*") and further orders at the conclusion of the hearing;

AND WHEREAS on the 13th day of April, 2006, the Ontario Securities Commission (the "Commission") held a hearing pursuant to section 127 of the *Act* and ordered pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the *Act* that: (1) all trading cease in the securities of Limelight Entertainment Inc. ("Limelight"); (2) Limelight, Da Silva, Campbell and Moore cease trading in all securities; and (3) any exemptions contained in Ontario securities law do not apply to Limelight, Da Silva, Campbell and Moore (the "Temporary Order");

AND WHEREAS the Commission further ordered pursuant to subsection 127(6) of the *Act* that the Temporary Order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by the Commission;

AND WHEREAS the Commission issued this Amended Notice of Hearing dated April 25, 2006 requesting that the Commission make a second temporary order pursuant to subsection 127(5) and paragraphs 2 and 3 of subsection 127(1) of the *Act* that: (i) Joseph Daniels cease trading in all securities; and (ii) any exemptions contained in Ontario securities law do not apply to Daniels (the "Second Temporary Order");

TAKE NOTICE that the Commission will hold a hearing pursuant to section 127 of the *Securities Act*, at its offices at 20 Queen Street West, 17th Floor Hearing Room on Wednesday, the 26th day of April, 2006 at 10:00 a.m. or as soon thereafter as the hearing can be held

TO CONSIDER whether, pursuant to s.127 and s. 127.1 of the *Securities Act*, it is in the public interest for the Commission:

- (1) to extend the Temporary Order made April 13, 2006 until the conclusion of the hearing, pursuant to s.127(7) or until such further time as considered appropriate by the Commission;
- (2) to issue the requested Second Temporary Order or make such temporary order against Daniels as the Commission considers appropriate;
- (3) at the conclusion of the hearing, to make an order against any or all of the Respondents that:
 - (a) trading in any securities of or by the Respondents cease permanently or for such period as is specified by the Commission, pursuant to paragraph 2 of s. 127 (1);
 - (b) any exemptions contained in Ontario securities law do not apply to the Respondents permanently or for such period as is specified by the Commission, pursuant to paragraph 3 of s. 127(1);
 - (c) the Respondents be reprimanded, pursuant to paragraph 6 of s. 127(1);
 - (d) the individual Respondents be prohibited from becoming or acting as a director or officer of any issuer pursuant to paragraph 8 of s. 127(1);
 - (e) the Respondents be prohibited from telephoning residences within or outside Ontario for the purpose of trading in securities, pursuant to section 37(1);
 - (f) the Respondents pay an administrative penalty for failing to comply with Ontario securities law, pursuant to paragraph 9 of s. 127(1);
 - (g) the Respondents disgorge to the Commission any amounts obtained as a result of non-compliance with Ontario securities law, pursuant to paragraph 10 of s. 127(1); and

(h) the Respondents be ordered to pay the costs of the Commission investigation and the costs of, or related to, this hearing, pursuant to s. 127.1; and

- (4) to make such further orders as the Commission considers appropriate.

BY REASON OF the allegations set out in the Amended Statement of Allegations dated April 25, 2006 and such further additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceedings may be represented by counsel at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

DATED at Toronto this 25th day of April, 2006.

“John P. Stevenson”
Secretary to the Commission

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

AND

**IN THE MATTER OF
LIMELIGHT ENTERTAINMENT INC.,
CARLOS A. DA SILVA,
DAVID C. CAMPBELL, JACOB MOORE
AND JOSEPH DANIELS**

**AMENDED STATEMENT OF ALLEGATIONS
OF STAFF OF THE
ONTARIO SECURITIES COMMISSION**

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

THE PARTIES

1. Limelight Entertainment Inc. ("Limelight") is an Ontario corporation incorporated on August 14, 2000. Limelight is not registered in any capacity with the Commission.
2. Limelight was dissolved by the Corporation Tax Branch on or about November 29, 2004 and was revived on or about September 27, 2005.
3. The president and a director of Limelight is Carlos A. Da Silva. Mr. Da Silva was formerly registered with the Commission as a securities salesperson with Marchment and MacKay Limited from March 25, 1994 to November 21, 1997 and with C. J. Elbourne Securities Inc. from November 28, 1997 to June 30, 2000.
4. The vice-president of Limelight is David C. Campbell. Mr. Campbell is not registered in any capacity with the Commission.
5. Jacob Moore is employed by and/or acted as agent for Limelight and acted as a salesperson for the sale Limelight shares. Mr. Moore is not registered in any capacity with the Commission.
6. Joseph Daniels is employed and/or acted as agent for Limelight and acted as a salesperson for the sale Limelight shares. Mr. Daniels is not registered in any capacity with the Commission.

SALE OF SHARES TO THE PUBLIC

7. On or about July 23, 2004, Limelight filed a Form 45-103F4 – Report of Exempt Distribution ("Form F4") with the Commission relating to the distribution of common shares of Limelight to 9 investors in Alberta, Saskatchewan, British Columbia and Ontario.

8. The Form F4 did not list or disclose any commissions or finders' fees paid in connection with the distribution of Limelight shares.
9. The Form F4 stated that the Limelight shares were distributed on July 14, 15, and 16, 2004 and was signed by Carlos Da Silva, president of Limelight.
10. On or about October 13, 2004, Limelight filed a second Form F4 with the Commission relating to the distribution of common shares of Limelight to 69 investors in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick, the United States, Barbados and the United Kingdom.
11. The second Form F4 also did not disclose any commissions or finders' fees paid in connection with the distribution of Limelight shares.
12. The second Form F4 was also signed by Carlos Da Silva, president of Limelight and reported on trades from July 27, 2004 to September 17, 2004 inclusive.
13. On or about October 13, 2004, Limelight filed a Form 45-501F1 – Report under section 72(3) of the *Act* or section 7.5(1) of Rule 45-501 with the Commission relating to the distribution of Limelight shares to 29 investors in Alberta and Ontario.
14. The Form 45-501F1 did not disclose any compensation or participation fees paid and stated that the accredited investor exemption found in section 2.3 of Rule 45-501 was being relied upon.
15. The Form 45-501F1 was signed by George Schwartz on behalf of Carlos Da Silva, president of Limelight.
16. The Form 45-501F1 incorrectly listed the dates of the 29 trades as October 4, 2004 whereas the trades actually occurred on or between June 10, 2004 and August 29, 2004.
17. In selling Limelight shares to Ontario residents and residents of other jurisdictions, Limelight has purported to rely upon the exemption for selling securities to accredited investors contained in OSC Rule 45-501 (now National Instrument 45-106) in circumstances where the exemption is not available.
18. Since August 2004, Limelight through its officers, directors, employees and/or agents acting as salespersons has continued to sell and offer for sale Limelight shares to residents of Ontario and elsewhere.
19. Staff allege that Limelight and Carlos Da Silva have filed untrue and misleading forms with the Commission and misrepresented that the sale of Limelight shares reported in the two Form F4s

and one Form 45-501F1 were exempt trades and that no commissions or fees were paid as part of these distributions.

20. Staff allege that from May 2004 to April 2006 inclusive, Limelight sold approximately 1,500,000 Limelight shares to in excess of 600 investors at prices which ranged from \$0.50 to \$2.00 per share.
21. Limelight hired Jacob Moore, Joseph Daniels and others who acted as salespersons for Limelight shares and who received commissions on the sale of Limelight shares sold by these salespersons.
22. Staff alleges that Carlos Da Silva, David Campbell, Jacob Moore and Joseph Daniels have acted as securities salespersons and advisors contrary to the registration requirements found in s. 25 of the *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "*Act*").
23. The trades in Limelight shares were trades in securities not previously issued and were therefore distributions.
24. No prospectus receipt has been issued to qualify the sale of Limelight shares.
25. Limelight and the individual Respondents made representations regarding: (i) the future value of Limelight shares; and (ii) Limelight being listed on a stock exchange, with the intention of effecting trades in Limelight shares.

MISLEADING STATEMENTS MADE BY CARLOS DA SILVA TO STAFF

26. By letter received by Staff on May 12, 2005, Carlos Da Silva advised Staff that each potential Limelight investor is told that the investment opportunity is only available to accredited investors. This same information was provided to Staff during a voluntary interview with Mr. Da Silva on December 13, 2005.
27. Staff alleges that Mr. Da Silva's explanation of the process followed by Limelight's salespersons was misleading and intended to lead Staff to conclude that Limelight was selling shares to accredited investors.
28. During a voluntary interview with Staff on December 13, 2005, Carlos Da Silva also advised Staff he did not know whether Limelight sold any shares to Ontario investors in 2005.
29. According to the Limelight shareholders list, Limelight sold approximately 84,500 Limelight shares to approximately 33 Ontario investors in 2005. During 2005, Limelight also issued: (i) 10,750,000 shares to Carlos Da Silva; (ii) 1,000,000 shares to David Campbell; and (iii)

approximately 408,000 shares to other Limelight employees and salespersons.

30. Staff alleges that the information provided by Mr. Da Silva to Staff on December 13, 2005 was misleading and intended to lead Staff to conclude that Limelight was no longer selling shares to Ontario investors.

BREACH OF THE TEMPORARY ORDER

31. On April 13, 2006, the Commission issued a temporary order that: (1) all trading in the securities of Limelight cease; (2) Limelight, Carlos Da Silva, David Campbell and Jacob Moore cease trading in all securities; and (3) any exemptions contained in Ontario securities law do not apply to Limelight, Carlos Da Silva, David Campbell and Jacob Moore (the "Temporary Order").
32. On or about April 17, 2006, Leo Bonnevie, a New Brunswick resident and Limelight shareholder had a discussion with Joseph Daniels, a salesperson with Limelight. During this discussion, Mr. Daniels asked Mr. Bonnevie if he wanted to purchase more Limelight shares at \$1.00 per share before Limelight went public. Mr. Daniels also advised Mr. Bonnevie that: (1) Limelight had delays in getting listed on a stock exchange; and (2) Limelight expected to be listed on a stock exchange within 10 to 12 days.
33. Limelight, its directors and officers and Mr. Daniels have breached the Temporary Order by continuing to call persons for the purpose of selling Limelight shares to such persons subsequent to the Temporary Order.
34. Mr. Daniels' representation that Limelight shares would be listed on a stock exchange within 10 to 12 days was made with the intention of effecting sales of Limelight shares and was contrary to s. 38(3) of the *Act*.

CONDUCT CONTRARY TO THE PUBLIC INTEREST

35. Limelight, its directors, officers and its salespersons have made misleading representations to Staff and to investors, including representations regarding the future listing and future value of Limelight shares with the intention of effecting sales of Limelight shares contrary to s. 38 of the *Act* and contrary to the public interest.
36. Limelight and Da Silva have made misrepresentations in two Form F4s and one Form 45-501F1 filed with the Commission contrary to s. 122(1) of the *Act* and contrary to the public interest.
37. None of Limelight, Carlos Da Silva, David Campbell, Jacob Moore or Joseph Daniels is registered with the Commission. The respondents

have traded in securities and acted as securities salespersons and/or advisors contrary to s. 25 of the *Act* and acted contrary to the public interest.

38. No prospectus receipt has been issued to qualify the sale of Limelight shares contrary to s. 53 of the *Act* and contrary to the public interest.

39. As officers and directors of Limelight, Carlos Da Silva and David Campbell have authorized, permitted or acquiesced in breaches of s. 25, s. 38 and s. 53 of the *Act* by Limelight and its salespersons contrary to s. 122(3) and/or s. 129(2) of the *Act* and in doing so have engaged in conduct contrary to the public interest.

40. Such additional allegations as Staff may advise and the Commission may permit.

Dated at Toronto this 25th day of April, 2006

1.4 Notices from the Office of the Secretary

1.4.1 Terrence William Marlow, Marlow Group Private Portfolio Management Inc. and Marlow Group Securities Inc.

**FOR IMMEDIATE RELEASE
April 27, 2006**

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

AND

**IN THE MATTER OF
TERRENCE WILLIAM MARLOW, MARLOW GROUP
PRIVATE PORTFOLIO MANAGEMENT INC.
AND MARLOW GROUP SECURITIES INC.**

TORONTO – Following a hearing held April 25, 2006, the Commission issued an Order under section 144 of the *Act* varying the Temporary Order of January 4, 2005 as follows:

- (a) the Temporary Order shall continue as against Terrence William Marlow, but shall permit trading of securities by A. Farber & Partners Inc. pursuant to the Receivership Order; and
- (b) the Temporary Order shall cease to apply as of this date to Marlow Group Private Portfolio Management Inc. and Marlow Group Securities Inc.

A copy of the Order is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
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1.4.2 Limelight Entertainment Inc. et al.

FOR IMMEDIATE RELEASE
April 28, 2006

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

AND

IN THE MATTER OF
LIMELIGHT ENTERTAINMENT INC.,
CARLOS A. DA SILVA,
DAVID C. CAMPBELL, JACOB MOORE
AND JOSEPH DANIELS

TORONTO – Following a hearing held April 26, 2006, the Commission issued a Temporary Order, ordering that:

- (a) the previous temporary order of April 13, 2006 against the Respondents Limelight Entertainment Inc., Carlos A. da Silva, David C. Campbell, and Jacob Moore be extended until May 11, 2006;
- (b) Joseph Daniels cease trading in all securities and that any exemptions contained in Ontario securities law do not apply to Daniels;
- (c) this temporary order against Daniels shall take effect immediately and shall expire on the 15th day after its making unless extended by the Commission; and
- (d) the hearing of this matter is adjourned to Thursday, May 11, 2006 at 11:00 a.m. or such other date as may be arranged by the Secretary's Office.

A copy of the Temporary Order is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries: Wendy Dey
Director, Communications
and Public Affairs
416-593-8120

Eric Pelletier
Manager, Media Relations
416-595-8913

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

1.4.3 Limelight Entertainment Inc. et al.

FOR IMMEDIATE RELEASE
April 28, 2006

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

AND

IN THE MATTER OF
LIMELIGHT ENTERTAINMENT INC.,
CARLOS A. DA SILVA,
DAVID C. CAMPBELL, JACOB MOORE
AND JOSEPH DANIELS

TORONTO – The Commission issued an Amended Notice of Hearing on April 25, 2006 in the above noted matter, accompanied by Staff's Amended Statement of Allegations dated April 25, 2006.

Copies of the Amended Notice of Hearing and the Amended Statement of Allegations are available at www.osc.gov.on.ca.

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1.4.4 Thomas Hinke

FOR IMMEDIATE RELEASE
May 2, 2006

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

AND

**IN THE MATTER OF
THOMAS HINKE**

TORONTO – Following a hearing held May 1, 2006, the Commission issued an Order approving the Settlement Agreement reached between Staff of the Commission and Thomas Hinke.

A copy of the Order and Settlement Agreement are available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 MRF 2006 Resource Limited Partnership (MRF 2006) et al. - MRRS Decision

Headnote

MRRS Decision – Exemption from the Annual Information Form filing - Annual Information Form disclosure may not be useful for flow-through shares partnerships, because of their terms and structures – Flow-through shares partnerships are closed-end, and do not offer their units on a continuous basis. There is no readily available secondary market. Lifespan of the partnerships are short ranging from 2-3 years – Part 9, National Instrument 81-106 – Investment Funds Continuous Disclosure (NI 81-106).

Applicable Legislative Provisions

Part 9 and section 17.1 of NI 81-106.

April 13, 2006

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

AND

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

AND

IN THE MATTER OF
MRF 2006 RESOURCE LIMITED PARTNERSHIP
(MRF 2006),
MRF 2005 RESOURCE LIMITED PARTNERSHIP
(MRF 2005),
EXPLORER III RESOURCE LIMITED PARTNERSHIP
(EXPLORER III) AND
EXPLORER II RESOURCE LIMITED PARTNERSHIP
(EXPLORER II) (COLLECTIVELY, THE FILERS)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the annual information form filing

requirement in section 9.2 of National Instrument 81-106 – Investment Funds Continuous Disclosure (**NI 81-106**) pursuant to section 17.1 thereof (the **Requested Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 - *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filers:

1. The Filers were formed to invest in certain common shares (**Flow-Through Shares**) of companies involved primarily in oil and gas, mining or renewable energy exploration and development (**Resource Companies**) pursuant to agreements (**Resource Agreements**) between each Filer and the relevant Resource Company. Under the terms of each Resource Agreement, the relevant Filer will subscribe for Flow-Through Shares of the Resource Company and the Resource Company will agree to incur and renounce to the Filer, in amounts equal to the subscription price of the Flow-Through Shares, expenditures in respect of resource exploration and development which qualify as Canadian exploration expense or as Canadian development expense which may be renounced as Canadian exploration expense to the Filer.
2. MRF 2006 is a limited partnership formed pursuant to the *Limited Partnerships Act* (Ontario) (the **Act**) on January 10, 2006. On February 16, 2006, MRF 2006 received a receipt dated February 16, 2006, issued under MRRS by the OSC on behalf of each of the Decision Makers and on behalf of the securities regulatory authority for Prince Edward Island and the Yukon Territory with respect to a (final) prospectus dated February 15, 2006, offering for sale up to 5,000,000 limited partnership units of MRF 2006 at a price of \$25 per unit. On or about May 28, 2008, MRF 2006 will be dissolved and the Limited Partners of

MRF 2006 will receive their pro rata share of the net assets of MRF 2006. It is the current intention of the general partner of MRF 2006 that MRF 2006 enter into an agreement with Middlefield Mutual Funds Limited (the **Mutual Fund**), whereby assets of MRF 2006 would be exchanged for redeemable shares of the Growth Class of the Mutual Fund. Upon dissolution, the Limited Partners of MRF 2006 would then receive their pro rata share of the shares of the Growth Class of the Mutual Fund.

3. MRF 2005 is a limited partnership formed pursuant to the Act on January 18, 2005. On February 28, 2005, MRF 2005 received a receipt dated February 28, 2005, issued under MRRS by the OSC on behalf of each of the Decision Makers and on behalf of the securities regulatory authority for Prince Edward Island and the Yukon Territory with respect to a (final) prospectus dated February 28, 2005, offering for sale up to 4,000,000 limited partnership units of MRF 2005 at a price of \$25 per unit. On or about May 31, 2007, MRF 2005 will be dissolved and the Limited Partners of MRF 2005 will receive their pro rata share of the net assets of MRF 2005. It is the current intention of the general partner of MRF 2005 that MRF 2005 enter into an agreement with the Mutual Fund, whereby assets of MRF 2005 would be exchanged for redeemable shares of the Growth Class of the Mutual Fund. Upon dissolution, the Limited Partners of MRF 2005 would then receive their pro rata share of the shares of the Growth Class of the Mutual Fund.
4. Explorer III is a limited partnership formed pursuant to the Act on January 18, 2005. On September 28, 2005, Explorer III received a receipt dated September 28, 2005, issued under MRRS by the OSC on behalf of each of the Decision Makers, other than Quebec, and on behalf of the securities regulatory authority for Prince Edward Island and the Yukon Territory with respect to a (final) prospectus dated September 28, 2005, offering for sale up to 2,000,000 limited partnership units of Explorer III at a price of \$25 per unit. On or about March 18, 2008, Explorer III will be dissolved and the Limited Partners of Explorer III will receive their pro rata share of the net assets of Explorer III. It is the current intention of the general partner of Explorer III that Explorer III enter into an agreement with the Mutual Fund whereby assets of Explorer III would be exchanged for redeemable shares of the Resource Class of the Mutual Fund. Upon dissolution, the Limited Partners of Explorer III would then receive their pro rata share of the shares of the Resource Class of the Mutual Fund.
5. Explorer II is a limited partnership formed pursuant to the Act on January 16, 2004. On November 25, 2004, Explorer II received a receipt dated November 25, 2004, issued under MRRS by the

OSC on behalf of each of the Decision Makers and on behalf of the securities regulatory authority for Prince Edward Island and the Yukon Territory with respect to a (final) prospectus dated November 25, 2004, offering for sale up to 1,200,000 limited partnership units of Explorer II at a price of \$25 per unit. On or about March 30, 2007, Explorer II will be dissolved and the Limited Partners of Explorer II will receive their pro rata share of the net assets of Explorer II. It is the current intention of the general partner of Explorer II that Explorer II enter into an agreement with the Mutual Fund whereby assets of Explorer II would be exchanged for redeemable shares of the Resource Class of the Mutual Fund. Upon dissolution, the Limited Partners of Explorer II would then receive their pro rata share of the shares of the Resource Class of the Mutual Fund.

6. The limited partnership units of each Filer (the **Units**) are not and will not be listed or quoted for trading on any stock exchange or market. The Units are also not redeemable by the Limited Partners.
7. Each Filer is a reporting issuer of certain of the Jurisdictions.
8. The principal office of the Filers is located at 1 First Canadian Place, 58th Floor, P.O. Box 192, Toronto, Ontario, M5X 1A6.
9. Given the limited range of business activities to be conducted by the Filers, the short duration of their existence and the nature of the investment of the Limited Partners, the preparation and distribution of an AIF by the Filers will not be of any benefit to the Limited Partners and may impose a material financial burden on the Filers. Upon the occurrence of any material change to the Filers, Limited Partners would receive all relevant information from the material change reports the Filers are required to file with the Decision Makers.

Decision

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 Requested Relief is granted provided that this exemption shall terminate upon the occurrence of a material change in the affairs of the Filers unless the Filers satisfy the Decision Makers that the exemptions should continue, which satisfaction shall be evidenced in writing.

“Leslie Byberg”
Manager, Investment Funds
Ontario Securities Commission

2.1.2 Alberta Focused Income & Growth Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – investment fund using specified derivatives exempted from the requirement to calculate its net asset value on a daily basis, subject to certain conditions.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 14.2(3)(b) and s. 17.1.

April 7, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, NOVA SCOTIA,
NEW BRUNSWICK, NEWFOUNDLAND AND
LABRADOR AND YUKON TERRITORY
(THE "JURISDICTIONS")

AND

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

AND

IN THE MATTER OF
ALBERTA FOCUSED INCOME & GROWTH FUND
(THE "FUND")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application from Middlefield Focused Management Limited (the "Manager") on behalf of the Fund for a decision under the securities legislation of the Jurisdictions (the "Legislation") for an exemption from the requirement contained in section 14.2(3)(b) of National Instrument 81-106 – *Investment Fund Continuous Disclosure* ("NI 81-106"), which requires an investment fund that uses specified derivatives (as that term is defined in National Instrument 81-102 – *Mutual Funds*) to calculate net asset value ("NAV") at least once every business day (the "Requested Relief").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 - *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Fund:

1. The Manager is a corporation incorporated under the laws of Alberta. It intends to establish the Fund pursuant to a declaration of trust in March or April, 2006. The head office of the Fund will be located in Toronto, Ontario.
2. The Fund's investment objectives will be: (i) to pay monthly distributions to holders ("Unitholders") of Units ("Units") and (ii) to enhance the initial value of the Units offered by the Fund through capital appreciation of the Fund's investment portfolio (the "Portfolio").
3. The Fund will make an offering of Units in the Jurisdictions and in Prince Edward Island and has filed a preliminary prospectus dated February 27, 2006 in such jurisdictions. The Fund does not intend to continuously offer Units once the Fund is out of primary distribution.
4. The Fund will invest the net proceeds of its proposed offering (and any funds borrowed pursuant to a credit facility) in a broadly diversified portfolio of income producing equity securities initially consisting primarily of income trust securities and supplemented by dividend paying common stocks.
5. The Fund will have the ability to invest in or utilize derivatives from time to time for hedging purposes consistent with its investment strategy in accordance with National Instrument 81-102 (as if it were applicable) or as otherwise permitted by the Canadian securities regulators from time to time. The Fund also will have the ability from time to time to engage in writing covered call options on securities held in the Portfolio and in writing cash covered put options. However, the Fund will not invest in or use derivatives if it will result in the Fund failing to comply with its investment restrictions regarding its status as a "unit trust" or "mutual fund trust" as defined in the *Income Tax Act* (Canada).
6. The Manager will be the trustee and manager of the Fund and will be responsible for providing or arranging for the provision of administrative services to the Fund.
7. Middlefield Capital Corporation (the "Advisor") will act as investment advisor to the Fund and it is

Decisions, Orders and Rulings

- expected that Groppe, Long & Littell will be appointed as special advisor to the Advisor.
8. The Units will be redeemable only on October 31 of each year commencing in 2007 (each a “**Valuation Date**”), at an amount that is calculated with reference to the NAV.
9. The Fund is not considered to be a “mutual fund” because the Unitholders are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Fund as contemplated in the definition of “mutual fund” in the Legislation. Accordingly, the Fund will be a “non-redeemable investment fund” as defined in NI 81-106.
10. Unitholders that have redeemed their Units will receive payment on or before the 15th business day following the relevant Valuation Date.
11. The Fund intends to calculate the NAV per Unit on a weekly basis on Thursday of each week (or if Thursday is not a business day, then on the immediately preceding business day), on each Valuation Date and on any other date on which the Manager elects in its discretion to calculate the NAV per Unit.
12. The prospectus of the Fund will disclose that the NAV per Unit of the Fund will be made available to the public by the Manager through publication in the financial press and on the internet at www.middlefield.com.
13. The Units are expected to be listed and posted for trading on the Toronto Stock Exchange (the “**TSX**”) and the Manager has applied to the TSX to so list the Units. Since the Units will be listed for trading on the TSX, Unitholders will not have to rely solely on the redemption feature of the Units in order to provide liquidity for their investment.
- (c) the Units are listed on the TSX; and
- (d) the Fund calculates its NAV at least weekly.

“Rhonda Goldberg”
Assistant Manager, Investment Funds
Ontario Securities Commission

Decision

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 Requested Relief is granted provided that the prospectus of the Fund discloses:

- (a) that the NAV calculation is available to the public upon request; and
- (b) a toll-free telephone number or website which the public can access for this purpose;

for so long as:

2.1.3 Toronto-Dominion Bank - MRRS Decision

MRRS DECISION DOCUMENT**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – Relief from the prospectus and registration requirements granted for trades in negotiable promissory notes and commercial paper (short-term debt instruments). The short-term debt instruments may not meet the “approved credit rating” requirement contained in the short-term debt exemption in section 2.35 of National Instrument 45-106 Prospectus and Registration Exemptions (NI 45-106). The definition of an “approved credit rating” requires, among other things, that every rating of the short-term debt instrument be at or above a prescribed standard. The relief is granted provided the short-term debt instrument:

- (i) matures not more than one year from the date of issue;
- (ii) is not convertible or exchangeable into or accompanied by a right to purchase another security other than a short-term debt instrument; and
- (iii) has a rating issued by one of the following rating organizations at or above one of the following rating categories: DBRS: “R-1(low)”; Fitch: “F2”; Moody’s: “P-2” or S&P “A-2”.

The relief will terminate on the earlier of 90 days upon an amendment to section 2.35 of NI 45-106 or three years from the date of the decision.

Applicable Ontario Statutory Provisions

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

April 26, 2006

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

AND

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

AND

IN THE MATTER OF
THE TORONTO-DOMINION BANK
(THE FILER)

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that trades in negotiable promissory notes and commercial paper (**Short-term Debt Instruments**) by the Filer be exempt from the dealer registration requirement and prospectus requirement (the **Requested Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a bank listed on Schedule I of the *Bank Act* (Canada). The head office of the Filer is located in Toronto, Ontario.
2. The Filer is a reporting issuer in all Jurisdictions and is not in default of its obligations under the Legislation in any Jurisdiction.
3. The Filer is not registered as a dealer or adviser under the Legislation in any Jurisdiction.
4. The Filer both trades and engages in distributions of Short-Term Debt Instruments in the Jurisdictions as part of its activities as a principal and as an agent for issuers.
5. Subsection 2.35(1)(b) of National Instrument 45-106 *Prospectus and Registration Exemptions (NI 45-106)* provides an exemption from the dealer registration requirement and prospectus requirement for a trade in a Short-term Debt Instrument (the **Short-term Debt Exemption**) where, among other things, the Short-term Debt Instrument “has an approved credit rating from an approved credit rating organization”.
6. NI 45-106 incorporates by reference the definitions for “approved credit rating” and “approved credit rating organization” that are used in National Instrument 81-102 *Mutual Funds (NI*

81-102). The definition of an “approved credit rating” in NI 81-102, requires, among other things, that (a) the rating assigned to such debt must be “at or above” certain prescribed short-term ratings, and (b) such debt must not have been assigned a rating by any “approved credit rating organization” that is not an “approved credit rating”.

7. The Filer has in the past traded and proposes in the future to trade Short-term Debt Instruments with the following general characteristics:

- (a) they mature not more than one year from the date of issue;
- (b) they are not convertible or exchangeable into or accompanied by a right to purchase another security other than another Short-term Debt Instrument; and
- (c) they have a credit rating from at least one of the following credit rating organizations not less than the rating indicated:

Rating Organization	Rating
Dominion Bond Rating Service Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody's Investors Service	P-2
Standard & Poor's	A-2

8. The Short-term Debt Instruments may have a lower rating than required by the Short-term Debt Exemption and accordingly, the Short-term Debt Exemption may not be available.

Decision

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 Requested Relief is granted provided that each Short-term Debt Instrument:

- (a) matures not more than one year from the date of issue;
- (b) is not convertible or exchangeable into or accompanied by a right to purchase another security other than a Short-term Debt Instrument; and
- (c) has a rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating category that replaces a category listed below:

Rating Organization	Rating
Dominion Bond Rating Service Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody's Investors Service	P-2
Standard & Poor's	A-2

For each Jurisdiction, this decision will terminate on the earlier of:

- (a) 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the Legislation of the Jurisdiction that amends section 2.35 of NI 45-106 or provides an alternate exemption; and
- (b) three years from the date of this decision.

“Susan Wolburgh Jenah”
 Vice-Chair
 Ontario Securities Commission

“Wendell S. Wigle”
 Commissioner
 Ontario Securities Commission

2.1.4 RBC Asset Management Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption from subsection 4.1(1) of National Instrument 81-102 Mutual Funds to allow dealer managed mutual funds to invest in securities of an issuer during the 60 days after the distribution period in which an affiliate of the dealer manager has acted as an underwriter in connection with the distribution of securities of the issuer.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(1), 19.1.

April 13, 2006

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

AND

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

AND

IN THE MATTER OF
RBC ASSET MANAGEMENT INC.
(THE "APPLICANT")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application from the Applicant (or "Dealer Manager"), for and on behalf of the mutual funds named in Appendix "A" (the "Funds" or "Dealer Managed Funds") for whom the Applicant acts as manager or portfolio advisor or both, for a decision under section 19.1 of National Instrument 81-102 *Mutual Funds* ("NI 81-102") for:

- an exemption from subsection 4.1(1) of NI 81-102 to enable the Dealer Managed Funds to invest in the units (the "Units") of Calloway Real Estate Investment Trust (the "Issuer") on the Toronto Stock Exchange (the "TSX") during the 60-day period following the completion of the distribution (the "Prohibition Period") notwithstanding that the Dealer Manager or its associates or affiliates act or have acted as an underwriter in connection with the offering (the "Offering") of Units of the

Issuer pursuant to a short form base shelf prospectus dated September 14, 2005 supplemented by a prospectus supplement dated April 4, 2006 (the "Prospectus Supplement") that has been filed with the securities regulatory authorities in each of the provinces of Canada (the "Requested Relief").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission (the "OSC") is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

It is the responsibility of each of the Decision Makers to make a global assessment of the risks involved in granting exemptive relief from subsection 4.1 of NI 81-102 in relation to the specific facts of each application.

Interpretation

Defined terms contained in National Instrument 14-101 - *Definitions* have the same meanings in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Applicant:

1. The Dealer Manager is a "dealer manager" with respect to the Dealer Managed Funds, and each Dealer Managed Fund is a "dealer managed fund", as such terms are defined in section 1.1 of NI 81-102.
2. The head office of the Applicant is in Toronto, Ontario.
3. The Offering is being underwritten, subject to certain terms, by an underwriting syndicate which will include RBC Dominion Securities Inc. (the "Related Underwriter"), among others (the Related Underwriter, together with the other underwriters, which are now or may become party of the syndicate prior to closing, the "Underwriters"). The Related Underwriter is an affiliate of the Dealer Manager.
4. The securities of the Dealer Managed Funds are qualified for distribution in one or more of the provinces and territories of Canada pursuant to simplified prospectuses that have been prepared and filed in accordance with their respective securities legislation.
5. The Issuer is an unincorporated "open-end" trust constituted in accordance with the laws of the Province of Alberta and was created to invest in income-producing rental properties located in

- Canada. The Issuer intends to invest primarily in large format, unenclosed retail rental properties with strong tenant covenants, stable yields, low vacancy levels and growth potential and to build a geographically diversified portfolio of such properties.
6. According to the Prospectus Supplement, the Issuer intends to use the net proceeds to pay down the Issuer's line of credit, to finance future acquisitions and for general trust purposes.
7. The gross proceeds of the Offering are expected to be approximately \$226,100,000. According to the Prospectus Supplement, it is expected that the Issuer will grant the Underwriters an over-allotment option (the "**Over Allotment Option**") to purchase an additional 940,000 Units, exercisable, in whole or in part within 30 days of the closing of the Offering, which is expected to occur on April 13, 2006. If the Over Allotment Option is exercised in full, the Offering is expected to result in gross proceeds of approximately \$251,010,000.
8. The Underwriters have entered into an underwriting agreement (the "**Underwriting Agreement**") with the Issuer for the purpose of the Offering. The Underwriting Agreement provides for the Offering to be undertaken on a bought deal basis, with the Underwriters having agreed to purchase an aggregate of 8,500,000 Units of the Issuer at a price of \$26.50 per Unit. The Issuer has granted the Underwriters an option (the "Underwriters' Option") exercisable until 48 hours prior to the closing of the Offering, to purchase up to 900,000 additional Units at a price of \$26.50 per Unit.
9. According to the Prospectus Supplement, the Issuer may be considered a "connected issuer", as defined in NI 33-105, of the Related Underwriter, CIBC World Markets Inc., Scotia Capital Inc. and HSBC Securities (Canada) Inc. for the reasons set forth in the Prospectus Supplement. Each of the Related Underwriter, CIBC World Markets Inc., Scotia Capital Inc. and HSBC Securities (Canada) Inc. is a wholly-owned subsidiary of a Canadian chartered bank (the "**Affiliated Banks**"), which Affiliated Banks are lenders of the Issuer. It is anticipated that up to approximately \$11,500,000 of the net proceeds from the Offering will be used by the Issuer to pay down its line of credit with the affiliated bank of TD Securities Inc. The Issuer is in compliance with all material terms and conditions of its credit facilities or mortgage loans with the Affiliated Banks. The Affiliated Banks did not play any role in the terms, structuring or pricing of the Offering, all of which were determined solely by negotiation between the Issuer and the Underwriters.
10. According to the Prospectus Supplement, the Issuer's Units are posted for trading on the TSX.
11. Despite the affiliation between the Dealer Manager and the Related Underwriter, they operate independently of each other. In particular, the investment banking and related dealer activities of the Related Underwriter and the investment portfolio management activities of the Dealer Manager are separated by "ethical" walls. Accordingly, no information flows from one to the other concerning their respective business operations or activities generally, except in the following or similar circumstances:
- (a) in respect of compliance matters (for example, the Dealer Manager and the Related Underwriter may communicate to enable the Dealer Manager to maintain an up to date restricted-issuer list to ensure that the Dealer Manager complies with applicable securities laws); and
 - (b) the Dealer Manager and the Related Underwriter may share general market information such as discussion on general economic conditions, bank rates, etc.
12. The Dealer Managed Funds are not required or obligated to purchase any Units during the Prohibition Period.
13. The Dealer Manager may cause the Dealer Managed Funds to invest in Units during the Prohibition Period. Any purchase of the Units will be consistent with the investment objectives of the Dealer Managed Funds and represent the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Funds or in fact be in the best interests of the Dealer Managed Funds.
14. To the extent that the same portfolio manager or team of portfolio managers of a Dealer Manager manages the Dealer Managed Funds and other client accounts that are managed on a discretionary basis (the "**Managed Accounts**"), the Units purchased for them will be allocated:
- (a) in accordance with the allocation factors or criteria stated in the written policies or procedures put in place by the Dealer Manager for its Dealer Managed Funds and Managed Accounts; and
 - (b) taking into account the amount of cash available to each Dealer Managed Fund for investment.
15. There will be an independent committee (the "**Independent Committee**") appointed in respect

of the Dealer Managed Funds to review the investments of the Dealer Managed Funds in Units during the Prohibition Period.

16. The Independent Committee will have at least three members and every member must be independent. A member of the Independent Committee is not independent if the member has a direct or indirect material relationship with the Dealer Manager, the Dealer Managed Funds, or any affiliate or associate thereof. For the purpose of this Decision, a material relationship means a relationship which could, in the view of a reasonable person, reasonably interfere with the exercise of the member's independent judgment regarding conflicts of interest facing the Dealer Manager.
17. 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 Dealer Managed Funds and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.
18. The Dealer Manager, in respect of the Dealer Managed Funds, will notify a member of staff in the Investment Funds Branch of the OSC in writing of the filing of the SEDAR Report (as defined below) on SEDAR, as soon as practicable after the filing of such report, and the notice shall include the SEDAR project number of the SEDAR Report and the date on which it was filed.
19. The Dealer Manager has not been involved in the work of the Related Underwriter and the Related Underwriter has not been and will not be involved in the decisions of the Dealer Manager as to whether the Dealer Managed Funds will purchase Units during the Prohibition Period.

Decision

Each of the Decision Makers has assessed the conflict of interest risks associated with granting an exemption in this instance from subsection 4.1(1) of NI 81-102 and is satisfied that, at the time this Decision is granted, the potential risks are sufficiently mitigated.

Each of the Decision Makers is satisfied that the test contained in NI 81-102 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 Requested Relief is granted, notwithstanding that the Related Underwriter acts or has acted as an underwriter in the Offering provided that, in respect of the Dealer Manager and the Dealer Managed Funds, the following conditions are satisfied:

- I. At the time of each purchase (the "Purchase") of Units by a Dealer Managed Fund pursuant to this Decision, the following conditions are satisfied:
 - (a) the Purchase
 - (i) represents the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or
 - (ii) is, in fact, in the best interests of the Dealer Managed Fund;
 - (b) the Purchase is consistent with, or is necessary to meet, the investment objective of the Dealer Managed Fund as disclosed in its simplified prospectus; and
 - (c) the Dealer Managed Fund does not place the order to purchase, on a principal or agency basis, with its Related Underwriter;
- II. Prior to effecting any Purchase pursuant to this Decision, the Dealer Managed Fund has in place written policies or procedures to ensure that,
 - (a) there is compliance with the conditions of this Decision; and
 - (b) in connection with any Purchase,
 - (i) there are stated factors or criteria for allocating the Units purchased for two or more Dealer Managed Funds and other Managed Accounts, and
 - (ii) there is full documentation of the reasons for any allocation to a Dealer Managed Fund or Managed Account that departs from the stated allocation factors or criteria;
- III. Each Dealer Managed Fund has an Independent Committee to review the Dealer Managed Fund's investments in the Units during the Prohibition Period;
- IV. The Independent Committee has a written mandate describing its duties and standard of care which, as a minimum, sets out the conditions of this Decision;
- V. 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 Dealer Managed Funds and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;

Decisions, Orders and Rulings

- VI. The Dealer Managed Fund does not relieve 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 V above;
- VII. The Dealer Managed Fund does not incur 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 V above;
- VIII. The cost of any indemnification or insurance coverage paid for by the Dealer Manager, any portfolio manager of the Dealer Managed Fund, or any associate or affiliate of the Dealer Manager or any portfolio manager of the Dealer Managed 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 V above is not paid either directly or indirectly by the Dealer Managed Fund;
- IX. The Dealer Manager files a certified report on SEDAR (the "**SEDAR Report**") in respect of each Dealer Managed Fund, no later than 30 days after the end of the Prohibition Period, that contains a certification by the Dealer Manager that contains:
- (a) the following particulars of each Purchase:
 - (i) the number of Units purchased by the Dealer Managed Fund;
 - (ii) the date of the Purchase and purchase price;
 - (iii) whether it is known whether any underwriter or syndicate member has engaged in market stabilization activities in respect of the Units;
 - (iv) if the Units were purchased for two or more Dealer Managed Funds and other Managed Accounts of the Dealer Manager, the aggregate amount so purchased and the percentage of such aggregate amount that was allocated to each Dealer Managed Fund; and
 - (v) the dealer from whom the Dealer Managed Fund purchased the Units and the fees or commissions, if any, paid by the Dealer Managed Fund in respect of such Purchase;
- (b) a certification by the Dealer Manager that the Purchase:
- (i) was made free from any influence by the Related Underwriter or any affiliate or associate thereof and without taking into account any consideration relevant to the Related Underwriter or any associate or affiliate thereof; and
 - (ii) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interest of the Dealer Managed Fund, or
 - (iii) was, in fact, in the best interests of the Dealer Managed Fund;
- (c) confirmation of the existence of the Independent Committee to review the Purchase of the Units by the Dealer Managed Funds, the names of the members of the Independent Committee, the fact that they meet the independence requirements set forth in this Decision, and whether and how they were compensated for their review;
- (d) a certification by each member of the Independent Committee that after reasonable inquiry the member formed the opinion that the policies and procedures referred to in Condition II(a) above are adequate and effective to ensure compliance with this Decision and that the decision made on behalf of each Dealer Managed Fund by the Dealer Manager to purchase Units for the Dealer Managed Funds and each Purchase by the Dealer Managed Fund:
- (i) was made in compliance with the conditions of this Decision;
 - (ii) was made by the Dealer Manager free from any influence by the Related Underwriter or any affiliate or associate thereof and without taking into account any consideration relevant to the Related Underwriter or any associate or affiliate thereof; and
 - (iii) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or

(iv) was, in fact, in the best interests of the Dealer Managed Fund.

X. The Independent Committee advises the Decision Makers in writing of:

- (a) any determination by it that the condition set out in paragraph IX(d) has not been satisfied with respect to any Purchase of the Units by a Dealer Managed Fund;
- (b) any determination by it that any other condition of this Decision has not been satisfied;
- (c) any action it has taken or proposes to take following the determinations referred to above; and
- (d) any action taken, or proposed to be taken, by the Dealer Manager or a portfolio manager of a Dealer Managed Fund, in response to the determinations referred to above.

XI. Each Purchase of Units during the Prohibition Period is made on the TSX; and

XII. An underwriter provides to the Dealer Manager written confirmation that the “dealer restricted period” in respect of the Offering, as defined in Ontario Securities Commission Rule 48-501, Trading During Distributions, Formal Bids and Share Exchange Transactions, has ended.

“Leslie Byberg”
Manager, Investment Funds Branch
Ontario Securities Commission

**APPENDIX A
DEALER MANAGED FUNDS**

RBC Funds (formerly RBC Advisor Funds)

RBC Blue Chip Canadian Equity Fund

RBC Funds (formerly Royal Mutual Funds)

RBC Balanced Fund
RBC Canadian Equity Fund
RBC Canadian Growth Fund
RBC Canadian Value Fund
RBC Balanced Growth Fund
RBC Monthly Income Fund

RBC Private Pools

RBC Private Income Pool
RBC Private Dividend Pool
RBC Private Canadian Equity Pool
RBC Private Canadian Mid Cap Equity Pool

RBC Funds (New Advisor Series)

RBC Dividend Fund
RBC Tax Managed Return Fund

2.1.5 Claret Trust and CIBC World Markets Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Dealer proposing to act as sole underwriter in connection with the distribution from time to time of asset-backed securities by newly created issuer (the Issuer) – Dealer is a wholly owned subsidiary of financial institution (Parent) which has acted as a “promoter” of the Issuer – Parent will act as financial services agent of the Issuer – Issuer is a “related issuer” (as defined in National Instrument 33-105 Underwriting Conflicts) of the Dealer because Parent is an “influential securityholder” (as defined in NI 33-105) of the trustee of the Issuer, and the Dealer is a wholly owned subsidiary of Parent – subsections 2.1(2) and (3) of NI 33-105 require participation of independent underwriter in related issuer offering – relief granted from independent underwriter requirement – securities will have an approved rating – independent review provided by a rating agency accepted by the Decision Makers in the circumstances of this offering as an acceptable alternative to the independent review which an independent underwriter would provide.

Applicable Legislative Provisions

National Instrument 33-105 Underwriting Conflicts, ss. 5.1, 2.1.

April 26, 2006

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

AND

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

AND

**IN THE MATTER OF
CLARET TRUST AND CIBC WORLD MARKETS INC.**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from CIBC World Markets Inc. (the Filer) for a decision under section 5.1 of National Instrument 33-105 *Underwriting Conflicts* (the National Instrument) that the provisions contained in section 2.1 of the National Instrument mandating independent underwriter involvement

shall not apply to the Filer and Claret Trust (the Issuer) in respect of distributions of asset-backed securities (the Offerings) issued by the Issuer from time to time on the terms specified in this decision (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. Claret Trust is an unincorporated open-ended limited purpose trust established under the laws of Ontario. CIBC Mellon Trust Company, a trust company incorporated under the *Trust and Loan Companies Act* (Canada), will be the trustee of the Issuer, and Canadian Imperial Bank of Commerce (CIBC) will act as the financial services agent of the Issuer. The head office of the trustee of the Issuer is located in Toronto, Ontario.
2. The declaration of trust of the Issuer restricts the activities of the Issuer to the acquisition of various categories of commercial and multifamily residential mortgages, hypothecs or other charges on real or immovable property situated in Canada and originated by parties other than the Issuer (the Custodial Property). The Issuer intends to fund successive acquisitions of Custodial Property by issuing mortgage pass-through certificates (the Certificates) in successive series, each evidencing an undivided co-ownership interest in the Custodial Property acquired by the Issuer from the proceeds of such series. Each series of Certificates will be entitled to receive distributions from the Custodial Property acquired by the Issuer from the proceeds of such series. The Custodial Property of each series will be deposited with a custodian and the recourse of Certificate holders of each series will be limited to the Custodial Property of such series and any proceeds thereof.
3. The Issuer is currently not a “reporting issuer” in any Canadian province or territory. The Issuer intends to become a reporting issuer in each province of Canada pursuant to its first Offering, which will be made pursuant to a short form prospectus.

4. As a special purpose vehicle, the Issuer will not carry on any activities other than activities related to issuing asset-backed securities in respect of Custodial Property acquired by the Issuer. The Issuer currently has, and will continue to have, no material assets or liabilities other than its rights and obligations arising from acquiring Custodial Property and issuing asset-backed securities. Certificate holders will only have recourse to the Custodial Property and will not have any recourse to the Issuer.
5. The Issuer will continue to operate as an issuer for the purpose of distributing from time to time “asset-backed securities”, as such term is defined in National Instrument 44-101 Short Form Prospectus Distributions (NI 44-101), with an “approved rating” by an “approved rating organization”, as those terms are defined in NI 44-101, to the public in Canada.
6. CIBC is taking the initiative in organizing the business of the Issuer in connection with the proposed Offerings and as such, CIBC may be considered to be a “promoter” of the Issuer within the meaning of securities legislation of certain provinces of Canada.
7. The Filer is a wholly owned subsidiary of CIBC.
8. The Filer is registered in all Jurisdictions as a dealer in the categories of “broker” and “investment dealer” and is a member of the Investment Dealers Association of Canada.
9. The Issuer is a “related issuer” (or its equivalent) of the Filer because CIBC is an “influential securityholder” of the trustee of the Issuer, and the Filer is a wholly owned subsidiary of CIBC.
10. The Issuer may be considered a “connected issuer” (or its equivalent) of CIBC for the purposes of the Offerings because:
 - (a) CIBC will be a promoter of the Issuer,
 - (b) CIBC will provide on-going administrative and advisory services to the Issuer, and
 - (c) the Issuer may purchase assets forming part of the Custodial Property of an Offering from time to time from an affiliate of CIBC.
11. The Filer proposes to act as the sole underwriter in connection with the distribution of 100% of the dollar value of the distribution of the Certificates as described below for the Offerings.
12. Generally, the pricing of each Offering will be determined by market comparisons obtained from other dealers and investors in the secondary market for commercial mortgage backed securities at the time of issuance. Final pricing of each Offering over the Government of Canada bond will be based on investor demand, which generally will be based on the secondary market bid spread (being the difference in yield between comparable commercial mortgage backed securities trading in the secondary market and the current Government of Canada bond) plus, in appropriate circumstances, a spread adjustment to reflect differences between the risk characteristics of the Offering and other offerings in the secondary market.
13. Based upon the experience of the Filer in previous offerings of mortgage-backed securities, the Filer estimates that approximately 90% of the Offerings will be made to Canadian institutions, pension funds, endowment funds or mutual funds (collectively, Institutional Investors), who can be expected to be knowledgeable about the appropriate pricing parameters for securities of the type offered under the Offerings and to independently determine the appropriateness of the price of such securities based on the information included in the prospectus in making a purchase decision with respect to any such Offering.
14. A minimum of 66⅔% of each Offering will be made to Institutional Investors.
15. No Certificates will be offered by prospectus by the Issuer where the Filer is underwriting 100% of the offering of such Certificates, unless the Certificates have been rated by an approved rating agency.
16. The independent review provided by an approved rating agency in the circumstances of the Offerings would provide an alternative to the independent review which an independent underwriter would provide, and would provide the basis for a prospective purchaser to independently price the Certificates of each Offering.
17. The only financial benefits which the Filer will receive as a result of the Offerings are the normal arm's length underwriting commission and reimbursement of expenses associated with a public offering in Canada, which commissions and reimbursements shall be deemed to include the increases or decreases contemplated by section 1.7(b) of Form 44-101F1 *Short Form Prospectus* and by the applicable securities legislation in Quebec.
18. The Filer proposes that in connection with the distribution by the Issuer of 100% of any Certificates of the Issuer, the preliminary and final short form prospectuses of the Issuer contain the following information:

- (a) on the front page of each such document, the information listed in Appendix C of the NI 33-105 as required information for the front page of such document;
- (b) in the body of each such document, the information listed in Appendix C of the NI 33-105 as required information for the body of such document;
- (c) in the body of each such document disclosure reflecting the substance of paragraphs 12 and 14; and
- (d) in the body of each such document the rating of each Certificate granted by at least one approved rating agency.

Decision

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 Requested Relief is granted provided that the Issuer complies with paragraphs 14, 15, 17 and 18 of this decision.

“Charlie MacCready”
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.6 Brompton Top 50 Compound Growth Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Investment fund using specified derivatives exempted from the requirement to calculate its NAV on a daily basis, subject to certain conditions – NAV will not be generally required for the purposes of issuing and redeeming units since unitholders will have the option of liquidating their shares on the TSX and will not be dependent on redemptions for the purposes of disposing of their units- Prospectus must disclose that NAV calculation is to be made available to public upon request and NAV must be posted on manager’s website for so long as units listed on TSX and NAV per unit is calculated at least weekly - Clause 14.2(3)(b) of National Instrument 81-106 Investment Fund Continuous Disclosure.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 14.2(3)(b), 17.1.

April 28, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK,
NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR,
NORTHWEST TERRITORIES,
YUKON AND NUNAVUT
(THE “JURISDICTIONS”)**

AND

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

AND

**IN THE MATTER OF
BROMPTON TOP 50 COMPOUND GROWTH FUND
(THE “FILER”)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the “Decision Maker”) in each of the Jurisdictions has received an application (the “Application”) from the Filer dated April 4, 2006 for a decision under the securities legislation (the “Legislation”) of the Jurisdictions for an exemption from section 14.2(3)(b) of National Instrument 81-106 *Investment Funds Continuous Disclosure* (“NI 81-106”), which requires an investment fund that uses specified derivatives (as such term is defined in National Instrument 81-102 *Mutual Funds*) to calculate net asset value at least once every business day (the “Requested Relief”).

Decisions, Orders and Rulings

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is an investment trust established under the laws of Ontario pursuant to a declaration of trust, and which will be governed by an amended and restated declaration of trust between the Manager and the Trustee (as defined below).
2. Brompton Funds Management Limited (the "Manager") is the promoter and manager of the Filer and will perform administrative services on behalf of the Filer.
3. A trust company (the "Trustee") will act as the trustee, registrar, transfer agent and distribution agent of the Filer.
4. It is expected that RBC Dexia Investor Services Trust (the "Custodian") will act as the custodian of the assets of the Filer and will be responsible for certain aspects of the day-to-day administration of the Filer.
5. A preliminary prospectus of the Filer dated March 29, 2006 (the "Preliminary Prospectus") has been filed with the securities regulatory authorities in each of the Provinces and Territories of Canada in connection with a proposed issuance of units of the Filer (the "Units").
6. The Units are expected to be listed and posted for trading on the Toronto Stock Exchange (the "TSX"). An application requesting conditional listing approval has been made on behalf of the Filer to the TSX.
7. The Units will be redeemable at the option of the holders of Units (the "Unitholders") on both a monthly and an annual basis. Units can be redeemed annually on the second to last business day of November of each year (the Redemption Date) for an amount based on the Net Asset Value per Unit on the Redemption Date. The monthly redemptions are at a price computed by reference to the market price of the Units on the

monthly redemption date. Since the primary purpose of the Filer is to invest money provided by its Unitholders, the Filer does not invest for the purpose of exercising effective control, seeking to exercise effective control or being actively involved in the management of the issuers in which it invests. As a result, the Filer will not be a "mutual fund" under applicable securities legislation, but will be a "non-redeemable investment fund" for purposes of the Legislation.

8. The Filer's investment objectives are to provide Unitholders with the benefits of compound investment returns on a tax deferred basis and the potential for additional capital appreciation of an equally weighted diversified portfolio of the top 50 income trusts, as measured by current yield, which qualify for inclusion in the S&P/TSX Composite Index (the "Portfolio").
9. The Portfolio will be held by CGF Trust, a trust to be incorporated under the laws of the Province of Ontario. CGF Trust will be established for the purpose of acquiring and holding the Portfolio. A Canadian financial institution (the "Counterparty") will be the initial beneficial owner of all of the units of CGF Trust (the "Trust Units").
10. The Filer will use the net proceeds of the offering of Units for the pre-payment of its purchase obligations under a forward agreement that the Fund will enter into with the Counterparty (the "Forward Agreement").
11. Under the terms of the Forward Agreement, the Counterparty will agree to deliver to the Filer in November, 2026, or earlier if the Forward Agreement is terminated prior to this date (the "Forward Termination Date"), a portfolio consisting of Canadian public issuers that are "Canadian Securities" as defined under subsection 39(6) of the Income Tax Act (Canada) (the "Canadian Securities Portfolio"). The aggregate value of the Canadian Securities Portfolio will be equal to the redemption proceeds of the relevant number of Trust Units, net of any amount owing by the Filer to the Counterparty.
12. From time to time, the Filer may hold a position of its assets in cash and cash equivalents.
13. The Forward Agreement provides that the Filer may settle the Forward Agreement, in whole or in part, prior to the Forward Termination Date: (i) to permit the Filer to fund redemptions and repurchases of Units from time to time; (ii) to fund operating expenses and other liabilities of the Filer; and (iii) for any other reason.
14. The Manager is the promoter of the Filer and has been retained to act as manager for both the Filer and CGF Trust. The Manager will be responsible for providing or arranging for the provision of

administrative services required by both the Filer and CGF Trust.

- 15. Brompton Capital Advisors Inc. (the "Advisor") will be the investment advisor to CGF Trust. The Advisor is registered as an advisor in the category of investment counsel and portfolio manager and is registered as a limited market dealer. The Manager will appoint the Advisor as advisor to CGF Trust.
- 16. The Trust Units will be redeemable at the demand of its unitholders. The Trust Units will be redeemed at a price computed by reference to the net asset value per unit of CGF Trust.
- 17. The net asset value per Unit of the Filer will be calculated and made available to the financial press for publication on a weekly basis. The Manager will post the net asset value per Unit of the Filer on its website at www.bromptongroup.com.
- 18. The Advisor will employ leverage in the Portfolio to enhance the Portfolio's total returns.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the authority to make the decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that the prospectus of the Filer discloses:

- (a) that the net asset value calculation of the Filer is available to the public upon request;
- (b) a website that the public can access to obtain the net asset value;

for so long as:

- (c) the Units are listed on the TSX; and
- (d) the Filer calculates its net asset value per Unit at least weekly.

"Leslie Byberg"
Manager, Investment Funds Branch
Ontario Securities Commission

2.1.7 Connor, Clark & Lunn Global Financials Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Investment fund using specified derivatives exempted from the requirement in subsection 14.2(3)(b) of National Instrument 81-106 Investment Fund Continuous Disclosure to calculate its net asset value on a daily basis, subject to certain conditions.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 14.2(3)(b), 17.1.

April 28, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, QUEBEC, BRITISH COLUMBIA,
ALBERTA, SASKATCHEWAN, MANITOBA,
NEW BRUNSWICK, NOVA SCOTIA,
NEWFOUNDLAND AND LABRADOR,
NORTHWEST TERRITORIES, YUKON TERRITORY
AND NUNAVUT
(the "Jurisdictions")**

AND

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

AND

**IN THE MATTER OF
CONNOR, CLARK & LUNN GLOBAL FINANCIALS
FUND (the "Filer")**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application from the Filer dated April 4, 2006 for a decision under the securities legislation (the "Legislation") of the Jurisdictions for an exemption from section 14.2(3)(b) of National Instrument 81-106 *Investment Fund Continuous Disclosure* ("NI 81-106"), which requires an investment fund that uses specified derivatives (as such term is defined in National Instrument 81-102) to calculate net asset value at least once every business day (the "Requested Relief").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application; and

- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is an investment fund (as defined in NI 81-106) established under the laws of the Province of Ontario pursuant to a trust agreement to be entered into between Connor, Clark & Lunn Capital Markets Inc. (the "Manager"), as manager of the Filer, and RBC Dexia Investor Services Trust, as trustee of the Filer. The principal office of the Filer and the Manager is located at 1 First Canadian Place, Suite 5700, 100 King Street West, Toronto, Ontario, M5X 1E3.
2. The Manager has retained New Star Asset Management Limited (the "Investment Manager") to act as the investment manager of the Filer.
3. A preliminary prospectus of the Filer dated March 31, 2006 (the "**Preliminary Prospectus**") has been filed with the securities regulatory authorities in each of the provinces and territories of Canada in connection with a proposed issuance of units of the Filer (the "**Units**").
4. The Units are expected to be listed and posted for trading on the Toronto Stock Exchange (the "**TSX**"). An application requesting conditional listing approval has been made on behalf of the Filer to the TSX.
5. The Filer does not intend to continuously offer Units once the Filer is out of primary distribution.
6. The investment objectives of the Filer are to (i) provide holders of Units ("Unitholders") with a stable stream of monthly cash distributions initially targeted to be \$0.04167 per Unit (\$0.50 per annum, representing a yield of approximately 5.0% per annum on the issue price of \$10.00 per Unit); (ii) preserve the net asset value per Unit in order to return at least the original issue price of Units (\$10.00 per Unit) to Unitholders upon termination of the Filer; and (iii) provide Unitholders with an opportunity for capital appreciation above the original issue price.
7. To achieve its investment objectives, the net proceeds from the offering of Units will be invested in an actively managed portfolio (the "**Portfolio**") consisting of securities of global financial services

businesses. The Portfolio will be actively managed by the Investment Manager.

8. The Filer will be exposed to a number of foreign currencies. The Investment Manager will take currency exposure into account in managing the Portfolio and will attempt to maximize the Filer's total returns in Pounds Sterling. In addition, it is intended that at least 90% of the value of the Portfolio's non-Canadian exposure will be hedged from Pounds Sterling back to the Canadian dollar.
9. Although the Filer will be a mutual fund trust for purposes of the *Income Tax Act* (Canada), the Filer is not considered to be a 'mutual fund' because Unitholders are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Fund as contemplated in the definition of 'mutual fund' in the Legislation. Accordingly, the Filer will be a "non-redeemable" investment fund as defined in NI 81-106.
10. The Filer will calculate its net asset value per Unit ("**NAV per Unit**") on the following days (each a "**Valuation Date**"): (i) each Friday during the year (or, if a Friday is not a business day, then on the business day following such Friday); and (ii) the Redemption Date, as defined in the final prospectus of the Filer (the "**Redemption Date**"). If the Filer elects to have a December 15 year-end for tax purposes as permitted by the *Income Tax Act* (Canada), the NAV per Unit will also be calculated on December 15.
11. Subject to the Filer's right to suspend redemptions, Units may be surrendered for redemption at the option of a Unitholder: (i) commencing in 2007, on an annual basis on the Redemption Date at a redemption price per Unit equal to the NAV per Unit determined as of the Redemption Date, less any costs and expenses incurred by the Filer in connection with funding the redemption; and (ii) on the last business day of a month at a redemption price per Unit computed by reference to the market price of the Units.
12. The NAV per Unit of the Filer will be made available to the financial press for publication on a weekly basis. The prospectus of the Filer will disclose that the NAV per Unit of the Filer will be made available by the Manager on the Manager's website. The Manager will post the NAV per Unit of the Filer on its website at **www.cclcapitalmarkets.com**.
13. Because the Units will be listed for trading on the TSX, Unitholders will not have to rely solely on the redemption features of the Units in order to provide liquidity for their investment.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the authority to make the decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that the prospectus of the Filer discloses:

- (a) that the net asset value of the Filer is available to the public upon request; and
- (b) a website that the public can access to obtain the net asset value;

for so long as:

- (c) the Units are listed on the TSX; and
- (d) the Filer calculates its net asset value at least weekly.

"Leslie Byberg"
Manager, Investment Funds Branch
Ontario Securities Commission

2.1.8 Advanced Fiber Technologies (AFT) Income Fund and Aikawa Iron Works Co., Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System – OSC Rule 61-501 – take-over bid and subsequent business combination – Rule 61-501 requires sending of information circular and holding of meeting in connection with second step business combination – target's declaration of trust provides that a resolution in writing executed by unitholders holding more than 662/3% of the outstanding units is valid and binding as if such voting rights had been exercised in favour of such resolution at a meeting of Unitholders – second step business combination to be subject to minority approval, calculated in accordance with section 8.2 of Rule 61-501 – relief granted from requirement that information circular be sent and meeting be held.

Applicable Ontario Rule

OSC Rule 61-501 Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions, ss. 4.2, 9.1.

February 8, 2006

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

AND

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

AND

**IN THE MATTER OF THE
POTENTIAL TAKE-OVER BID FOR
ADVANCED FIBER TECHNOLOGIES
(AFT) INCOME FUND BY
A WHOLLY-OWNED SUBSIDIARY OF
AIKAWA IRON WORKS CO., LTD.**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of Québec and Ontario (the "**Jurisdictions**") has received an application from a wholly-owned subsidiary of Aikawa Iron Works Co., Ltd. (the "**Applicant**"), in connection with a potential take-over bid (the "**Bid**") for Advanced Fiber Technologies (AFT) Income Fund ("**AFT**"), for a decision pursuant to the securities legislation of the Jurisdictions (the "**Legislation**") that:

1. the requirement of the Legislation that (a) the Subsequent Acquisition Transaction (as defined below) be approved at a meeting of the

unitholders of AFT (the "**Unitholders**"), and (b) an information circular be sent to the Unitholders in connection with the Subsequent Acquisition Transaction, be waived; and

2. the application and this MRRS Decision Document granting waiver of such requirement be maintained confidential until the earlier of:

- (a) 90 days from the date of this Decision Document;
- (b) such time as the Bid is announced; and
- (c) one business day after notice to the Applicant and Stikeman Elliott LLP of the Autorité des marchés financiers du Québec ("**AMF**") or the Ontario Securities Commission's intention to remove confidentiality.

(collectively, the "**Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) the AMF is the principal regulator, for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following representations by the Applicant:

- 1. The outstanding units of AFT (the "**Units**") are held by The Canadian Depository Securities Limited in book-entry only form.
- 2. If the Applicant decides to proceed with the Bid, it is currently expected that:
 - (a) the Bid would be for all of the outstanding Units in consideration for a specified amount in cash to represent a premium to the market price of the Units at a level to be determined;
 - (b) a condition of the Bid, among other conditions, would be that there shall have been validly deposited under the Bid and not withdrawn at the expiry of the Bid that number of Units (including the Units held at the date of the Bid by or on behalf of the Applicant or an affiliate or associate

of the Applicant) representing at least 66⅔% of the Units, on a fully-diluted basis, at the time Units are taken up under the Bid (the "**Minimum Condition**");

- (c) in the event that the conditions to the Bid are satisfied (or waived by the Applicant) and the Applicant takes up and pays for Units deposited pursuant to the Bid, the Applicant may proceed with a compulsory acquisition of the Units not deposited to the Bid (the "**Compulsory Acquisition**") as permitted by AFT's declaration of Trust (the "**Declaration of Trust**") and acquire such Units, for the same consideration per Unit as was paid under the Bid, if within 120 days after the date of the Bid, the Applicant has taken up and paid for not less than 90% of the Units (other than Units held at the date of the Bid by or on behalf of the Applicant or an affiliate or an associate of the Applicant).

- (d) If the Compulsory Acquisition permitted under the Declaration of Trust is not available to the Applicant, the Applicant may proceed with a subsequent acquisition transaction (the "**Subsequent Acquisition Transaction**") by seeking a resolution to amend the Declaration of Trust to provide that a Compulsory Acquisition may be effected if the Applicant, after take-up and payment of Units deposited under the offer, holds not less than 66⅔% of the Units calculated on a fully-diluted basis, provided that if the Subsequent Acquisition Transaction is not pursued in such form, the Applicant reserves the right, subject to compliance with applicable securities laws, to acquire the assets of AFT or the balance of the Units as soon as practicable by way of a statutory arrangement, amalgamation, merger, reorganization, consolidation, recapitalization, repurchase, redemption, Trust Agreement amendment, liquidation, winding-up or other transaction, including a sale of all or any material part or parts of the assets, involving AFT and/or its subsidiaries and the Applicant, Aikawa Iron Works Co., Ltd. or any of their respective subsidiaries;

- (e) in order to effect the Subsequent Acquisition Transaction, rather than seeking the Unitholders' approval at a special meeting of the Unitholders to be called for such purpose, the Applicant intends to rely on Section 7.8 of the Declaration of Trust, as it may be amended from time to time, which

specifies that a resolution in writing executed by Unitholders holding more than 66⅔% of the outstanding Units at any time is for all purposes as valid and binding as if such voting rights had been exercised in favour of such resolution at a meeting of Unitholders;

- (f) notwithstanding Section 7.8 of the Declaration of Trust, in certain circumstances the Legislation requires that the Subsequent Acquisition Transaction be approved at a meeting of Unitholders called for that purpose; and
- (g) to effect the Subsequent Acquisition Transaction, the Applicant will obtain minority approval, as that term is defined in the Legislation, calculated in accordance with the terms of Section 8.2 of AMF Policy Q-27, and Section 8.2 of OSC Rule 61-501 (the "Minority Approval"), albeit not at a meeting of Unitholders, but by written resolution.

Decision

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 Requested Relief is granted provided that Minority Approval shall have been obtained, albeit not at a meeting of Unitholders, but by written resolution.

"Josée Deslauriers"
Surintendante
Autorité des marchés financiers

"Anne-Marie Beaudoin"
Directrice du secrétariat
Autorité des marchés financiers

2.1.9 CIBC Asset Management Inc. and CIBC Global Asset Management Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption to allow dealer managed mutual funds to invest in securities of an issuer during the 60 days after the distribution period in which an affiliate of the dealer manager has acted as an underwriter in connection with the distribution of securities of the issuer – the conflict is mitigated by the oversight of an independent review committee - subsection 4.1(1) of National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(1), 19.1.

April 27, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK,
NOVA SCOTIA, PRINCE EDWARD ISLAND,
NEWFOUNDLAND AND LABRADOR,
AND THE NORTHWEST TERRITORIES, NUNAVUT
AND THE YUKON
(the "Jurisdictions")**

AND

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

AND

**IN THE MATTER OF
CIBC ASSET MANAGEMENT INC.
AND CIBC GLOBAL ASSET MANAGEMENT INC.
(the "Applicants")**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application from the Applicants (or "Dealer Managers"), for and on behalf of the mutual funds named in Appendix "A" (the "Funds" or "Dealer Managed Funds") for whom the Applicants act as manager or portfolio advisor or both, for a decision under section 19.1 of National Instrument 81-102 *Mutual Funds* ("NI 81-102") for:

- an exemption from subsection 4.1(1) of NI 81-102 to enable the Dealer Managed Funds to invest in units (the "Units") of H&R Real Estate Investment Trust (the "Issuer") during the 60-day period following the completion of the distribution (the "Prohibition Period") notwithstanding that the

Dealer Managers or their associates or affiliates act or have acted as an underwriter in connection with the offering (the "**Offering**") of Units of the Issuer under a short form prospectus (the "**Prospectus**") for the Offering that the issuer will file with the securities regulatory authorities in each of the provinces of Canada (the "**Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission (the "**OSC**") is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

It is the responsibility of each of the Decision Makers to make a global assessment of the risks involved in granting exemptive relief from subsection 4.1 of NI 81-102 in relation to the specific facts of each application.

Interpretation

Defined terms contained in National Instrument 14-101 - *Definitions* have the same meanings in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Applicant:

1. Each Dealer Manager is a "dealer manager" with respect to the Dealer Managed Funds, and each Dealer Managed Fund is a "dealer managed fund", as such terms are defined in section 1.1 of NI 81-102.
2. The securities of the Dealer Managed Funds are qualified for distribution in one or more of the provinces and territories of Canada pursuant to simplified prospectuses that have been prepared and filed in accordance with their respective securities legislation.
3. The head office of CIBC Asset Management Inc. is in Toronto, Ontario. The head office of CIBC Global Asset Management Inc. is in Montreal, Quebec.
4. The Issuer is an unincorporated real estate investment trust created under, and governed by, the laws of the Province of Ontario. The Issuer is an open-ended investment trust which owns properties in Canada and the United States totalling approximately 37.3 million square feet in leasable area.
5. The Offering is being underwritten, subject to certain terms, by a syndicate which will include CIBC World Markets Inc. (the "**Related**

Underwriter"), among others (the Related Underwriter, together with the other underwriters, which are now or may become part of the syndicate prior to the closing, the "**Underwriters**"). The Related Underwriter is an affiliate of the Dealer Managers.

6. According to the Issuer's preliminary prospectus dated April 12, 2006 (the "**Preliminary Prospectus**"), the Offering consists of 5,985,000 Units at a price of \$20.90 per Unit. The gross proceeds of the Offering are expected to be approximately \$125 million. It is expected that the Issuer will grant the Underwriters an over-allotment option (the "**Over Allotment Option**") to purchase an additional 897,750 Units, exercisable, in whole or in part within 30 days of the closing date, which is expected to occur on April 28, 2006. If the Over Allotment Option is exercised in full, the Offering is expected to result in gross proceeds of approximately \$143,762,975.
7. According to the Preliminary Prospectus, the Issuer intends to use the net proceeds to fund the acquisition of additional properties. Any proceeds not initially used for such purposes will be used to reduce the Issuer's indebtedness, including indebtedness incurred to finance the requisition of such properties.
8. The Issuer and the Underwriters have entered into an underwriting agreement dated April 12, 2006 whereby the Underwriters have agreed to purchase a total of 5,985,000 Units for an aggregate consideration of \$125,086,500.
9. The Issuer's outstanding units are listed on the Toronto Stock Exchange ("TSX") under the symbol "HR.UN". On April 7, 2006, the last trading day prior to the announcement of this offering, the closing price of the Issuer's outstanding units on the TSX was \$21.64. The Issuer has applied to list the Units under the Prospectus. Such listing will be subject to the Issuer fulfilling all of the TSX's requirements.
10. According to the Preliminary Prospectus, the Issuer may be considered a "connected issuer" as defined in National Instrument 33-105 ("**NI 33-105**") to the Related Underwriter and four of the Underwriters which are subsidiaries of banks (the "**Banks**") that are, or are related to, lenders to the Issuer for reasons set forth in the Preliminary Prospectus. The Issuer may use a portion of the net proceeds of this offering to, among other things, reduce its indebtedness to one of the Banks which has extended a credit facility in the amount of \$180 million. The Issuer's \$180 million credit facility is secured by a first charge over certain properties, and the Banks have granted mortgage financings to the Issuer in the aggregate amount of approximately \$80.4 million, which are secured by certain assets of the Issuer. As at

April 11, 2006, the Issuer was indebted to the Banks, and their related entities, in respect of all credit facilities in the aggregate amount of approximately \$156 million and in respect of mortgage financings in the aggregate amount of approximately \$80.4 million. As at the date of the Preliminary Prospectus, the Issuer is in compliance with the terms of all such indebtedness. Since the date such indebtedness was incurred, there has been no material adverse change in the financial position of the Issuer and the value of the collateral granted as security for the indebtedness has not materially changed. The decision to distribute the Units and the determination of the terms of distribution were made through negotiations between the Issuer and the Underwriters. The Banks did not have any involvement in such decision or determination. None of the Underwriters will receive any benefit from this offering other than its respective portion of the Underwriters' fee payable by the Issuer.

11. The Issuer is not a "related issuer" of the Related Underwriter, as defined in NI 33-105.
12. Despite the affiliation between the Dealer Managers and the Related Underwriter, they operate independently of each other. In particular, the investment banking and related dealer activities of the Related Underwriter and the investment portfolio management activities of the Dealer Managers are separated by "ethical" walls. Accordingly, no information flows from one to the other concerning their respective business operations or activities generally, except in the following or similar circumstances:
 - (a) in respect of compliance matters (for example, the Dealer Manager and the Related Underwriter may communicate to enable the Dealer Manager to maintain an up to date restricted-issuer list to ensure that the Dealer Manager complies with applicable securities laws); and
 - (b) the Dealer Managers and the Related Underwriter may share general market information such as discussion on general economic conditions, bank rates, etc.
13. The Dealer Managed Funds are not required or obligated to purchase any Units during the Prohibition Period.
14. The Dealer Managers may cause the Dealer Managed Funds to invest in Units during the Prohibition Period. Any purchase of the Units will be consistent with the investment objectives of the Dealer Managed Funds and represent the business judgment of the Dealer Managers uninfluenced by considerations other than the best interests of the Dealer Managed Funds or in fact be in the best interests of the Dealer Managed Funds.
15. To the extent that the same portfolio manager or team of portfolio managers of a Dealer Manager manages two or more Dealer Managed Funds and other client accounts that are managed on a discretionary basis (the "**Managed Accounts**"), the Units purchased for them will be allocated:
 - (a) in accordance with the allocation factors or criteria stated in the written policies or procedures put in place by the Dealer Manager for its Dealer Managed Funds and Managed Accounts, and
 - (b) taking into account the amount of cash available to each Dealer Managed Fund for investment.
16. There will be an independent committee (the "**Independent Committee**") appointed in respect of the Dealer Managed Funds to review the investments of the Dealer Managed Funds in Units during the Prohibition Period.
17. The Independent Committee will have at least three members and every member must be independent. A member of the Independent Committee is not independent if the member has a direct or indirect material relationship with its Dealer Manager, the Dealer Managed Funds, or any affiliate or associate thereof. For the purpose of this Decision, a material relationship means a relationship which could, in the view of a reasonable person, reasonably interfere with the exercise of the member's independent judgment regarding conflicts of interest facing the Dealer Manager.
18. 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 Dealer Managed Funds and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.
19. Each Dealer Manager, in respect of the Dealer Managed Funds, will notify a member of staff in the Investment Funds Branch of the Ontario Securities Commission, of the filing of the SEDAR Report on SEDAR, as soon as practicable after the filing of such report, and the notice shall include the SEDAR project number of the SEDAR Report and the date on which it was filed.
20. Each Dealer Manager has not been involved in the work of the Related Underwriter and the Related Underwriter has not been and will not be involved in the decisions of the Dealer Managers

as to whether the Dealer Managed Funds will purchase Units during the Prohibition Period.

Decision

Each of the Decision Makers has assessed the conflict of interest risks associated with granting an exemption in this instance from subsection 4.1(1) of NI 81-102 and is satisfied that, at the time this Decision is granted, the potential risks are sufficiently mitigated.

Each of the Decision Makers is satisfied that the test contained in NI 81-102 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 Requested Relief is granted, notwithstanding that the Related Underwriter acts or has acted as underwriter in the Offering provided that, in respect of each Dealer Manager and its Dealer Managed Funds, the following conditions are satisfied:

- I. At the time of each purchase (the **"Purchase"**) of Units by a Dealer Managed Fund pursuant to this Decision, the following conditions are satisfied:
 - (a) the Purchase
 - (i) represents the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or
 - (ii) is, in fact, in the best interests of the Dealer Managed Fund;
 - (b) the Purchase is consistent with, or is necessary to meet, the investment objective of the Dealer Managed Fund as disclosed in its simplified prospectus; and
 - (c) the Dealer Managed Fund does not place the order to purchase, on a principal or agency basis, with its Related Underwriter;
- II. Prior to effecting any Purchase pursuant to this Decision, the Dealer Managed Fund has in place written policies or procedures to ensure that,
 - (a) there is compliance with the conditions of this Decision; and
 - (b) in connection with any Purchase,
 - (i) there are stated factors or criteria for allocating the Units purchased for two or more Dealer Managed Funds and other Managed Accounts, and

- (ii) there is full documentation of the reasons for any allocation to a Dealer Managed Fund or Managed Account that departs from the stated allocation factors or criteria;

- III. Each Dealer Managed Fund has an Independent Committee to review the Dealer Managed Fund's investments in the Units during the Prohibition Period;
- IV. The Independent Committee has a written mandate describing its duties and standard of care which, as a minimum, sets out the conditions of this Decision;
- V. 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 Dealer Managed Funds and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;
- VI. The Dealer Managed Fund does not relieve 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 V above;
- VII. The Dealer Managed Fund does not incur 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 V above;
- VIII. The cost of any indemnification or insurance coverage paid for by the Dealer Manager, any portfolio manager of the Dealer Managed Fund, or any associate or affiliate of the Dealer Manager or any portfolio manager of the Dealer Managed 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 V above is not paid either directly or indirectly by the Dealer Managed Fund;
- IX. The Dealer Manager files a certified report on SEDAR (the **"SEDAR Report"**) in respect of each Dealer Managed Fund, no later than 30 days after the end of the Prohibition Period, that contains a certification by the Dealer Manager that contains:
 - (a) the following particulars of each Purchase:
 - (i) the number of Units purchased by the Dealer Managed Fund;
 - (ii) the date of the Purchase and purchase price;

- (iii) whether it is known whether any underwriter or syndicate member has engaged in market stabilization activities in respect of the Units;
- (iv) if the Units were purchased for two or more Dealer Managed Funds and other Managed Accounts of the Dealer Manager, the aggregate amount so purchased and the percentage of such aggregate amount that was allocated to each Dealer Managed Fund; and
- (v) the dealer from whom the Dealer Managed Fund purchased the Units and the fees or commissions, if any, paid by the Dealer Managed Fund in respect of such Purchase;
- (b) a certification by the Dealer Manager that the Purchase:
- (i) was made free from any influence by the Related Underwriter or any affiliate or associate thereof and without taking into account any consideration relevant to the Related Underwriter or any associate or affiliate thereof; and
- (ii) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interest of the Dealer Managed Fund, or
- (iii) was, in fact, in the best interests of the Dealer Managed Fund;
- (c) confirmation of the existence of the Independent Committee to review the Purchase of the Units by the Dealer Managed Funds, the names of the members of the Independent Committee, the fact that they meet the independence requirements set forth in this Decision, and whether and how they were compensated for their review;
- (d) a certification by each member of the Independent Committee that after reasonable inquiry the member formed the opinion that the policies and procedures referred to in Condition II(a) above are adequate and effective to ensure compliance with this Decision and that the decision made on behalf of each Dealer Managed Fund by the Dealer Manager to purchase Units for the Dealer Managed Funds and each Purchase by the Dealer Managed Fund:
- (i) was made in compliance with the conditions of this Decision;
- (ii) was made by the Dealer Manager free from any influence by the Related Underwriter or any affiliate or associate thereof and without taking into account any consideration relevant to the Related Underwriter or any associate or affiliate thereof; and
- (iii) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or
- (iv) was, in fact, in the best interests of the Dealer Managed Fund.
- X. The Independent Committee advises the Decision Makers in writing of:
- (a) any determination by it that the condition set out in paragraph IX(d) has not been satisfied with respect to any Purchase of the Units by a Dealer Managed Fund;
- (b) any determination by it that any other condition of this Decision has not been satisfied;
- (c) any action it has taken or proposes to take following the determinations referred to above; and
- (d) any action taken, or proposed to be taken, by the Dealer Manager or a portfolio manager of a Dealer Managed Fund, in response to the determinations referred to above.
- XI. Each Purchase of Units during the Prohibition Period is made on the TSX; and
- XII. An underwriter provides to the Dealer Manager written confirmation that the "dealer restricted period" in respect of the Offering, as defined in Ontario Securities Commission Rule 48-501, Trading During Distributions, Formal Bids and Share Exchange Transactions, has ended.

“Rhonda Goldberg”
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

APPENDIX A

THE MUTUAL FUNDS

Imperial Pools

Imperial Canadian Equity Pool
Imperial Canadian Dividend Income Pool
Imperial Canadian Dividend Pool
Imperial Canadian Income Trust Pool

Renaissance Talvest Mutual Funds

Renaissance Canadian Balanced Value Fund
Renaissance Canadian Dividend Income Fund
Renaissance Canadian Growth Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Income Trust Fund
Renaissance Canadian Income Trust Fund II
Renaissance Canadian Small Cap Fund
Talvest Dividend Fund
Talvest Cdn. Equity Growth Fund
Talvest Cdn. Asset Allocation Fund
Talvest Cdn. Equity Value Fund
Talvest Small Cap Cdn. Equity fund

CIBC Mutual Funds

CIBC Balanced Fund
CIBC Core Canadian Equity Fund
CIBC Capital Appreciation Fund
CIBC Dividend Fund
CIBC Diversified Income Fund
CIBC Financial Companies Fund
Canadian Imperial Equity Fund
CIBC Canadian Small Companies Fund
CIBC Monthly Income Fund
CIBC Canadian Real Estate Fund

Frontiers Pools

Frontiers Canadian Equity Pool
Frontiers Canadian Monthly Income Pool

2.1.10 Barclays Global Investors Canada Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - exemption from the requirements that the prospectus of certain investment funds include annual and interim financial statements and certain selected financial information— The Applicant wants relief in order to incorporate the financial statements by reference into the prospectus. The Applicant allocates a significant amount of resources in preparing and including this large volume of financial information in the renewal prospectuses of the funds. This financial information does not provide any additional disclosure to investors that is not already publicly available on SEDAR - sections 4.1, 4.6 and 4.7 of OSC Rule 41-501 and Item 8 of OSC Form 41-501F1 – Information Required in a Prospectus.

Applicable Legislative Provisions

Ontario Securities Commission Rule 41-501 General Prospectus Requirements, ss. 4.1, 4.6, 4.7 and 15.1 and item 8 of Form 41-501F1.

April 25, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK,
NOVA SCOTIA, PRINCE EDWARD ISLAND,
NEWFOUNDLAND AND LABRADOR, YUKON,
NUNAVUT AND THE NORTHWEST TERRITORIES
(the Jurisdictions)**

AND

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

AND

**IN THE MATTER OF
BARCLAYS GLOBAL INVESTORS CANADA LIMITED**

AND

THE FUNDS LISTED IN SCHEDULE A

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from Barclays Global Investors Canada Limited (the Filer or Barclays Canada) as trustee and manager of the exchange traded mutual funds (the Existing Funds) listed on Schedule A and any additional exchange-traded funds which Barclays Canada may

establish and which are operated on a similar basis to the Existing Funds (the Future Funds), for a decision under the securities legislation (the Legislation) of the Jurisdictions providing an exemption from the requirements under the Legislation that the prospectus of the Existing Funds and the Future Funds (collectively, the Funds) include:

- (i) the annual financial statements of the Funds for the past three years;
- (ii) the interim financial statements of the Funds;
- (iii) additional financial information about the Funds that was publicly disclosed after the date of the financial statements referred to in paragraphs (i) and (ii);
- (iv) the auditor's report on the annual financial statements referred to in paragraph (i); and
- (v) selected consolidated financial information including:
 - a) summary financial information with respect to the annual financial statements referred to in paragraph (i);
 - b) summary financial information with respect to the four most recently completed six month periods ended at the end of the most recently completed financial year for which financial statements are included in the prospectus;
 - c) the issuer's dividend policy; and
 - d) management discussion and analysis for the annual financial statements referred to in paragraph (i),

(collectively the Requested Relief)

Under the Mutual Reliance Review System for Exemptive Relief Applications (MRRS),

- (i) the Ontario Securities Commission (OSC) is the principal regulator for this application, and
- (ii) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106) have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based upon the following facts represented by the Filer:

Decisions, Orders and Rulings

1. Each of the Existing Funds is, and it is expected that each of the Future Funds will be, a mutual fund governed by the laws of Ontario.
 2. Each of the Funds is, or will be, a reporting issuer under the laws of Ontario and each of the other Jurisdictions.
 3. Securities of each of the Funds are, or will be, listed on the Toronto Stock Exchange or another stock exchange recognized by the OSC under the *Securities Act* (Ontario).
 4. The securities issued by the Funds are, or will be, index participation units (IPUs) within the meaning of National Instrument 81-102 – *Mutual Funds* (NI 81-102) and the Funds are, or will be, generally, described as exchange traded funds (ETFs).
 5. The Funds are, or will be, mutual funds and therefore subject to NI 81-102 and NI 81-106 and are, or may be, subject to other rules applicable to mutual funds, including proposed National Instrument 81-107 – *Independent Review Committee for Investment Funds* (NI 81-107).
 6. Barclays Canada or an affiliate of Barclays Canada is, or will be, the manager of the Funds.
 7. The simplified prospectus form prescribed in Section 2.1 of National Instrument 81-101 – *Mutual Fund Prospectus Disclosure* (NI 81-101) does not apply to the Funds because they are ETFs. Section 1.3(c) of NI 81-101 provides that NI 81-101 does not apply to mutual funds that are listed and posted for trading on a stock exchange. As a result, the prospectus of the Funds is a long-form prospectus in the form prescribed by the Legislation.
 8. Under section 3.1 of NI 81-101, mutual funds that use the simplified prospectus are required to incorporate by reference the following documents in their prospectus:
 - (A) the most recently filed comparative annual financial statements of the mutual fund, together with the accompanying report of the auditor, filed either before or after the date of the simplified prospectus of the mutual fund;
 - (B) the most recently filed interim financial statements of the mutual fund that were filed before or after the date of the simplified prospectus and that pertain to a period after the period to which the annual financial statements then incorporated by reference in the prospectus pertain;
 - (C) the most recently filed annual management report of fund performance
- of the mutual fund that was filed before or after the date of the simplified prospectus; and
- (D) the most recently filed interim management report of fund performance of the mutual fund that was filed before or after the date of the simplified prospectus and that pertains to a period after the period to which the annual management report of fund performance then incorporated by reference in the simplified prospectus pertains;
9. Because the Funds do not use the simplified prospectus, they are not required to incorporate by reference the above financial information into their prospectuses but must include financial information required by the Legislation.
 10. Securities of the Funds are, or will be, offered on a continuous basis in the Jurisdictions. Therefore, the Funds must file a renewal prospectus on an annual basis in each Jurisdiction under the Legislation.
 11. The initial prospectus of each Future Fund will include an audited opening Statement of Net Assets for each Future Fund.
 12. The Funds comply, or intend to comply, with the following requirements to prepare, file and disseminate financial disclosure (the Investment Fund Financial Disclosure Requirements):
 - (i) preparation and filing of audited annual financial statements in accordance with Sections 2.1 and 2.2 of NI 81-106;
 - (ii) preparation and filing of interim financial statements in accordance with Sections 2.3 and 2.4 of NI 81-106;
 - (iii) preparation of financial statements in accordance with Canadian GAAP and Canadian GAAS in accordance with Sections 2.6 and 2.7 of NI 81-106;
 - (iv) delivery to unitholders of audited annual financial statements and interim financial statements in accordance with Part 5 of NI 81-106;
 - (v) preparation, filing and delivery to unitholders of annual and interim Management Reports of Fund Performance in accordance with Parts 4 and 5 of NI 81-106; and
 - (vi) preparation and dissemination to unitholders of quarterly portfolio disclosure in accordance with Part 6 of NI 81-106.

All financial disclosure prepared in accordance with the Investment Fund Financial Disclosure Requirements is publicly available on the System for Electronic Document Analysis and Retrieval (SEDAR) and/or on the Funds' web site at www.iunits.com for examination by existing and potential unitholders.

13. Barclays Canada filed a prospectus dated December 6, 2005 for four Funds (the New Funds) that were established on December 5, 2005, which is also a second amended and restated prospectus of the renewal prospectus dated August 17, 2005 for 12 Funds that were created between June 21, 1999 and August 22, 2002 (the December 2005 Prospectus). The December 2005 Prospectus includes almost forty pages of financial information as required by the Legislation, all of which has been publicly disclosed, except for audited opening statements of Net Assets of the New Funds. If any Funds (other than the New Funds) had completed an interim period more than 60 days before August 17, 2005, the December 2005 Prospectus would have included interim financial statements of those Funds as required under the Legislation. If any Funds had filed or publicly disseminated any other financial statements or financial information prior to August 17, 2005, such additional statements or information would have been included in the December 2005 Prospectus.
14. Other than the audited opening Statements of Net Assets of the New Funds, all of the financial disclosure included in the December 2005 Prospectus had been delivered to existing unitholders of the Funds and filed on SEDAR prior to its inclusion in the December 2005 Prospectus. The financial disclosure was also easily accessible to potential unitholders on the iUnits Funds' website.
15. Going forward, by complying with the Investment Fund Financial Disclosure Requirements, the Funds will have already filed on SEDAR or publicly disseminated (in respect of quarterly portfolio disclosure) relevant financial information for all periods that would, absent the requested relief, be reflected in the financial disclosure that would be included in the renewal prospectuses of the Funds pursuant to the Legislation. The renewal prospectuses of the Funds will not include any new financial information relating to the Funds.
16. The Filer expects that, if the exemptive relief requested herein is not provided, a similar quantity of financial information will be required in future renewal prospectuses of the Funds. The quantity of previously disclosed financial information in the renewal prospectuses of the Funds will continue to increase as Future Funds are added. The Filer and the Funds allocate a significant amount of

resources in preparing and including this large volume of financial information in the renewal prospectus. This financial information does not provide any additional disclosure to investors that is not already publicly available. On the contrary, this financial information makes the renewal prospectus of the Funds unnecessarily lengthy and cumbersome, and therefore less "user friendly" for investors.

17. Given that the statements and information required by the Investment Fund Financial Disclosure Requirements will be publicly available on SEDAR, the Filer believes that there is no prejudice to investors by granting the relief and the Funds will be treated equally with all other mutual funds that file a simplified prospectus.

Decision

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 Requested Relief is granted provided that:

- (i) the initial prospectus of each Future Fund includes an audited opening Statement of Net Assets;
- (ii) as of the date of the prospectus of a Fund, the Fund has complied with NI 81-106 and the Investment Fund Financial Disclosure Requirements;
- (iii) the prospectus of a Fund, by means of disclosure on the cover page and in the body of the prospectus, incorporates by reference the following:
 - (A) the most recently filed comparative annual financial statements of the Fund, together with the accompanying report of the auditor, filed either before or after the date of the prospectus of the Fund;
 - (B) the most recently filed interim financial statements of the Fund that were filed before or after the date of the prospectus and that pertain to a period after the period to which the annual financial statements then incorporated by reference in the prospectus pertain;
 - (C) the most recently filed annual management report of fund performance of the Fund that was filed before or after the date of the prospectus; and
 - (D) the most recently filed interim management report of fund performance of the Fund that was filed before or after the date of the prospectus and that

pertains to a period after the period to which the annual management report of fund performance then incorporated by reference in the prospectus pertains;

(iv) the disclosure in the body of the prospectus referred to in paragraph (iii) above, includes the following statement in substantially the following words and the disclosure on the cover page of the prospectus referred to in paragraph (iii) above includes the following statement or an abbreviated version of the following statement with a cross-reference to the disclosure in the body:

“Additional information about the Fund is available in the following documents:

- the most recently filed annual financial statements [may specify the date of the annual financial statements, if appropriate];
- any interim financial statements filed after those annual financial statements [may specify the date of the interim financial statements, if appropriate];
- the most recently filed annual management report of fund performance [may specify the date of the annual management report of fund performance, if appropriate];
- any interim management report of fund performance filed after that annual management report of fund performance [may specify the date of the interim management report of fund performance, if appropriate].

These documents are incorporated by reference into this prospectus, which means that they legally form part of this document just as if they were printed as part of this document. You can get a copy of these documents, at your request, and at no cost, by calling [toll-free/collect] [insert the toll-free telephone number or telephone number where collect calls are accepted] or from your dealer.

[If applicable] These documents are available on the [Fund’s/Fund family’s] Internet site at [insert Fund’s Internet site address], or by contacting the [Fund/Fund family] at [Fund’s/Fund’s family email address].

These documents and other information about the Fund are available on the Internet at www.sedar.com.”

(v) an auditor’s consent to the incorporation of the auditor’s report on the comparative annual financial statements referred to under Section (iii)(A) above into the prospectus of the Funds is filed with the prospectus and filed with any subsequently filed comparative annual financial statements;

(vi) the certificate of each Fund that is required to be included with a prospectus under the Legislation states the following:

“This prospectus, together with the documents incorporated by reference in this prospectus, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities legislation of [insert name of each jurisdiction in which qualified].”

(vii) the prospectus of each Fund discloses that the Fund has received exemptive relief in the Jurisdictions to permit the Fund, subject to certain terms and conditions, to incorporate certain publicly disclosed financial statements and information by reference into the prospectus instead of including such financial statements and information in the prospectus; and

(viii) this decision expires upon the coming into force of a prospectus rule that replaces Ontario Securities Commission Rule 41-501 *General Prospectus Requirements* (Rule 41-501) or varies Rule 41-501 with respect to any of the sections referred to in the Requested Relief.

“Leslie Byberg”
Manager, Investment Funds Branch
Ontario Securities Commission

**SCHEDULE A
EXISTING FUNDS**

iUnits Canadian Equity Funds

iUnits S&P®/TSX® 60 Index Fund
iUnits Composite Cdn Eq Capped Index Fund
iUnits S&P/TSX MidCap Index Fund
iUnits S&P/TSX Capped Energy Index Fund
iUnits S&P/TSX Capped Financials Index Fund
iUnits S&P/TSX Capped Gold Index Fund
iUnits S&P/TSX Capped Information Technology Index Fund
iUnits S&P/TSX Capped REIT Index Fund
iUnits Materials Sector Index Fund
iUnits Income Trust Sector Index Fund
iUnits Dividend Index Fund

iUnits Fixed Income Funds

iUnits Short Bond Index
iUnits Canadian Bond Broad Market Index Fund
iUnits Real Return Bond Index Fund

iUnits International Funds

iUnits S&P 500 C\$ Index Fund
iUnits International Equity C\$ Index Fund

2.1.11 Capital International S.A. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Filer is a member of an international group of companies offering investment management services. The group of companies are joint actors for the purposes of National Instrument 62-103. The Filer is not an “eligible institutional investor” under NI 62-103 because they are not in a jurisdiction set out in the definition of “investment manager” in NI 62-103. Filer is exempt from the early warning requirements, moratorium provisions and insider reporting requirements and the Filer’s officers and directors are exempt from the insider reporting requirements subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 101, 104(2)(c), 107, 121(2)(a)(ii).
National Instrument 62-103 The Early Warning System and Related Take-over Bid and Insider Reporting Issues, Parts 4 and 9 and ss. 10.1(4), 11.

April 21, 2006

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

AND

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

AND

**IN THE MATTER OF
CAPITAL INTERNATIONAL S.A. (CISA)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from CISA, on behalf of the Filers (as defined herein) for a decision under the securities legislation of the Jurisdictions (the Legislation) (i) exempting the Filers from the early warning requirements, the moratorium provisions and the insider reporting requirements of the Legislation, and (ii) exempting the respective directors and senior officers of the Filers from the insider reporting requirements in cases where they are insiders of a reporting issuer solely as a result of being a director or senior officer of the Filers (the Requested Relief) in each case, provided that:

Decisions, Orders and Rulings

- (a) the joint actors of the Filers which are eligible institutional investors as defined in NI 62-103 (an EII)
- (i) are entitled to comply with the reporting requirements in Part 4 of National Instrument 62-103 (NI 62-103);
 - (ii) are entitled to relief from the moratorium provisions under section 10.1 of NI 62-103; and
 - (iii) are exempt from the insider reporting requirements in reliance on Part 9 of NI 62-103; and
- (b) a Filer complies with, and otherwise meets, the reporting, filing, and the other applicable conditions of NI 62-103 in each case as if the Filer is an EII thereunder.

Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* and in NI 62-103 have the same meaning in this decision unless they are defined in this decision. Filers means CISA and any future affiliates which are established and are not EIIs.

Representations

This decision is based on the following facts represented by Capital Group International, Inc., on behalf of the Filers:

1. Capital Group International, Inc. ("CGII") is a privately owned company incorporated under the laws of California. It is the ultimate holding company of CISA and the following companies (collectively, the "CGII Group"):
 - (i) Capital Guardian Trust Company ("CGTC")
 - (ii) Capital International, Inc. ("CII")
 - (iii) Capital International Limited ("CIL")
 - (iv) Capital International K.K. ("CIKK")
2. The companies in the CGII Group provide investment advisory and management services for their respective clients which include registered investment companies and institutional accounts. The companies in the CGII Group never

beneficially own securities. However, they have control and/or direction over securities held by accounts managed by them by virtue of holding the investment and, in some cases, voting power over the securities held by these accounts. For the purposes of Canadian securities laws, each company in the CGII Group aggregates its holdings of securities of Canadian reporting issuers with the holdings of the other companies in the CGII Group.

3. Each of CGII, CGTC, CII, CIKK and CIL qualify as an EII.
4. The head office of CISA is located in Geneva, Switzerland. CISA is regulated by the Swiss Federal Banking Commission. CISA does not qualify as an EII as it is not an investment manager in a jurisdiction set forth in the definition of "investment manager" in NI 62-103.
5. The amount of assets under management of CISA invested in Canadian securities is very small relative to the total assets under management of the CGII Group.
6. Although CISA is not an EII, it follows the same processes and controls as other members of the CGII Group which are EIIs. In particular, with respect to monitoring positions in securities of Canadian reporting issuers, all CGII Group companies provide their numbers for such purpose through the same internal CGII Group process so that they can be combined where required by law with the CGII Group numbers to determine whether reports have to be filed.
7. Section 4.8 of NI 62-103 exempts joint actors with an EII from having to file multiple reports if the EII files a report at the time the joint actor would be required to file a report. In a situation where the EIIs of the CGII Group are required to file reports in respect of the aggregated positions in a Canadian reporting issuer, which includes positions held by CISA accounts, and are entitled to do so under Part 4 using the alternative monthly reporting system, the early warning obligations of the Filers as non-EIIs would result in the requirement for the Filers to issue instead a press release and to file an early warning report in compliance with section 3 of NI 62-103 as the timing requirement for the Filers is different than for all of its other joint actors.

Decision

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 Requested Relief is granted; in each case, provided that:

- (a) the joint actors of the Filers which are EILs
 - (i) are entitled to comply with the reporting requirements in Part 4 of NI 62-103,
 - (ii) are entitled to relief from the moratorium provisions under section 10.1 of NI 62-103, and
 - (iii) are exempt from the insider reporting requirements in reliance on Part 9 of NI 62-103,
- (b) a Filer complies with, and otherwise meets, the reporting, filing, and the other applicable conditions of NI 62-103 in each case as if the Filer is an EIL thereunder, and
- (c) the Filer is licensed, qualified or registered to provide portfolio management, investment counselling or similar advisory services in respect of securities, or is exempt from the requirement to be so licensed, qualified or registered, in the jurisdiction where its head office is located.

“Paul M. Moore”
Ontario Securities Commission

“Susan Wolburgh Jenah”
Ontario Securities Commission

2.1.12 Fun Technologies plc - s. 83

Headnote

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

Ontario Statutes

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

April 10, 2006

Goodmans LLP

250 Yonge Estreet, Suite 2400
Toronto, Ontario
M5B 2M6

Dear Mr. Tabesh;

Re: Fun Technologies plc (the "Applicant") - Application to Cease to be a Reporting Issuer under the securities legislation of Ontario, Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia, Newfoundland and Labrador and New Brunswick (the "Jurisdictions")

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

As the Applicant has represented to the Decision Makers that,

- the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
- no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
- the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer (other than in the Province of British Columbia, where the Filer has voluntarily surrendered its reporting issuer status under British Columbia Instrument 11-502 - *Voluntary Surrender of Reporting Issuer Status*); and

- the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

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

“Charlie MacCready”
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.13 Canetic Resources Inc. - MRRS Decision

Headnote

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

Ontario Statutes

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

April 6, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, ONTARIO, QUEBEC, NOVA SCOTIA,
NEWFOUNDLAND AND LABRADOR (THE
JURISDICTIONS)

AND

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

AND

IN THE MATTER OF
CANETIC RESOURCES INC. (THE FILER)

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (Decision Maker) in each of Alberta, Ontario, Quebec, Nova Scotia, Newfoundland and Labrador (the Jurisdictions) have received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer be deemed to have ceased to be a reporting issuer or the equivalent under the Legislation;
2. Under the Mutual Reliance Review System for Exemptive Relief Applications (MRRS):
 - 2.1 the Alberta Securities Commission is the Principal Regulator for this application; and
 - 2.2 the MRRS decision document evidences the decision of each Decision Maker.

Interpretation

3. Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representation

4. This decision is based on the following facts represented by the Filer:
- 4.1 The Filer's registered and principal offices are located in Calgary, Alberta.
 - 4.2 On January 5, 2006, Acclaim Energy Trust (Acclaim), StarPoint Energy Trust (StarPoint), Canetic Resources Trust (Canetic Trust) and TriStar Oil & Gas Ltd. (TriStar) completed a plan of arrangement (the Plan) that resulted in the creation of Canetic Trust and TriStar.
 - 4.3 Pursuant to the Plan, as part of the reorganization of Canetic Trust, a number of entities were amalgamated, including StarPoint Energy Ltd. which was a reporting issuer under the Legislation, and continued as one corporation, the Filer.
 - 4.4 Pursuant to the Plan, the Filer is now a wholly owned subsidiary of Canetic Trust.
 - 4.5 The authorized share capital of the Filer consists of an unlimited number of common shares of which all of the issued and outstanding are owned by Canetic Trust.
 - 4.6 The outstanding securities of the Filer, including debt securities, are beneficially owned directly or indirectly by less than 15 security holders in any one jurisdiction in Canada and less than 50 security holders in Canada;
 - 4.7 No securities of the Filer are traded on a marketplace as defined in National Instrument 12-601 – *Marketplace Operation*;
 - 4.8 The Filer is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and
 - 4.9 The Filer is not in default of any obligations under the Legislation as a reporting issuer, except for the failure of its predecessor to file its oil and gas report for the year ended December 31, 2004.
6. The decision of the Decision Maker under the Legislation is that the Filer be deemed to not be a reporting issuer in each of the Jurisdictions.

"Blaine Young"
Associate Director, Corporate Finance
Alberta Securities Commission

Decision

5. The 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;

2.1.14 DaimlerChrysler Canada Finance Inc. - MRRS Decision

MRRS DECISION DOCUMENT

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an MRRS decision varying an earlier MRRS decision to permit the issuer to obtain relief from the continuous disclosure requirements in connection with trades of commercial paper - issuer granted an exemption from the prospectus and registration requirements in connection with trades made subsequent to the date of the decision document of negotiable promissory notes or commercial paper – issuer could not meet the “approved credit rating” requirement contained in the commercial paper exemption of National Instrument 45-106 Prospectus Exempt Distributions (**NI 45-106**) – the definition of an “approved credit rating” requires, among other things, that every rating received by an issuer be at or above a prescribed standard – concern expressed that the requisite rating thresholds in NI 45-106 are not equivalent among the rating agencies and that correlation among ratings are imperfect – there was also concern that the requisite ratings were not appropriate as applied to the commercial paper market –relief granted provided the commercial paper (i) matures not more than one year from the date of issue; (ii) is not convertible or exchangeable into or accompanied by a right to purchase another security other than commercial paper; and (iii) has a rating issued by one of the following rating organizations at or above one of the following rating categories: DBRS “R-1(low), Fitch “F2”, Moody’s “P-2” or S&P “A-2” - the relief contains a sunset provision that the decision will terminate on the earlier of 90 days upon an amendment of NI 45-106 or three years from the date of the decision.

Applicable Ontario Statutory Provisions

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

April 10, 2006

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

AND

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

AND

IN THE MATTER OF
DAIMLERCHRYSLER CANADA FINANCE INC.
(the Filer)

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**):

- (a) exempting the Filer from the following (the **Requested Commercial Paper Relief**):
 - (i) the dealer registration requirement in respect of a trade in a negotiable promissory notes or commercial paper maturing not more than one year from the date of issue (the **Commercial Paper**); and
 - (ii) the prospectus requirement in respect of a distribution of Commercial Paper; and
- (b) varying the decision entitled “*In the Matter of DaimlerChrysler Canada Finance Inc. and DaimlerChrysler AG*” dated June 30, 2005 (the **Previous MRRS Decision**) of the Decision Makers, other than the Decision Makers in Prince Edward Island and Northwest Territories, as follows (the **Amendment Relief**):
 - (i) by deleting subparagraph (e)(ii) of the decision exempting the Filer from the application of National Instrument 51-102 – *Continuous Disclosure Obligations* (the **CD Decision**) in its entirety; and
 - (ii) by substituting the following for subparagraph (e)(ii) of the CD Decision:
 - “(ii) negotiable promissory notes or commercial paper that satisfies either (1) the requirements of the commercial paper exemption from the prospectus requirement of the Legislation of the Jurisdiction in which such notes or commercial paper are traded, including the commercial paper exemption contained in National Instrument 45-106 – *Prospectus and Registration Exemptions* (or any successor instrument), or (2) the requirements of any rule, regulation, blanket order, ruling or decision issued by the Decision Maker in the Jurisdiction in which such notes or commercial paper are traded, that provides an exemption from the prospectus requirement of the Legislation of such Jurisdiction for trades specifically

in negotiable promissory notes or commercial paper.”

Under the Mutual Reliance Review System for Exemptive Relief Applications (MRRS):

- (a) the Autorité des marchés financiers was selected as the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 - *Definitions* and National Instrument 45-106 – *Prospectus and Registration Exemptions (NI 45-106)* have the same meaning in this decision unless they are otherwise defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a corporation incorporated under the laws of Québec by articles of incorporation dated November 8, 1994. The registered and head office of the Filer is located in Montréal, Québec.
2. The Filer is a reporting issuer or its equivalent in each Jurisdiction and is not included in a list of defaulting reporting issuers maintained by any of the Decision Markers.
3. Subsection 2.35(1)(b) of NI 45-106 provides that exemptions from the registration requirement and prospectus requirement of the Legislation for short-term debt (the **Commercial Paper Exemption**) is available only where such short-term debt “has an approved credit rating from an approved credit rating organization” as defined in National Instrument 81-102 - *Mutual Funds (NI 81-102)*.
4. The definition of an “approved credit rating” in NI 81-102, requires, among other things, that (a) the rating assigned to such debt must be “at or above” certain prescribed short-term ratings, and (b) such debt must not have been assigned a rating by any “approved credit rating organization” that is not an “approved credit rating.”
5. At the time of this decision, the rating of the Filer’s Commercial Paper attributed by Dominion Bond Rating Service Limited is “R-1(low)”, which meets the prescribed threshold stated in the definition of “approved credit rating” of NI 81-102 with respect to that approved credit rating organization.
6. However, at the time of this decision, the Commercial Paper of the Filer does not meet the “approved credit rating” of NI 81-102 since

Moody’s Investor Service, Fitch Ratings Ltd. and Standard & Poor’s have attributed, respectively, a “P-2”, “F2” and “A-2” rating of the Commercial Paper of the Filer, which is a lower rating than that required by the Commercial Paper Exemption.

Decision

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 Requested Commercial Paper Relief is granted provided that the Commercial Paper:

- (a) matures not more than one year from the date of issue;
- (b) is not convertible or exchangeable into or accompanied by a right to purchase another security other than Commercial Paper;
- (c) has a rating issued by one of the following rating organizations, or any of their respective successors, at or above one of the following rating categories or a rating category that replaces one of the following rating categories:

Rating Organization	Rating
Dominion Bond Rating Service Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody’s Investors Service	P-2
Standard & Poor’s	A-2

- (d) for each Jurisdiction, this decision will terminate on the earlier of:
 - i) 90 days after the coming into force of any rule, regulation or blanket order or ruling under the Legislation of the Jurisdiction that amends section 2.35 of NI 45-106 or provides an alternate exemption; and
 - ii) three years from the date of this decision.

The further decision of the Decision Makers under the Legislation, other than the Decision Makers in Prince Edward Island and Northwest Territories, is that the Amendment Relief is granted, provided that the Filer continues to comply with all terms and conditions contained in the Previous MRRS Decision, except as varied by this decision.

“Jean St-Gelais”
Président
Autorité des marchés financiers

2.1.15 Advanced Fiber Technologies (AFT) Income Fund - s. 83

met and orders that the Applicant is deemed to have ceased to be a reporting issuer.

Headnote

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

“Louis Auger”
Chef du Service du financement des sociétés
Autorité des marchés financiers

Ontario Statutes

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

Montreal, May 1st 2006

Stikeman, Elliott LLP

1155 René-Lévesque Blvd. West
40th Floor
Montreal (Québec)
H3B 3V2

Attention: Mathieu Grenier

RE: Advanced Fiber Technologies (AFT) Income Fund (the “Applicant”) – Application to cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador (the “Jurisdictions”)

Dear Sir:

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

As the Applicant has represented to the Decision Makers that:

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

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

2.1.16 BCE Inc. and Bell Canada - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer granted an exemption from the prospectus and registration requirements in connection with trades made subsequent to the date of the decision document of negotiable promissory notes or commercial paper – issuer could not meet the “approved credit rating” requirement contained in the commercial paper exemption of National Instrument 45-106 Prospectus Exempt Distributions (NI 45-106) – the definition of an “approved credit rating” requires, among other things, that every rating received by an issuer be at or above a prescribed standard – concern expressed that the requisite rating thresholds in NI 45-106 are not equivalent among the rating agencies and that correlation among ratings are imperfect – there was also concern that the requisite ratings were not appropriate as applied to the commercial paper market – relief granted provided the commercial paper (i) matures not more than one year from the date of issue; (ii) is not convertible or exchangeable into or accompanied by a right to purchase another security other than commercial paper; and (iii) has a rating issued by one of the following rating organizations at or above one of the following rating categories: DBRS “R-1(low), Fitch “F2”, Moody’s “P-2” or S&P “A-2” - the relief contains a sunset provision that the decision will terminate on the earlier of 90 days upon an amendment of NI 45-106 or three years from the date of the decision.

Applicable Ontario Statutory Provisions

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

April 11, 2006

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

AND

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

AND

IN THE MATTER OF
BCE INC. AND BELL CANADA
(the Filers)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for :

- an exemption from the dealer registration requirements in respect of a trade in a negotiable promissory note or commercial paper maturing not more than one year from the date of issue (the **Commercial Paper**) ; and
- an exemption from the prospectus requirements in respect of the distribution of Commercial Paper (collectively the **Requested Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications (**MRRS**):

- (a) the Autorité des marchés financiers was selected as the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are otherwise defined in this decision.

Representations

This decision is based on the following facts represented by the Filers:

1. The Filers are both corporations under the *Canada Business Corporations Act* with head offices and principal business offices located in Montreal, Quebec. The Filers are both reporting issuer in each of the Jurisdictions except Nunavut, Yukon and the Northwest Territories, and are not on the list of reporting issuers in default in any of such Jurisdictions.
2. Subsection 2.35(1)(b) of National Instrument 45-106-*Prospectus and Registration Exemptions (NI 45-106)* provides that exemptions from the registration and prospectus requirements of the Legislation for short-term debt (the **Commercial Paper Exemption**) is available only where such short-term debt “has an approved credit rating from an approved credit rating organization” as defined in National Instrument 81-102 - *Mutual Funds (NI 81-102)*.
3. The definition of an “approved credit rating” in NI 81-102, requires, among other things, that (a) the rating assigned to such debt must be “at or above” certain prescribed short-term ratings, and (b) such debt must not have been assigned a rating by any

Decisions, Orders and Rulings

“approved credit rating organization” that is not an “approved credit rating.”

(b) three years from the date of this decision.

4. At the time of this decision, the rating of each of the Filers’ Commercial Paper attributed by Standard & Poor’s and by Dominion Bond Rating Service Limited, respectively “A-1” (low) and “R-1” (low) meet the prescribed threshold stated in the definition of approved credit rating of NI 81-102 with respect to these two credit rating organizations.
5. However, at the time of this decision, the Commercial Paper of each of the Filers do not meet the “approved credit rating” of NI 81-102 since Moody’s Investor Service has attributed a “P-2” rating on the Commercial Paper of each of the Filers, which is a lower rating than that required by the Commercial Paper Exemption.

"Josée Deslauriers"
Surintendante marchés des valeurs
Autorité des marchés financiers

Decision

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 Requested Relief is granted provided that the Commercial Paper:

- (a) matures not more than one year from the date of issue;
- (b) is not convertible or exchangeable into or accompanied by a right to purchase another security other than Commercial Paper;
- (c) has a rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating category that replaces a category listed below:

Rating Organization	Rating
Dominion Bond Rating Service Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody’s Investors Service	P-2
Standard & Poor’s	A-2

For each Jurisdiction, this decision will terminate on the earlier of:

- (a) 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the Legislation of the Jurisdiction that amends section 2.35 of NI 45-106 or provides an alternate exemption; and

2.1.17 Encana Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer granted an exemption from the prospectus and registration requirements in connection with trades made subsequent to the date of the decision document of negotiable promissory notes or commercial paper – issuer could not meet the “approved credit rating” requirement contained in the commercial paper exemption of National Instrument 45-106 Prospectus Exempt Distributions (NI 45-106) – the definition of an “approved credit rating” requires, among other things, that every rating received by an issuer be at or above a prescribed standard – concern expressed that the requisite rating thresholds in NI 45-106 are not equivalent among the rating agencies and that correlation among ratings are imperfect – there was also concern that the requisite ratings were not appropriate as applied to the commercial paper market – relief granted provided the commercial paper (i) matures not more than one year from the date of issue; (ii) is not convertible or exchangeable into or accompanied by a right to purchase another security other than commercial paper; and (iii) has a rating issued by one of the following rating organizations at or above one of the following rating categories: DBRS “R-1(low), Fitch “F2”, Moody’s “P-2” or S&P “A-2” - the relief contains a sunset provision that the decision will terminate on the earlier of 90 days upon an amendment of NI 45-106 or three years from the date of the decision.

Applicable Ontario Statutory Provisions

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

Citation: EnCana Corporation, 2006 ABASC 1240

April 11, 2006

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

AND

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

AND

IN THE MATTER OF
ENCANA CORPORATION (THE FILER)

MRRS Decision Document

Background

1. The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that trades of commercial paper/short-term debt (Commercial Paper) of the Filer be exempt from the dealer registration and prospectus requirements of the Legislation (the Requested Relief).
2. Under the Mutual Reliance Review System for Exemptive Relief Applications (MRRS):
 - 2.1 the Alberta Securities Commission is the principal regulator for this application, and
 - 2.2 this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

3. Defined terms contained in National Instrument 14-101 have the same meaning in this decision unless they are defined in this decision.

Representations

4. This decision is based on the following facts represented by the Filer:
 - 4.1 The Filer is a corporation governed by the *Canada Business Corporations Act* with a head office located in Calgary, Alberta.
 - 4.2 The Filer is a reporting issuer in each of the Jurisdictions and is not on the list of reporting issuers in default in any of the Jurisdictions.
 - 4.3 Subsection 2.35(1)(b) of National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106) provides that exemptions from the dealer registration and prospectus requirements of the Legislation for short-term debt (the Commercial Paper Exemption) are available only where such short-term debt “has an approved credit rating from an approved credit rating organization.” NI 45-106 incorporates by reference the definitions for “approved credit rating” and “approved credit rating organization” that are used in National Instrument 81-102 *Mutual Funds* (NI 81-102).
 - 4.4 The definition of “approved credit rating” in NI 81-102, requires, among other things, that (a) the rating assigned to such debt must be “at or above” certain

- prescribed short-term ratings, and (b) such debt must not have been assigned a rating by any “approved credit rating organization” that is not an “approved credit rating.”
- 4.5 The Commercial Paper of the Filer has an “R-1(low)” rating from Dominion Bond Rating Service Limited (DBRS) and an “A-1(low)” rating from Standard & Poor’s (S&P) which meet the prescribed threshold in NI 81-102.
- 4.6 The Commercial Paper of the Filer does not meet the “approved credit rating” definition in NI 81-102 because it has a “P-2” from Moody’s Investors Service (Moody’s) which is a lower rating than required by the Commercial Paper Exemption.
- 7.2 three years from the date of this decision.
- “Glenda A. Campbell”, Q.C.
Vice-Chair
Alberta Securities Commission
- “James A. Millard”, Q.C.
Member
Alberta Securities Commission

Decision

5. 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.
6. The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that the Commercial Paper:
- 6.1 matures not more than one year from the date of issue;
- 6.2 is not convertible or exchangeable into or accompanied by a right to purchase another security other than Commercial Paper;
- 6.3 has a rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating category that replaces a category listed below:

Rating Organization	Rating
Dominion Bond Rating Service Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody’s Investors Service	P-2
Standard & Poor’s	A-2

7. For each Jurisdiction, this decision will terminate on the earlier of:
- 7.1 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the Legislation of the Jurisdiction that amends section 2.35 of NI 45-106 or provides an alternate exemption; and

2.1.18 Alcan Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer granted an exemption from the prospectus and registration requirements in connection with trades made subsequent to the date of the decision document of negotiable promissory notes or commercial paper – issuer could not meet the “approved credit rating” requirement contained in the commercial paper exemption of National Instrument 45-106 Prospectus Exempt Distributions (NI 45-106) – the definition of an “approved credit rating” requires, among other things, that every rating received by an issuer be at or above a prescribed standard – concern expressed that the requisite rating thresholds in NI 45-106 are not equivalent among the rating agencies and that correlation among ratings are imperfect – there was also concern that the requisite ratings were not appropriate as applied to the commercial paper market – relief granted provided the commercial paper (i) matures not more than one year from the date of issue; (ii) is not convertible or exchangeable into or accompanied by a right to purchase another security other than commercial paper; and (iii) has a rating issued by one of the following rating organizations at or above one of the following rating categories: DBRS “R-1(low), Fitch “F2”, Moody’s “P-2” or S&P “A-2” - the relief contains a sunset provision that the decision will terminate on the earlier of 90 days upon an amendment of NI 45-106 or three years from the date of the decision.

Applicable Ontario Statutory Provisions

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

April 7, 2006

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

AND

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

AND

IN THE MATTER OF
ALCAN INC.
(the Filer or Alcan)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for :

- an exemption from the dealer registration requirement in respect of a trade in a negotiable promissory note or commercial paper maturing not more than one year from the date of issue (the **Commercial Paper**) ; and
- an exemption from the prospectus requirement in respect of the distribution of Commercial Paper (collectively the **Requested Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications (**MRRS**):

- (a) the Autorité des marchés financiers was selected as the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* have the same meaning in this decision unless they are otherwise defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. Alcan is a corporation under the *Canada Business Corporations Act* with a head office and principal business office located in Montreal, Quebec. Alcan is a reporting issuer in the Jurisdictions and is not on the list of reporting issuers in default in any of the Jurisdictions.
2. Subsection 2.35(1)(b) of National Instrument 45-106 - *Prospectus and Registration Exemptions (NI 45-106)* provides that exemptions from the registration and prospectus requirements of the Legislation for short-term debt (the **Commercial Paper Exemption**) is available only where such short-term debt “has an approved credit rating from an approved credit rating organization” as defined in National Instrument 81-102 - *Mutual Funds (NI 81-102)*.
3. The definition of an “approved credit rating” in NI 81-102, requires, among other things, that (a) the rating assigned to such debt must be “at or above” certain prescribed short-term ratings, and (b) such debt must not have been assigned a rating by any “approved credit rating organization” that is not an “approved credit rating.”

4. At the time of this decision, the rating of the Filer's Commercial Paper attributed by Standard & Poor and by Dominion Bond Rating Service Limited, respectively "A-1(low)" and "R-1(low)", meets the prescribed threshold stated in the definition of "approved credit rating" of NI 81-102 with respect to these two credit rating organizations.
5. However, at the time of this decision, the Commercial Paper of the Filer does not meet the "approved credit rating" of NI 81-102 since Moody's Investor Service has attributed a "P-2" rating on the Commercial Paper of the Filer, which is a lower rating than that required by the Commercial Paper Exemption.

"Josée Deslauriers"
Surintendante aux marchés de valeurs
Autorité des marchés financiers

Decision

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 Requested Relief is granted provided that the Commercial Paper:

- (a) matures not more than one year from the date of issue;
- (b) is not convertible or exchangeable into or accompanied by a right to purchase another security other than Commercial Paper;
- (c) has a rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating category that replaces a category listed below:

Rating Organization	Rating
Dominion Bond Rating Service Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody's Investors Service	P-2
Standard & Poor's	A-2

For each Jurisdiction, this decision will terminate on the earlier of:

- (a) 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the Legislation of the Jurisdiction that amends section 2.35 of NI 45-106 or provides an alternate exemption; and
- (b) three years from the date of this decision.

2.1.19 Middlefield Equal Sector Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Closed-end investment trust exempt from prospectus requirements in connection with the sale of units repurchased from existing security holders pursuant to market purchase programs subject to conditions.

Ontario Statutes Cited

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

National Instruments Cited

National Instrument 45-102 Resale of Securities, s. 2.8(2).

April 25, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
ONTARIO, NOVA SCOTIA, NEW BRUNSWICK,
PRINCE EDWARD ISLAND,
NEWFOUNDLAND AND LABRADOR, YUKON,
NORTHWEST TERRITORIES AND
NUNAVUT
(the "Jurisdictions")

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

AND IN THE MATTER OF
MIDDLEFIELD EQUAL SECTOR INCOME FUND
(the "Filer")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of the Jurisdictions has received an application from the Filer for a decision (the "**Requested Relief**") under the securities legislation of the Jurisdictions (the "**Legislation**"), that the requirement contained in the Legislation to file and obtain a receipt for a preliminary prospectus and a final prospectus (the "**Prospectus Requirements**") shall not apply to the distribution of units of the Filer (the "**Units**") which have been repurchased by the Filer pursuant to the Mandatory Purchase Program or the Discretionary Purchase Program (as each term is defined below).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application; and

- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is an unincorporated closed-end investment trust established under the laws of the Province of Ontario by a declaration of trust dated as of September 28, 2005, as amended (the "**Declaration of Trust**").
2. The Filer is not considered to be a "mutual fund" as defined in the Legislation because the holders of Units ("**Unitholders**") are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Filer as contemplated in the definition of "mutual fund" in the Legislation.
3. The Filer became a reporting issuer or the equivalent thereof in the Jurisdictions on September 30, 2005 upon obtaining a receipt for its final prospectus dated September 28, 2005 (the "**Prospectus**"). As of the date hereof, the Filer is not in default of any requirements under the Legislation.
4. Each Unit represents an equal, undivided beneficial interest in the net assets of the Filer.
5. Each whole Unit is entitled to one vote at all meetings of Unitholders and is entitled to participate equally with all other Units with respect to any and all distributions made by the Filer.
6. Middlefield Sector Management Limited (the "**Manager**"), which was incorporated pursuant to the *Business Corporations Act* (Ontario), is the manager and the trustee of the Filer.
7. The Units are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the trading symbol "ESF.UN". As at March 17, 2006, 4,176,752 Units were issued and outstanding.
8. In order to enhance liquidity and to provide market support for the Units, pursuant to the Declaration of Trust and the terms and conditions that attach to the Units, the Filer shall, subject to compliance with any applicable regulatory requirements, be obligated to purchase (the "**Mandatory Purchase Program**") any Units offered in the market at the then prevailing market price if, at any time as at

the close of business in Toronto, Ontario on the immediately preceding business day, the price at which Units are then offered for sale is less than 95% of the net asset value of the Filer ("**Net Asset Value**") per Unit, provided that:

(e) the maximum number of Units that the Filer shall purchase pursuant to the Mandatory Purchase Program in any calendar quarter will be 1.25% of the number of Units outstanding at the beginning of each such period; and

(f) the Filer shall not be required to purchase Units pursuant to the Mandatory Purchase Program if:

(i) the Manager reasonably believes that the Filer would be required to make an additional distribution in respect of the year to Unitholders of record on December 31 of such year in order that the Filer will generally not be liable to pay income tax after the making of such purchase;

(ii) in the opinion of the Manager, the Filer lacks the cash, debt capacity or other resources to make such purchases; or

(iii) in the opinion of the Manager, such purchases would adversely affect the ongoing activities of the Filer or the remaining Unitholders.

9. In addition, the Declaration of Trust provides that the Filer, subject to applicable regulatory requirements and limitations, shall have the right, but not the obligation, exercisable in its sole discretion, at any time, to purchase outstanding Units in the market at prevailing market prices (the "**Discretionary Purchase Program**" and, together with the Mandatory Purchase Program, the "**Programs**"). Such discretionary purchases may be made through the facilities and under the rules of any exchange or market on which the Units are listed (including the TSX) or as otherwise permitted by applicable securities laws.

10. Purchases of Units made by the Filer under the Programs are exempt from the issuer bid requirements of the Legislation pursuant to exemptions contained therein.

11. The Filer desires to, and the Declaration of Trust provides that the Filer shall have the ability to, sell through one or more securities dealers Units that have been repurchased by the Trust pursuant to the Programs ("**Repurchased Units**"), in lieu of

cancelling such Repurchased Units and subject to obtaining all necessary regulatory approvals.

12. The Prospectus disclosed that the Filer may repurchase Units under the Programs and that, subject to receiving all necessary regulatory approvals, the Filer may arrange for one or more securities dealers to find purchasers for any Repurchased Units.

13. In order to effect sales of Repurchased Units by the Filer, the Filer intends to sell, in its sole discretion and at its option, any Repurchased Units purchased by it under the Programs primarily through one or more securities dealers and through the facilities of the TSX (or such other exchange on which the Units are then listed).

14. All Repurchased Units will be held by the Filer for a period of 4 months after the repurchase thereof by the Filer (the "**Holding Period**"), prior to the resale thereof.

15. Repurchased Units that the Filer does not resell within 12 months after the Holding Period (or 16 months after the date of repurchase) will be cancelled by the Filer.

16. Prospective Purchasers who subsequently acquire Repurchased Units will have equal access to all of the continuous disclosure documents of the Filer, which will be filed on SEDAR, commencing with the Prospectus.

17. The Legislation provides that a trade by or on behalf of an issuer in previously issued securities of that issuer that have been purchased by that issuer is a distribution subject to the Prospectus Requirements.

Decision

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 Requested Relief is granted provided that:

(a) the Repurchased Units are sold by the Filer through the facilities of and in accordance with the regulations and policies of the TSX or the market on which the Units are then listed;

(b) the Filer complies with the insider trading restrictions imposed by securities legislation with respect to the trades of Repurchased Units; and

(c) the Filer complies with the conditions of paragraphs 1 through 5 of subsec-

tion 2.8(2) of National Instrument 45-102
Resale of Securities with respect to the
sale of the Repurchased Units.

"Susan Wolburgh Jenah"
Vice Chair
Ontario Securities Commission

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

2.1.20 Vivendi Universal S.A. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief
Applications -

Securities Act (Ontario), s. 74(1) - An issuer wants relief from the prospectus and registration requirements in respect of certain trades and/or distributions and possible trades and/or distributions in its securities – relief required in connection with proposed elimination of the issuer's American Depository Shares and consequential amendments to terms of the exchangeable shares of the issuer's indirect Canadian subsidiary - exchangeable shares to be convertible directly into French parent company shares instead of into ADSs - exchangeable shares are substantially economic equivalent of underlying French parent company shares - holders of exchangeable shares not making a new investment decision as a result of proposed changes to exchangeable share terms.

NI 51-102 Continuous Disclosure Obligations, s. 13.1 – An exchangeable security issuer wants relief from all of the requirements of NI 51-102 – issuer will not be able to rely on exemptions for exchangeable security issuers once its parent company ceases to be an SEC issuer – exchangeable security issuer's parent company will be a designated foreign issuer under NI 71-102-Continuous Disclosure and Other Exemptions Relating to Foreign Issuers.

Securities Act (Ontario), s. 121(2)(a)(ii) and Part XXI and NI 55-102 System for Electronic Disclosure by Insiders (SEDI), s. 6.1 - An exchangeable security issuer wants relief from the insider reporting requirement, and from the requirement to file an insider profile under NI 55-102 - issuer will not be able to rely on exemptions for exchangeable security issuers once its parent company ceases to be an SEC issuer – exchangeable security issuer's parent company will be a designated foreign issuer under NI 71-102-Continuous Disclosure and Other Exemptions Relating to Foreign Issuers.

MI 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings, s. 4.5 - An exchangeable security issuer wants relief from the requirements of MI 52-109 - issuer will not be able to rely on exemptions for exchangeable security issuers once its parent company ceases to be an SEC issuer – exchangeable security issuer's parent company will be a designated foreign issuer under NI 71-102-Continuous Disclosure and Other Exemptions Relating to Foreign Issuers- value of the exchangeable shares is determined by reference to the consolidated financial performance of French parent company issuer and not exchangeable security issuer.

MI 52-110 Audit Committees, s. 8.1 – An exchangeable security issuer wants relief from the requirements of MI 52-110 - issuer will not be able to rely on exemptions for exchangeable security issuers once its parent company ceases to be an SEC issuer – exchangeable security issuer's parent company will be a designated foreign issuer

under NI 71-102-Continuous Disclosure and Other Exemptions Relating to Foreign Issuers.

NI 58-101 Disclosure of Corporate Governance Practices, s. 3.1 – An exchangeable security issuer wants relief from the requirements of NI 58-101 - issuer will not be able to rely on exemptions for exchangeable security issuers once its parent company ceases to be an SEC issuer – exchangeable security issuer's parent company will be a designated foreign issuer under NI 71-102-Continuous Disclosure and Other Exemptions Relating to Foreign Issuers.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c.S-5, as amended, ss. 74(1), 121(2)(a)(ii) and Part XXI.
National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1.
National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI), s. 6.1.
Multilateral Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings, s. 4.5.
Multilateral Instrument 52-110 Audit Committees, s. 8.1.
National Instrument 58-101 Disclosure of Corporate Governance Practices, s. 3.1.

April 27, 2006

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

AND

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

AND

**IN THE MATTER OF
VIVENDI UNIVERSAL S.A.,
VIVENDI UNIVERSAL HOLDINGS COMPANY AND
VIVENDI UNIVERSAL EXCHANGE CO INC.**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Makers**") in each of the Jurisdictions has received an application from Vivendi Universal S.A. (the "**Filer**"), on behalf of itself, Vivendi Universal Holdings Company ("**Vivendi Holdings**") and Vivendi Universal Exchangeco Inc. ("**Vivendi Exchangeco**" and, together with the Filer and Vivendi Holdings, the "**Companies**"),

under the securities legislation of the Jurisdictions (the "**Legislation**"), for the following decisions:

1. except in Quebec, a decision (the "**Prospectus and Registration Relief**") pursuant to the Legislation that the dealer registration requirements and the prospectus requirements in the Legislation (respectively, the "**Prospectus Requirements**" and the "**Registration Requirements**", and collectively the "**Prospectus and Registration Requirements**") do not apply to certain trades and/or distributions and possible trades and/or distributions in securities by or on behalf of the Companies in circumstances involving:
 - a. the issuance by the Filer of ordinary shares in the capital of the Filer ("**Vivendi Shares**") to a holder of Exchangeable Shares upon the exercise of the Exchange Right (defined below) or pursuant to the Automatic Exchange Right (defined below)
 - b. the surrender of the Vivendi Universal Voting Rights (defined below) to the Filer upon (i) the exercise of the Exchange Right (defined below) by the holders of Exchangeable Shares, (ii) the occurrence of the Automatic Exchange Right (defined below), (iii) the retraction or redemption of the exchangeable shares in the capital of Vivendi Exchangeco ("**Exchangeable Shares**") under the share conditions for the Exchangeable Shares (the "**Exchangeable Share Provisions**"), (iv) the liquidation, dissolution or winding up of Vivendi Exchangeco, or (v) the exercise by Vivendi Holdings of the Retraction Call Right (defined below), the Redemption Call Right (defined below), or the Liquidation Call Right (defined below);
 - c. the issuance or transfer by the Filer of Vivendi Shares to Vivendi Exchangeco and the subsequent transfer thereof by Vivendi Exchangeco to a holder of Exchangeable Shares or the issuance or transfer by the Filer of Vivendi Shares to Vivendi Holdings and the subsequent transfer thereof by Vivendi Holdings to Vivendi Exchangeco and the transfer by Vivendi Exchangeco to a holder of Exchangeable Shares, in either case, upon (i) the retraction of the Exchangeable Shares, (ii) the redemption of the Exchangeable Shares, or (iii) the liquidation, dissolution or winding-up of Vivendi Exchangeco;
 - d. the issuance or transfer by the Filer of Vivendi Shares to Vivendi Holdings and

the subsequent transfer thereof by Vivendi Holdings to a holder of Exchangeable Shares or, at the direction of Vivendi Holdings, the issuance or transfer by the Filer of Vivendi Shares to a holder of Exchangeable Shares, in either case, upon exercise of the Retraction Call Right (defined below), the Redemption Call Right (defined below), or the Liquidation Call Right (defined below);

- e. any intra-group transfers of Vivendi Shares and issuances of shares of the Filer to affiliates in connection with any of the transactions referred to in the foregoing paragraphs (a) to (d);

(collectively, “**the Trades**”)

2. except in Prince Edward Island, the Yukon Territory, and the Northwest Territories, a decision (the “**Continuous Disclosure Relief**”) that the requirements of National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”) and any comparable continuous disclosure requirements under the Legislation that have not yet been repealed or otherwise rendered ineffective as a consequence of the adoption of NI 51-102 (collectively, the “**Continuous Disclosure Requirements**”) shall not apply to Vivendi Exchangeco;
3. except in Prince Edward Island, the Yukon Territory, and the Northwest Territories, a decision that the insider reporting requirement under the Legislation (the “**Insider Reporting Relief**”) and the requirement to file an insider profile under National Instrument 55-102 *System for Electronic Disclosure* (“**NI 55-102**”) (the “**Insider Profile Relief**”) do not apply to any insiders of Vivendi Exchangeco, other than any directors or senior officers of the Filer;
4. except in Prince Edward Island and the Yukon Territory, a decision (the “**Certification of Disclosure Relief**”) that the requirements of Multilateral Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* shall not apply to Vivendi Exchangeco;
5. except in Prince Edward Island and the Yukon Territory, a decision (the “**Audit Committee Relief**”) that the requirements under the Legislation relating to the composition and obligations of audit committees of a reporting issuer shall not apply to Vivendi Exchangeco; and
6. except in Prince Edward Island, the Yukon Territory, Nunavut and the Northwest Territories, a decision (the “**Corporate Governance Disclosure Relief**”) that the requirements of

National Instrument 58-101 *Disclosure of Corporate Governance Practices* shall not apply to Vivendi Exchangeco.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer, the parent company of Vivendi Exchangeco and Vivendi Holdings, is a “société anonyme”, a form of stock corporation under French Law. The Filer is a public company in France and its registered office is located at 42, avenue de Friedland, 75380 Paris Cedex 08, France.
2. The Filer was initially organized under the name Sofiée, S.A. on December 11, 1987, for a term of 99 years in accordance with the French Commercial Code.
3. The Filer in its current form is primarily the result of certain transactions (the “**Transactions**”) involving Sofiée S.A. (“**Sofiée**”), Vivendi S.A. (“**VSA**”), The Seagram Company Ltd. (“**Seagram**”) and Canal Plus S.A. (“**Canal**”) pursuant to an agreement (the “**Merger Agreement**”) made as of June 19, 2000 among VSA, Canal, Sofiée, Vivendi Exchangeco and Seagram.
4. As part of the Transactions, (i) VSA merged with and into Sofiée and Sofiée was renamed Vivendi Universal S.A. (the “**Filer**”, as defined above), and (ii) the Filer indirectly, through Vivendi Exchangeco and Vivendi Holdings, acquired all of the issued and outstanding common shares in the capital of Seagram (the “**Seagram Common Shares**”) pursuant to an arrangement (the “**Arrangement**”) under Section 192 of the *Canada Business Corporations Act*, as amended, (the “**CBCA**”).
5. The authorized capital of the Filer consists of Vivendi Shares of nominal value of EURO 5.50 each, of which 1,153,477,321 Vivendi Shares were issued and outstanding as at December 31, 2005.
6. The Vivendi Shares are listed on Euronext Paris (“**Euronext**”), formerly the Paris Stock Exchange. In addition, the American Depository Shares of the Filer (“**ADSS**”), each of which is the economic equivalent and is convertible into a Vivendi Share, are currently listed on the New York Stock Exchange (“**NYSE**”).

Decisions, Orders and Rulings

7. The Filer is subject to the reporting requirements of French law, the regulations of the French Autorité des marchés financiers (the “**French AMF**”) and Euronext. The Filer is also subject to the reporting requirements of the US Securities Exchange Act of 1934, as amended (the “**Exchange Act**”).
8. The Filer is also a reporting issuer in the province of Quebec.
9. The Filer is an “SEC issuer” as defined in NI 51-102 and an “SEC foreign issuer” as defined in National Instrument 71-102 – Continuous Disclosure and Other Exemptions Relating to Foreign Issuers (“**NI 71-102**”). The Filer also satisfies the definition of “designated foreign issuer” in NI 71-102, except that the Filer presently has a class of securities registered under the Exchange Act. Upon termination of the Filer’s registration under the Exchange Act, the Filer will cease to be an “SEC issuer” as defined in NI 51-102 and the Filer will be a “designated foreign issuer” as defined in NI 71-102.
10. Vivendi Holdings is an indirect wholly-owned subsidiary of the Filer. It was originally incorporated in order to hold all of the common shares of Vivendi Exchangeco and to hold the various call rights related to the Exchangeable Shares.
11. Vivendi Holdings is a Nova Scotia unlimited liability company incorporated on June 16, 2000 as 3045479 Nova Scotia Company with Nova Scotia Registry of Joint Stock Companies number 3045479. On October 11, 2000 its name was changed to Vivendi Universal Holdings Company. Its registered office is located in Halifax, Nova Scotia.
12. The authorized capital of Vivendi Holdings consists of (a) 100,000,000,000 common shares without nominal or par value; (b) 100,000,000,000 First Preferred Shares, issuable in series, without nominal or par value, of which 10,000,000,000 have been designated as First Preferred Shares, Series A (the “**Holdings First Preferred Shares**”); and (c) 100,000,000,000 Second Preferred Shares, issuable in series, without nominal or par value.
13. As at December 31, 2005, 10,000,000,001 common shares and 20,525,698 Holdings First Preferred Shares were issued and outstanding, all of which were directly or indirectly held by the Filer.
14. Vivendi Holdings is not, and does not intend to become, a reporting issuer or the equivalent under the Legislation.
15. Vivendi Exchangeco is a direct wholly-owned subsidiary of Vivendi Holdings. It was incorporated for the purpose of implementing the Arrangement.
16. Vivendi Exchangeco is a limited liability corporation incorporated under the CBCA on April 11, 2000 as 3744531 Canada Inc. with CBCA Corporation Number 374453-1. On October 19, 2000 its name was changed to Vivendi Universal Exchangeco Inc. Its registered office is located in Toronto, Ontario.
17. The authorized share capital of Vivendi Exchangeco consists of (a) an unlimited number of common shares; (b) an unlimited number of Exchangeable Shares; (c) an unlimited number of First Preferred Shares, issuable in series; and (d) an unlimited number of Second Preferred Shares, issuable in series, 10,000,000,000 of which have been designated as Second Preferred Shares, Series A. As at December 31, 2005, 1 common share, 4,760,628 Exchangeable Shares and 2,096,480,357 Second Preferred Shares were issued and outstanding.
18. All securities of Vivendi Exchangeco other than Exchangeable Shares are held indirectly, through Vivendi Holdings, by the Filer.
19. The Exchangeable Shares are publicly held, primarily by Canadian residents, as only Canadian residents were offered the Exchangeable Shares as part of the Arrangement (due to Canadian income tax considerations, which included the ability to defer any capital gain on the sale of their Seagram Common Shares until the Exchangeable Shares are ultimately exchanged for the underlying security of the Filer).
20. Vivendi Exchangeco does not intend to issue any additional Exchangeable Shares in the future and any further issuance of Preferred Shares will be to direct or indirect subsidiaries of the Filer and will not be offered to the public.
21. The Exchangeable Shares are listed on the Toronto Stock Exchange under the symbol VUE, and are lightly traded among public shareholders.
22. Vivendi Exchangeco is a reporting issuer in each of the Jurisdictions, but has disclosure exemptions in all such Jurisdictions.
23. Under the Arrangement, holders of Seagram Common Shares (other than the Filer and its affiliates) could elect to receive Exchangeable Shares or ADSs at an 0.8 exchange ratio (the “**Exchange Ratio**”), or to dissent and be paid the fair value of the Seagram Common Shares held by them.
24. A holder of Seagram Common Shares who elected to receive Exchangeable Shares received

from Vivendi Exchangeco (i) that number of Exchangeable Shares obtained utilizing the Exchange Ratio and (ii) a matching number of voting rights (the “**Vivendi Universal Voting Rights**”, which are each an “*action en nue propriété*” under French law, that represents one vote on the same basis and in the same circumstances as one Vivendi Share). The Vivendi Universal Voting Rights were then deposited by the Filer with CIBC Mellon Trust Company (“**CIBC Mellon**”) as custodian for and on behalf of the holders of the Exchangeable Shares in accordance with the custody agreement entered into by the Filer, Vivendi Exchangeco and CIBC Mellon (the “**Custody Agreement**”).

25. As a result, 36,391,224 Exchangeable Shares were issued on December 8, 2000 in exchange for 45,489,030 Seagram Common Shares.
26. As of December 31, 2005, as noted above, only 4,760,628 Exchangeable Shares held by public shareholders remained outstanding (representing approximately 13% of the originally issued Exchangeable Shares).
27. The Exchangeable Shares were created to be substantially the economic equivalent of the ADSs for which the Exchangeable Shares issued under the Arrangement are presently exchangeable. The ADSs, in turn, are convertible into, and have substantially equivalent economic and voting rights to, Vivendi Shares.
28. Coincident with the issue of Exchangeable Shares by Vivendi Exchangeco, the Filer, Vivendi Exchangeco and CIBC Mellon, as trustee, entered into a trust agreement (the “**Exchange Trust Agreement**”).
29. The Exchangeable Shares, together with the Exchange Trust Agreement, the Custody Agreement, and the Support Agreement (described below), presently provide holders thereof with substantially equivalent economic rights to those of ADSs. The Vivendi Universal Voting Rights provide holders of Exchangeable Shares with voting rights on the same basis and in the same circumstances as the Vivendi Shares. Exchangeable Shares may be exchanged for ADSs on a one-for-one basis at any time at the option of the holder and are required to be exchanged upon the occurrence of certain events (described below). Dividends are payable on the Exchangeable Shares contemporaneously and in the economically equivalent amount per share as dividends on the ADSs.
30. The Exchangeable Shares are entitled to a preference over common shares and any other shares ranking junior to the Exchangeable Shares, with respect to the payment of dividends and the distribution of assets in the event of the

liquidation, dissolution or winding-up of Vivendi Exchangeco. Subject to an overriding call right of Vivendi Holdings referred to below, on the liquidation, dissolution or winding-up of Vivendi Exchangeco, a holder of Exchangeable Shares is currently entitled to receive from Vivendi Exchangeco for each Exchangeable Share held an amount equal to the then current market price of an ADS (as adjusted, if necessary, pursuant to the Exchangeable Share Provisions) which must be satisfied by the delivery of one ADS (as adjusted, if necessary) (the “**ADS Consideration**”) to the holder, together with all declared and unpaid dividends on each such Exchangeable Share (the “**Liquidation Amount**”). Upon a proposed liquidation, dissolution or winding-up of Vivendi Exchangeco, Vivendi Holdings has an overriding call right (the “**Liquidation Call Right**”) to purchase all of the outstanding Exchangeable Shares from the holders thereof (other than the Filer or its affiliates) for a price per share equal to the Liquidation Amount to be satisfied in the manner described in this paragraph.

31. Exchangeable Shares are non-voting in the ordinary course, since holders have the Vivendi Universal Voting Rights, and are retractable at the option of the holder at any time. Subject to the overriding call right of Vivendi Holdings referred to below, upon retraction the holder is currently entitled to receive from Vivendi Exchangeco for each Exchangeable Share retracted an amount equal to the then-current market price of an ADS (as adjusted, if necessary) which must be satisfied by delivery of the ADS Consideration to the holder, together with, on the designated payment date therefor and to the extent not already paid by Vivendi Exchangeco on a dividend payment date, an amount equal to all declared and unpaid dividends on each such retracted Exchangeable Share (the “**Retraction Price**”). Vivendi Holdings maintains an overriding call right (the “**Retraction Call Right**”) to purchase from the holder all of the Exchangeable Shares that are the subject of the retraction notice delivered by the holder for a price per share equal to the Retraction Price to be satisfied in the manner described in this paragraph unless the holder withdraws the notice of retraction.
32. Subject to the overriding call right of Vivendi Holdings referred to below in this paragraph, Vivendi Exchangeco must redeem all the Exchangeable Shares then outstanding on a date to be established by the Board of Directors (the “**Redemption Date**”) which shall be no earlier than November 21, 2030. The Board of Directors of Vivendi Exchangeco may accelerate the Redemption Date in certain circumstances, including, among other things, (i) if there are fewer than 5% of the original number of issued Exchangeable Shares outstanding, other than Exchangeable Shares held by the Filer and its

- affiliates or (ii) if an "Exempt Exchangeable Share Voting Event" (defined as any matter in respect of which holders of Exchangeable Shares are entitled to vote as shareholders of Vivendi Exchangeco in order to approve any change to, or in the rights of the holders of the Exchangeable Shares, where such change would be required to maintain the economic equivalence of the Exchangeable Shares and the ADSs and the Board of Directors of Vivendi Exchangeco has received and included in the proxy materials sent to holders of Exchangeable Shares in respect of the meeting to consider such matter an opinion of an internationally recognized investment bank confirming such economic equivalence after giving effect to such change), is proposed and the holders of the Exchangeable Shares fail to take the necessary action at a meeting or other vote of holders of Exchangeable Shares to approve or disapprove, as applicable, the Exempt Exchangeable Share Voting Event. Upon such redemption, a holder is currently entitled to receive from Vivendi Exchangeco for each Exchangeable Share redeemed an amount equal to the then-current market price of an ADS (as adjusted, if necessary) which must be satisfied by delivery of the ADS Consideration to the holder, together with, to the extent not already paid by Vivendi Exchangeco on a dividend payment date, an amount equal to all declared and unpaid dividends on each such redeemed Exchangeable Share ("**Redemption Call Purchase Price**"). Vivendi Holdings has an overriding call right (the "**Redemption Call Right**") to purchase from the holders all of the outstanding Exchangeable Shares (other than those owned by the Filer or its affiliates) for a price per share equal to the Redemption Call Purchase Price to be satisfied in the manner described in this paragraph upon being notified by Vivendi Exchangeco of a proposed redemption of Exchangeable Shares.
33. Under the Exchange Trust Agreement, the Filer granted to CIBC Mellon for the benefit of the holders of the Exchangeable Shares the right (the "**Exchange Right**"), exercisable upon certain events related to the insolvency or bankruptcy of Vivendi Exchangeco, to require the Filer to purchase from a holder of Exchangeable Shares all or any part of its Exchangeable Shares. The purchase price for each Exchangeable Share purchased by the Filer is equal to the then-current market price of an ADS (as adjusted, if necessary) which must be satisfied by delivery of the ADS Consideration to the holder, together with an amount equal to all declared and unpaid dividends on such Exchangeable Share, to be satisfied by the delivery of this aggregate amount to CIBC Mellon on behalf of the holder.
34. Under the Exchange Trust Agreement, upon the liquidation, dissolution or winding-up of the Filer, the Filer is required to purchase each outstanding Exchangeable Share, and each holder is required to sell all of its Exchangeable Shares (the "**Automatic Exchange Right**"), for a purchase price per share equal to the then-current market price of an ADS (as adjusted, if necessary) which must be satisfied by delivery of the ADS Consideration to the holder, together with an amount equal to all declared and unpaid dividends on each such Exchangeable Share, to be satisfied by the delivery of this aggregate amount to CIBC Mellon, on behalf of the holder.
35. The Vivendi Universal Voting Rights provide each holder of an Exchangeable Share with the right to vote at a shareholder meeting of the Filer on the same basis and in the same circumstances as if the holder held one Vivendi Share. However, unlike other exchangeable share transactions, multi-voting shares cannot be used, as they are not permitted under French law. Thus, in order to create the Vivendi Universal Voting Rights, the Filer split shares held in treasury into bare legal title ("*action en nue propriété*") and beneficial ownership ("*usufruit*") which is permitted under French law. The *action en nue propriété* were deposited with CIBC Mellon.
36. The Vivendi Universal Voting Rights are deposited with CIBC Mellon for the benefit of the holders of Exchangeable Shares outstanding from time to time (other than the Filer and its affiliates) pursuant to the Custody Agreement. Each voting right attached to the Vivendi Universal Voting Rights is voted by CIBC Mellon pursuant to the instructions of the holder of the related Exchangeable Share. In the absence of any such instructions from a holder, CIBC Mellon is not entitled to exercise the related voting rights. Upon the exchange of an Exchangeable Share for an ADS, the holder of the Exchangeable Share becomes a holder of an ADS, and the right of such holder to exercise votes attached to the Vivendi Universal Voting Rights terminates and the Vivendi Universal Voting Rights are transferred back to the Filer.
37. The Filer, Vivendi Exchangeco and Vivendi Holdings also entered into a support agreement (the "**Support Agreement**"). The Support Agreement currently provides that the Filer will not declare or pay any dividend on the ADSs unless Vivendi Exchangeco simultaneously declares and pays an equivalent dividend on the Exchangeable Shares, and that the Filer will ensure that Vivendi Exchangeco and Vivendi Holdings will be able to honour the redemption and retraction rights and dissolution entitlements that are attributes of the Exchangeable Shares under the Exchangeable Share Provisions and the related call rights described above.
38. The Support Agreement also provides that, without the prior approval of Vivendi Exchangeco

- and the holders of the Exchangeable Shares, actions such as distributions of stock dividends, options, rights and warrants for the purchase of securities or other assets, subdivisions, combinations, reclassifications, reorganizations and other changes cannot be taken in respect of the ADSs generally without the same or an economically equivalent action being taken in respect of the Exchangeable Shares.
39. Pursuant to an MRRS Decision Document dated December 6, 2000 (the “**Previous MRRS Exemption**”), the securities regulatory authorities in each of the Jurisdictions granted an order exempting the Filer, Vivendi Holdings and Vivendi Exchangeco from certain requirements contained in the Legislation of the Jurisdictions at that time (the “**Existing Legislation**”) applicable to reporting issuers and their insiders. Among other things, the Previous MRRS Exemption provides that:
- (i) the Registration Requirements and the Prospectus Requirements do not apply to certain trades and/or distributions of securities (collectively, the “**Previous Arrangement Trades**”) made in connection with the various transactions contemplated under the Arrangement;
 - (ii) the requirements contained in the Existing Legislation to issue a press release and file a report upon the occurrence of a material change, to file and deliver an annual report, where applicable, to file and deliver interim and annual financial statements, and to file an information circular (collectively, the “**Previous Continuous Disclosure Requirements**”) do not apply to Vivendi Exchangeco;
 - (iii) the requirement contained in the Existing Legislation for an insider of a reporting issuer to file reports disclosing the insider’s direct or indirect beneficial ownership of, or control or direction over, securities of the reporting issuer (the “**Previous Insider Reporting Requirements**”) do not apply to each insider of Vivendi Exchangeco and its successors; and
 - (iv) the requirements in the Existing Legislation of Ontario and Nova Scotia regulating the purchase by an issuer of its own securities and the reporting of such purchases (the “**Issuer Bid Requirements**”) and the Registration Requirements and Prospectus Requirements in those Jurisdictions do not apply to the purchase by Vivendi Exchangeco of Exchangeable Shares
- owned by Vivendi Holdings in exchange for common shares or preferred shares of Vivendi Exchangeco.
40. The Previous Arrangement Trades to which the exemption from the Registration Requirements and Prospectus Requirements described under (i) above applies do not include the Trades (as defined above).
41. The exemptions from the Previous Continuous Disclosure Requirements and the Previous Insider Reporting Requirements described under (ii) and (iii) above apply only so long as the Filer and Vivendi Exchangeco comply with the conditions outlined in the Previous MRRS Exemption, including, among other things, that:
- (i) the Filer sends to all holders of Exchangeable Shares contemporaneously all disclosure material furnished to holders of ADSs resident in the United States (“**US**”);
 - (ii) the Filer files with Canadian securities regulatory authorities copies of all documents required to be filed by it with the United States Securities and Exchange Commission (“**SEC**”) under the Exchange Act;
 - (iii) the Filer complies with the requirements of the NYSE in respect of making public disclosure of material information on a timely basis and forthwith issues in Canada and files with Canadian securities regulatory authorities any such press release that discloses a material change in the Filer’s affairs; and
 - (iv) Vivendi Exchangeco complies with material change reporting requirements in respect of material changes in the affairs of Vivendi Exchangeco that would be material to holders of Exchangeable Shares but would not be material to holders of ADSs.
42. Pursuant to decision documents dated December 22, 2000 and February 14, 2001 (the “**Ontario Exemption**”), Vivendi Exchangeco also obtained a separate exemption in Ontario from the annual information form filing provisions (now contained in Ontario Securities Commission Rule 51-501) applicable under the laws of Ontario.
43. Pursuant to a letter dated March 19, 2001, the Toronto Stock Exchange (“**TSX**”) also granted relief to Vivendi Exchangeco from all of its filing obligations under Part IV of the TSX Company Manual (the “**TSX Filing Requirements**”) on the same basis and subject to the same conditions as set out in the Previous MRRS Exemption.

44. On January 17, 2006, the Filer announced that it will seek to terminate its ADS program and delist the ADSs from the NYSE.
45. Provided that the approval in writing of the owners of American Depository Receipts evidencing at least a majority of the ADSs (the “**ADS Majority Approval**”) is obtained on April 27, 2006, it is expected that The Bank of New York, as depositary for the ADSs, will cease to issue new ADSs on May 19, 2006, and that the Filer will complete all steps required to terminate the ADS program, including the exchange of all outstanding ADSs for underlying Vivendi Shares, by July 18, 2006. The ADSs are expected to be delisted from the NYSE effective as of August 13, 2006.
46. Provided that ADS Majority Approval is obtained and the delisting and elimination of the ADSs is completed as contemplated above, the Filer will seek, as soon as possible thereafter, to terminate its registration under the Exchange Act.
47. The Filer estimates that the steps required to terminate its registration under the Exchange Act will be completed by August 31, 2006.
48. Provided that ADS Majority Approval is obtained on April 27, 2006 and that all other changes described above are completed by the Filer as contemplated, given that the Exchangeable Shares are currently exchangeable for ADSs, and since the Exchangeable Share Provisions as well as the Support Agreement, the Custody Agreement, the Merger Agreement, the Exchange Trust Agreement and the Transfer Agency Agreement dated December 5, 2000 between Vivendi Exchangeco and CIBC Mellon (collectively, the “**Exchangeable Share Documents**”) are now drafted to include references to ADSs, to their listing on the NYSE and to compliance with obligations imposed on corporations that are subject to the Exchange Act, the Exchangeable Share Documents will need to be amended so as to account for the proposed changes described above.
49. As the ADSs are presently convertible into and are the economic equivalent of Vivendi Shares, Vivendi Exchangeco intends to amend the Exchangeable Share Provisions so that Exchangeable Shares become exchangeable for Vivendi Shares rather than for ADSs and amend all other Exchangeable Share Documents accordingly; so that all references to the ADSs, to their listing on the NYSE or to compliance with US reporting requirements are replaced with appropriate references to Vivendi Shares, to their listing on the Euronext and to compliance with applicable French reporting requirements, respectively (collectively, the “**Canadian Amendments**”).
50. Other than the Exchangeable Share Provisions, none of the Exchangeable Share Documents requires the approval of the holders of Exchangeable Shares in order to effect the Canadian Amendments. The amendment of such documents may be accomplished by the parties to those documents, which parties are all wholly-owned direct or indirect subsidiaries of the Filer.
51. The Exchangeable Share Provisions, on the other hand, provide that the rights, privileges, restrictions and conditions attaching to the Exchangeable Shares may be added to, changed or removed but only with the approval of the holders of the Exchangeable Shares. Such approval must be evidenced by a resolution passed by not less than two thirds of the votes cast on such resolution at a meeting of holders of Exchangeable Shares duly called and held at which the holders of at least 20% of the outstanding Exchangeable Shares at that time are present or represented by proxy.
52. In light of this requirement, on Friday, April 28, 2006, Vivendi Exchangeco will be convening a special meeting of holders of Exchangeable Shares (originally convened on March 7, 2006 and adjourned to April 28, 2006) to consider and, if deemed appropriate, approve proposed amendments to the Exchangeable Share Provisions. The Board of Directors of Vivendi Exchangeco has set the close of business (Toronto time) on Monday, January 30, 2006 as the record date for determining the holders of Exchangeable Shares entitled to notice of and to vote at such meeting.
53. Vivendi Exchangeco intends to include in the proxy materials to be sent to holders of Exchangeable Shares in respect of the special meeting an opinion of an internationally recognized investment bank confirming the economic equivalence between the position of the holders of Exchangeable Shares prior to the proposed amendment and their position thereafter.

Decision

Each of the Decision Makers is satisfied that the tests contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

Prospectus and Registration Relief and Insider Reporting Relief

The decision of the Decision Makers under the Legislation is that:

1. Except in Quebec, the Prospectus and Registration Relief is granted, provided that the first trade in Vivendi Shares acquired pursuant to

one of the Trades in a Jurisdiction shall be deemed a distribution or a primary distribution to the public under the legislation of such Jurisdiction (the “**Applicable Legislation**”) unless:

- (a) at the time of the first trade, the Filer is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade;
- (b) the trade is not from the holdings of any person, company or combination of persons or companies holding a sufficient number of any securities of the Filer (with Exchangeable Shares counted as securities of the Filer) to affect materially the control of the Filer, and any holding of any person, company or combination of persons or companies holding more than 20% of the outstanding voting securities of the Filer shall, in the absence of evidence to the contrary, be deemed to affect materially the control of the Filer;
- (c) no unusual effort is made to prepare the market or to create a demand for the Vivendi Shares;
- (d) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
- (e) if the seller of the securities is an insider or officer of the Filer, the seller has no reasonable grounds to believe that the Filer is in default of any requirement of the Applicable Legislation.

2. The Insider Reporting Relief is granted provided that immediately upon and after the ADSs of the Filer ceasing to be registered under the Exchange Act, the Filer is and continues to be a “designated foreign issuer” as defined in NI 71-102, and from and after such termination of registration:

- (a) the Filer remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of Vivendi Exchangeco;
- (b) except for securities issued to the Filer or to wholly-owned subsidiaries of the Filer, Vivendi Exchangeco does not issue any securities other than shares as dividends on the Exchangeable Shares in accordance with the provisions thereof;
- (c) each insider of Vivendi Exchangeco, other than directors or senior officers of

the Filer, does not receive, in the ordinary course, information as to material facts or material changes concerning the Filer before the material facts or material changes are generally disclosed;

- (d) each insider of Vivendi Exchangeco, other than directors or senior officers of the Filer, is not an insider of the Filer in any capacity other than by virtue of being an insider of Vivendi Exchangeco; and
- (e) each insider of the Filer complies with “foreign disclosure requirements” (as such term is defined in NI 71-102) applicable to the Filer in France relating to insider reporting.

“Paul Moore”
Vice Chair
Ontario Securities Commission

“Susan Wolburgh Jenah”
Vice Chair
Ontario Securities Commission

Continuous Disclosure Relief, Insider Profile Relief, Certification of Disclosure Relief, Audit Committee Relief and Corporate Governance Disclosure Relief

3. The further decision of the Decision Makers under the Legislation is that the Continuous Disclosure Relief, the Insider Profile Relief, the Certification of Disclosure Relief, the Audit Committee Relief and the Corporate Governance Disclosure Relief are granted provided that immediately upon and after the ADSs of the Filer ceasing to be registered under the Exchange Act, the Filer is and continues to be a “designated foreign issuer” as defined in NI 71-102, and from and after such termination of registration:

- (a) the Filer remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of Vivendi Exchangeco;
- (b) except for securities issued to the Filer or to wholly-owned subsidiaries of the Filer, Vivendi Exchangeco does not issue any securities other than shares as dividends on the Exchangeable Shares in accordance with the provisions thereof;
- (c) Vivendi Exchangeco issues in Canada a news release and files a material change report in accordance with Part 7 of NI 51-102 for all material changes in respect of the affairs of Vivendi Exchangeco that are not also material changes in the affairs of the Filer;

- | | | |
|--|------------|--|
| <p>(d) each insider of Vivendi Exchangeco, other than directors or senior officers of the Filer, does not receive, in the ordinary course, information as to material facts or material changes concerning the Filer before the material facts or material changes are generally disclosed;</p> | | <p>and auditor's reports on annual financial statements, and files with the Decision Makers the interim financial statements, annual financial statements and auditor's reports on annual financial statements required to be filed with or furnished to the French AMF or Euronext, and the financial statements of the Filer that are included in any documents specified in this paragraph (i) are prepared in accordance with International Financial Reporting Standards or accounting principles that meet French Disclosure Requirements;</p> |
| <p>(e) each insider of Vivendi Exchangeco, other than directors or senior officers of the Filer, is not an insider of the Filer in any capacity other than by virtue of being an insider of Vivendi Exchangeco;</p> | | |
| <p>(f) the Filer includes in all mailings of proxy solicitation materials to holders of Exchangeable Shares a clear and concise statement that (i) explains the reason the mailed material relates solely to the Filer; (ii) indicates that the Exchangeable Shares are the economic equivalent to the Vivendi Shares; and (iii) describes the voting rights associated with the Exchangeable Shares, and in particular the manner in which the Vivendi Universal Voting Rights are exercisable at meetings of holders of Vivendi Shares pursuant to the Custody Agreement;</p> | <p>(j)</p> | <p>the Filer complies with French Disclosure Requirements relating to annual reports, quarterly reports and management's discussion and analysis, and files with the Decision Makers each annual report, quarterly report and management's discussion and analysis required to be filed with or furnished to the French AMF or Euronext, and the financial statements of the Filer that are included in any documents specified in this paragraph (j) are prepared in accordance with International Financial Reporting Standards or accounting principles that meet French Disclosure Requirements;</p> |
| <p>(g) the Filer, at least once a year, discloses in, or as an appendix to, a document that it is required by "foreign disclosure requirements" (as such term is defined in NI 71-102) applicable to the Filer in France ("French Disclosure Requirements") to send its securityholders and that it sends to holders of Exchangeable Shares (i) that it is a designated foreign issuer as defined in NI 71-102; (ii) that it is subject to the foreign regulatory requirements of French regulatory authorities; and (iii) the name(s) of the French regulatory authorities referred to in (ii);</p> | <p>(k)</p> | <p>the Filer complies with French Disclosure Requirements relating to business acquisitions, and files with the Decision Makers each report in respect of a business acquisition required to be filed with or furnished to the French AMF or Euronext, and the financial statements that are included in any documents specified in this paragraph (k) are prepared in accordance with International Financial Reporting Standards or accounting principles that meet French Disclosure Requirements;</p> |
| <p>(h) the Filer complies with French Disclosure Requirements in respect of making public disclosure of material information on a timely basis and promptly issues in Canada and files with the Decision Makers each news release issued by it for the purpose of complying with French Disclosure Requirements and files with the Decision Makers the documents disclosing the material information filed with or furnished to the French AMF or Euronext or disseminated to the public or securityholders of the Filer;</p> | <p>(l)</p> | <p>the Filer complies with French Disclosure Requirements relating to proxy statements, proxies and proxy solicitation, and files with the Decision Makers all material relating to a meeting of securityholders that is filed with or furnished to the French AMF or Euronext, and the financial statements of the Filer that are included in any documents specified in this paragraph (l) are prepared in accordance with International Financial Reporting Standards or accounting principles that meet French Disclosure Requirements;</p> |
| <p>(i) the Filer complies with French Disclosure Requirements relating to interim financial statements, annual financial statements</p> | <p>(m)</p> | <p>if the Filer sends a document to holders of securities of any class of the Filer under the laws or requirements of</p> |

France, then the document must be sent in the same manner and at the same time, or as soon as practicable thereafter, to holders of Exchangeable Shares in Canada;

- (n) the Filer complies with French Disclosure Requirements relating to disclosure of securityholder voting results, and files with the Decision Makers each report disclosing securityholder voting results that is filed with or furnished to the French AMF or Euronext;
- (o) the Filer complies with French Disclosure Requirements relating to the filing of news releases disclosing financial information, and files with the Decision Makers a copy of each news release disclosing financial information that is filed with or furnished to the French AMF or Euronext;
- (p) in the event of a change in year end by the Filer, the Filer complies with French Disclosure Requirements relating to a change in year end and files with the Decision Makers a copy of all filings made under French Disclosure Requirements relating to the change in year end;
- (q) in the event of a change of auditor by the Filer, the Filer complies with French Disclosure Requirements relating to a change of auditor and files with the Decision Makers a copy of all filings made under French Disclosure Requirements relating to the change of auditor;
- (r) each insider of the Filer complies with French Disclosure Requirements relating to insider reporting; and
- (s) all filing fees that would otherwise be payable by Vivendi Exchangeco in connection with the Continuous Disclosure Requirements are paid.

“Erez Blumberger”
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.21 Franklin Templeton Investments Corp. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – exemptions granted from the mutual fund conflict of interest investment restrictions, management reporting requirements and self-dealing prohibition of the Securities Act (Ontario) to permit pooled funds to invest in other pooled funds or prospectus qualified mutual funds.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 111(2)(b), 111(2)(c), 111(3), 113, 117(1)(a), 117(1)(d), 117(2), 118(2)(a), 121(2)(a)(ii).

April 26, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, QUÉBEC, NOVA SCOTIA,
NEW BRUNSWICK AND NEWFOUNDLAND
AND LABRADOR (THE “JURISDICTIONS”)**

AND

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

AND

**IN THE MATTER OF THE
FRANKLIN TEMPLETON INVESTMENTS CORP.
(THE “MANAGER”)**

AND

**FRANKLIN TEMPLETON CAPITAL PRESERVATION
POOLED PORTFOLIO AND THE OTHER POOLED
FUNDS LISTED ON SCHEDULE “A”
(COLLECTIVELY, THE “EXISTING POOLED FUNDS”)**

AND

**BISSETT BOND FUND AND THE OTHER RETAIL
MUTUAL FUNDS LISTED ON SCHEDULE “B”
(COLLECTIVELY, THE “EXISTING UNDERLYING
RETAIL
MUTUAL FUNDS”) (COLLECTIVELY WITH THE
MANAGER, THE “FILERS”)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the “Decision Maker”) in each of the Jurisdictions has received an application from the Filers for a decision:

- under the securities legislation of Ontario and Alberta for an exemption from the restriction prohibiting a mutual fund in Ontario or a mutual fund, as the case may be, 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 security holder, or in any issuer in which any officer or director of the mutual fund, its management company or distribution company or an associate of any of them, or any person or company who is a substantial security holder of the mutual fund, its management company or its distribution company, has a significant interest (the "Investment Restriction");
- under the securities legislation of the Pooled Fund Jurisdictions (defined below) for an exemption from the restriction prohibiting a portfolio manager from knowingly causing an investment portfolio managed by it to invest in the securities of any issuer in which a responsible person or an associate of a responsible person is an officer or director, unless the relationship is disclosed to the client and, if applicable, the written consent of the client to the investment is obtained before the purchase, or, in the case of Québec, from the restriction against a registered person subscribing or buying, on behalf of a client, securities issued by a company having as senior executive, a senior executive or a representative of the dealer or adviser, unless he obtains the consent of the client after having informed him of that fact (the "Consent Requirement"); and
- under the securities legislation of the Underlying Retail Mutual Fund Jurisdictions (defined below) for an exemption from the requirement of a management company or, in the case of British Columbia, a mutual fund manager, to file a report of every transaction of purchase or sale of securities between a mutual fund it manages and any related person or company and any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, a mutual fund is a joint participant with one or more of its related persons or companies, in respect of each mutual fund to which it provides services or advice, within 30 days after the end of the month in which it occurs (the "Reporting Requirement");

(collectively, the "Requested Relief").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 - *Definitions* have the same meaning in this decision unless they are defined in this decision. The following additional terms shall have the following meanings:

"**ASA**" means the *Securities Act* (Alberta);

"**OSA**" means the *Securities Act* (Ontario);

"**Pooled Funds**" means, collectively, the Existing Pooled Funds listed in Schedule "A" and other similar mutual funds to be created by declaration of trust under the laws of Ontario or Alberta that will be managed in the future by the Manager or an affiliate of the Manager and that will be offered for sale only on a private placement basis pursuant to available prospectus exemptions;

"**Pooled Fund Jurisdictions**" means, collectively, Ontario, Alberta, Saskatchewan, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador;

"**Underlying Funds**" means, collectively, the Underlying Retail Mutual Funds and the Underlying Pooled Funds;

"**Underlying Pooled Funds**" means, collectively, the existing underlying pooled funds listed in Schedule "B" and other similar mutual funds to be created by declaration of trust under the laws of Ontario or Alberta that will be managed in the future by the Manager or an affiliate of the Manager and that will be offered for sale only on a private placement basis pursuant to available prospectus exemptions;

"**Underlying Retail Mutual Funds**" means, collectively, the Existing Underlying Retail Mutual Funds listed in Schedule "B" and other similar open-end mutual fund trusts to be created under the laws of Ontario or Alberta or classes of shares of mutual fund corporations to be incorporated in Canada under federal or provincial law that will be managed in the future by the Manager or an affiliate of the Manager and that will be offered for sale pursuant to simplified prospectuses and annual information forms; and

"**Underlying Retail Mutual Fund Jurisdictions**" means, collectively, Ontario, British Columbia, Alberta, Saskatchewan, Nova Scotia, New Brunswick and Newfoundland and Labrador.

Representations

This decision is based on the following facts represented by the Filers:

Decisions, Orders and Rulings

1. The Manager is a corporation amalgamated under the laws of the Province of Ontario and having its head office in Toronto.
2. The Manager or an affiliate of the Manager is or will be the manager and portfolio manager of the Pooled Funds and the Underlying Funds.
3. The Manager is registered under the OSA as a Mutual Fund Dealer and as an adviser in the categories of Portfolio Manager and Investment Counsel.
4. The Pooled Funds and Underlying Pooled Funds are or will be mutual funds established by declaration of trust under the laws of Ontario or Alberta. Securities of the Pooled Funds and Underlying Pooled Funds are or will be offered for sale only on a private placement basis pursuant to available prospectus exemptions in each of the provinces and territories of Canada. The Pooled Funds and Underlying Pooled Funds are or will be mutual funds in Ontario, as defined under the OSA, or mutual funds, as defined under the ASA, but are not or will not be reporting issuers.
5. The Underlying Retail Mutual Funds are or will be open-end mutual fund trusts governed by declaration of trust under the laws of Ontario or Alberta or classes of shares of mutual fund corporations incorporated in Canada under federal or provincial law, the securities of which are or will be offered for sale to the public pursuant to simplified prospectuses and annual information forms qualified in each of the provinces and territories of Canada.
6. Each Pooled Fund intends to invest a certain portion of its assets in securities of one or more Underlying Funds. The percentage invested in an Underlying Fund may fluctuate on a daily basis based on the investment decisions made by the portfolio advisor in order to meet the investment objectives of the Pooled Fund. If investing in an Underlying Retail Mutual Fund, the Pooled Fund will either invest in Series O securities of the Underlying Retail Mutual Fund that are sold under a prospectus or in Series P securities of the Underlying Retail Mutual Fund that are sold on a private placement basis.
7. The actual weighting of the investment by each Pooled Fund in an Underlying Fund will be reviewed on a regular basis and adjusted to ensure that the investment weightings continue to be appropriate for that Pooled Fund's investment objectives. The portfolio manager of each Pooled Fund will actively manage the investment made by each Pooled Fund in an Underlying Fund on a regular basis.
8. The annual financial statements of the Pooled Funds, which are or will be provided to securityholders in accordance with securities legislation, together with an auditors' report, will include summary disclosure of the securities held by the applicable Underlying Funds.
9. Pooled Fund securityholders may obtain a copy of the applicable Underlying Fund's disclosure documents (if any) or the annual or semi-annual financial statements free of charge upon request to the Manager.
10. Where a Pooled Fund invests in one or more Underlying Funds, existing investors of the Pooled Fund will receive a form of written notice 30 days prior to the Pooled Fund first undertaking such investment under this Decision Document, which discloses: (i) the intent of the Pooled Fund to invest its assets in securities of the Underlying Funds; (ii) that the Underlying Funds are managed by the Manager or an affiliate of the Manager; (iii) what percentage of net assets of the Pooled Fund is dedicated to the investment in securities of the Underlying Funds; (iv) the process or criteria used to select the Underlying Funds; and (v) in instances where a Pooled Fund invests in an Underlying Fund for which a director or officer of the portfolio manager of the Pooled Fund also acts as director or officer, this fact will also be disclosed in the notice.
11. New investors in the Pooled Funds will either receive an offering memorandum or will enter into an investment management agreement with the Manager pursuant to which the Manager has discretion over the investor's account. The offering memorandum or investment management agreement will contain the disclosure outlined in items (i) – (v) in paragraph 10 above.
12. Through investing in the Underlying Funds, the Pooled Funds will be able to achieve greater diversification at a lower cost than investing directly in the securities held by the applicable Underlying Funds. This investment structure will also allow investors with smaller investments to have access to a larger variety of investments than would otherwise be available.
13. Investment by the Pooled Funds in the Underlying Funds will increase the asset base of the Underlying Funds, enabling the Underlying Funds to further diversify their portfolios to the benefit of all their investors. The larger asset base will also benefit investors in the Underlying Funds through achieving favourable pricing and transaction costs on portfolio trades, increased access to investments where there is a minimum subscription or purchase amount and economies of scale through greater administrative efficiency.
14. No sales fees or redemption fees will be payable in connection with the purchases or redemptions

- by the Pooled Funds of securities of the Underlying Funds.
15. No management or other fee will be payable by the Pooled Funds that, to a reasonable person, would duplicate a fee payable by the applicable Underlying Funds for the same service.
16. Where a matter relating to an Underlying Fund requires a vote of securityholders of the Underlying Fund, the Manager will not cause the securities of the Underlying Fund held by a Pooled Fund to be voted at such meeting.
17. The investment by a Pooled Fund in the applicable Underlying Fund(s) is or will be compatible with the investment objectives of the Pooled Fund. Any investment by the Pooled Funds in securities of Underlying Funds will represent the business judgement of "responsible persons" uninfluenced by considerations other than the best interests of the Pooled Funds and Underlying Funds.
18. In the absence of the Requested Relief, the Investment Restriction prohibits a Pooled Fund from knowingly making or holding an investment in an Underlying Fund in which it, alone or together with one or more related mutual funds, is a substantial securityholder, and from knowingly making or holding an investment in an issuer in which any person or company who is a substantial securityholder of the Pooled Fund has a significant interest.
19. In the absence of the Requested Relief, the Consent Requirement prohibits the portfolio manager of the Pooled Funds from knowingly causing the Pooled Funds to invest in Underlying Funds in which a responsible person or an associate of a responsible person is an officer or director unless the specific fact is disclosed to the securityholders of the Pooled Funds and the written consent of the securityholders of the Pooled Funds to the investment is obtained before the purchase.
20. In the absence of the Requested Relief, the Reporting Requirement requires the manager of the Underlying Retail Mutual Funds to file a report on every purchase or sale of securities of the Underlying Retail Mutual Funds by the Pooled Funds.
- (a) in Ontario and Alberta under the OSA and the ASA is that the Investment Restriction shall not apply to the Pooled Funds in respect of each Pooled Fund's investment in securities of the Underlying Funds;
- (b) in the Pooled Fund Jurisdictions under the Legislation of the Pooled Fund Jurisdictions is that the Consent Requirement shall not apply to the Manager, the portfolio manager of the Pooled Funds or, in the case of Québec, the registered person in respect of each Pooled Fund's investment in securities of the Underlying Funds; and
- (c) in the Underlying Retail Mutual Fund Jurisdictions under the Legislation of the Underlying Retail Mutual Fund Jurisdictions is that the Reporting Requirement shall not apply to the Manager or its applicable affiliate in respect of each Pooled Fund's purchase or sale of securities of the Underlying Retail Mutual Funds,
- provided that, in each case:
- (i) securities of each Pooled Fund are distributed only on a private placement basis pursuant to available prospectus exemptions;
- (ii) each Underlying Fund is either a "mutual fund in Ontario" as defined in the OSA or a "mutual fund" as defined in the ASA or an open-end mutual fund trust or class of shares of a mutual fund corporation;
- (iii) each Pooled Fund does not vote any of the securities it holds of an Underlying Fund except that the Pooled Fund may, if the Manager so chooses, arrange for all the securities it holds of an Underlying Fund to be voted by the beneficial holders of securities of the Pooled Fund;
- (iv) no management fees or incentive fees are payable by a Pooled Fund that, to a reasonable person, would duplicate a fee payable by an Underlying Fund for the same service;
- (v) as each Underlying Fund is managed by the Manager or an affiliate of the Manager, no sales or redemption fees are payable by the Pooled Fund in relation to its purchases or redemptions of securities of an Underlying Fund;

Decision

Each of the Decision Makers is satisfied that the test contained in the securities legislation of the Jurisdictions (the "Legislation") that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers:

(vi) investors in each Pooled Fund receive or have received written disclosure which discloses:

- (1) the intent of the Pooled Fund to invest its assets in securities of the Underlying Funds;
- (2) that the Underlying Funds are managed by the Manager or an affiliate of the Manager;
- (3) what percentage of net assets of the Pooled Fund is dedicated to the investment in securities of the Underlying Funds;
- (4) the process or criteria used to select the Underlying Funds; and

(vii) investors in each Pooled Fund are entitled to receive from the Manager or its affiliate, on request and free of charge, a copy of the offering memorandum or other disclosure documents (if any) relating to all Underlying Funds in which the Pooled Fund may invest its assets.

"Paul M. Moore"
Vice-Chair
Ontario Securities Commission

"Susan Wolburgh Jenah"
Vice-Chair
Ontario Securities Commission

Schedule "A"
Existing Pooled Funds

Franklin Templeton Balanced Income Pooled Portfolio
Franklin Templeton Capital Preservation Pooled Portfolio
Franklin Templeton Domestic Balanced Growth Pooled Portfolio
Franklin Templeton Global Balanced Growth Pooled Portfolio
Franklin Templeton International Balanced Growth Pooled Portfolio
Franklin Templeton Domestic Growth Pooled Portfolio
Franklin Templeton Global Growth Pooled Portfolio
Franklin Templeton International Growth Pooled Portfolio
Franklin Templeton Domestic Maximum Growth Pooled Portfolio
Franklin Templeton Global Maximum Growth Pooled Portfolio
Franklin Templeton International Maximum Growth Pooled Portfolio
Bissett Pooled Equity Trust
Bissett Core Equity Trust
Bissett Canadian Growth Trust
Bissett Balanced Tax Effective Trust
Bissett Institutional Balanced Trust
Bissett Long Term Bond Trust

Templeton International Equity Trust
Templeton Canadian Equity Trust
Templeton Global Equity Trust
Templeton International Stock Trust
Templeton Global Stock Trust
Templeton Master Trust

Schedule "B"
Existing Underlying Funds

Existing Underlying Retail Mutual Funds

Templeton Growth Fund, Ltd.
Templeton Growth Corporate Class
Templeton International Stock Fund
Templeton International Stock Corporate Class
Templeton Emerging Markets Fund
Templeton Emerging Markets Corporate Class
Templeton Global Smaller Companies Fund
Templeton Global Smaller Companies Corporate Class
Templeton Global Balanced Fund
Templeton Global Bond Fund
Templeton Canadian Stock Fund
Templeton Canadian Stock Corporate Class
Templeton Canadian Asset Allocation Fund
Templeton Balanced Fund
Templeton European Corporate Class
Templeton BRIC Corporate Class
Templeton Global Income Fund

Franklin Flex Cap Growth Corporate Class
Franklin U.S. Small-Mid Cap Growth Fund
Franklin U.S. Small-Mid Cap Growth Corporate Class
Franklin World Health Sciences and Biotech Fund
Franklin World Health Sciences and Biotech Corporate Class
Franklin Technology Corporate Class
Franklin World Growth Corporate Class
Franklin Japan Corporate Class
Franklin High Income Fund
Franklin Strategic Income Fund

Bissett Canadian Equity Fund
Bissett Canadian Equity Corporate Class
Bissett Small Cap Fund
Bissett Small Cap Corporate Class
Bissett Large Cap Fund
Bissett Microcap Fund
Bissett Multinational Growth Fund
Bissett Multinational Growth Corporate Class
Bissett International Equity Fund
Bissett Canadian Balanced Fund
Bissett Dividend Income Fund
Bissett Bond Fund
Bissett Bond Corporate Class
Bissett Income Fund
Bissett Income Trust and Dividend Fund
Bissett Canadian Short Term Bond Fund
Bissett All Canadian Focus Fund
Bissett All Canadian Focus Corporate Class
Bissett Income Trust Fund

Mutual Beacon Fund
Mutual Beacon Corporate Class
Mutual Discovery Fund
Mutual Discovery Corporate Class

Franklin Templeton Diversified Income Portfolio
Franklin Templeton Balanced Income Portfolio
Franklin Templeton Balanced Growth Portfolio
Franklin Templeton Growth Portfolio

Franklin Templeton Global Growth Portfolio
Franklin Templeton Canadian Growth Portfolio
Franklin Templeton Maximum Growth Portfolio
Franklin Templeton Diversified Income Corporate Class Portfolio
Franklin Templeton Balanced Income Corporate Class Portfolio
Franklin Templeton Balanced Growth Corporate Class Portfolio
Franklin Templeton Growth Corporate Class Portfolio
Franklin Templeton Global Growth Corporate Class Portfolio
Franklin Templeton Maximum Growth Corporate Class Portfolio
Franklin Templeton Canadian Growth Corporate Class Portfolio

Franklin Templeton Treasury Bill Fund
Franklin Templeton U.S. Money Market Fund
Franklin Templeton U.S. Money Market Corporate Class
Franklin Templeton Money Market Fund
Franklin Templeton Money Market Corporate Class

Franklin Templeton Canadian Small Cap Fund
Franklin Templeton U.S. Rising Dividends Fund
Franklin Templeton U.S. Rising Dividends Corporate Class

Existing Underlying Pooled Funds

Bissett Pooled Equity Trust
Bissett Core Equity Trust
Bissett Canadian Growth Trust
Bissett Balanced Tax Effective Trust
Bissett Institutional Balanced Trust
Bissett Long Term Bond Trust
Templeton International Equity Trust
Templeton Canadian Equity Trust
Templeton Global Equity Trust
Templeton International Stock Trust
Templeton Global Stock Trust
Templeton Master Trust

2.2 Orders

2.2.1 Terrence William Marlow, Marlow Group Private Portfolio Management Inc. and Marlow Group Securities Inc. - s. 127

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

AND

IN THE MATTER OF
TERRENCE WILLIAM MARLOW,
MARLOW GROUP PRIVATE PORTFOLIO
MANAGEMENT INC.
AND MARLOW GROUP SECURITIES INC.

ORDER
(Section 127)

WHEREAS on January 4, 2005, the Commission made a temporary order pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c.S.5 as amended (the "Act") cease trading and suspending the registration of the Respondents until further order of the Commission subject to two specified exceptions (the "Temporary Order");

AND WHEREAS on March 9, 2005, the Ontario Superior Court of Justice made an order which authorized the receivership of the respondents and appointed as receiver, A. Farber & Partners Inc. (the "Receivership Order");

AND WHEREAS on January 6, 2006, the Ontario Superior Court of Justice made an order authorizing the bankruptcy of Marlow Group Private Portfolio Management Inc. and Marlow Group Securities Inc., and appointed as trustee in bankruptcy, A. Farber & Partners Inc. (the "Bankruptcy Order");

AND WHEREAS the Respondents have received notice of this order and do not oppose it and by Commission Order made November 1, 2005, pursuant to section 3.5(3) of the Act, any one of W. David Wilson, Susan Wolburgh Jenah and Paul M. Moore, acting alone, is authorized to make orders under section 127 of the Act;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this order permitting A. Farber & Partners Inc., the receiver for Terrence Marlow, to deal with the securities of Terrence Marlow pursuant to the Receivership Order;

IT IS HEREBY ORDERED that:

1. the Temporary Order shall continue as against Terrence William Marlow, but shall permit trading of securities by A. Farber & Partners Inc. pursuant to the Receivership Order;

2. the Temporary Order shall cease to apply as of this date to Marlow Group Private Portfolio Management Inc. and Marlow Group Securities Inc.;

3. any person or company affected by this Order may apply to the Commission for an order revoking or varying the terms of this Order pursuant to s. 144 of the Act.

DATED at Toronto this 25th day of April, 2006

"Paul Moore"

2.2.2 **Limelight Entertainment Inc. et al. - ss. 127(1), 127(5)**

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

AND

**IN THE MATTER OF
LIMELIGHT ENTERTAINMENT INC.,
CARLOS A. DA SILVA,
DAVID C. CAMPBELL, JACOB MOORE
AND JOSEPH DANIELS**

**ORDER
Sections 127(1) & 127(5)**

WHEREAS Staff of the Commission ("Staff") requested that the Ontario Securities Commission (the "Commission") make a temporary order pursuant to section 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "*Act*") that: (i) all trading cease in the securities of Limelight Entertainment Inc. ("Limelight"); (ii) each of Limelight, Carlos Da Silva ("Da Silva"), David C. Campbell ("Campbell") and Jacob Moore ("Moore") cease trading in all securities; and (iii) any exemptions contained in Ontario securities law do not apply to Limelight, Da Silva, Campbell and Moore (the "Temporary Order");

AND WHEREAS pursuant to sections 127(1) and 127(5) of the *Act*, a hearing was scheduled for April 13, 2006 at 10:00 a.m. (the "Hearing") to consider Staff's request for the Temporary Order;

AND WHEREAS Staff have served Limelight, Da Silva and Campbell with the Notice of Hearing and Statement of Allegations of Staff dated April 7, 2006 and with the Affidavit of Larry Masci sworn April 7, 2006, the Affidavit of Tim Barrett sworn April 10, 2006 and the Affidavit of Joseph De Sommer sworn April 11, 2006 as evidenced by the affidavits of service filed as exhibits;

AND WHEREAS it appears to the Commission that:

1. Limelight is an Ontario corporation with offices in Toronto;
2. Da Silva is the president and a director of Limelight;
3. Campbell is the vice-president and a director of Limelight;
4. Jacob Moore ("Moore") is or was employed by Limelight in the role of a salesperson;
5. None of Limelight, Da Silva, Campbell or Moore is registered with the Commission to trade in securities;

6. Securities of Limelight have been sold to members of the public by officers, directors, employees and/or agents of Limelight purportedly in reliance upon the prospectus and registration exemptions in OSC Rule 45-501 (now National Instrument 45-106);

7. Staff are conducting an investigation into: (i) the trading of Limelight securities; (ii) whether Limelight failed to file or filed misleading reports of exempt distributions with the Commission; (iii) whether prohibited representations were made to investors; and (iv) whether Da Silva and Limelight misled Staff; and

8. No prospectus receipt has been issued for the Limelight securities as required by section 53 of the *Act*;

AND WHEREAS on April 13, 2006, the Commission issued the Temporary Order and ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission and adjourned the Hearing to April 26, 2006;

AND WHEREAS Staff have served counsel for Limelight, Da Silva and Campbell with the Amended Notice of Hearing dated April 25, 2006, the Amended Statement of Allegations of Staff dated April 25, 2006 and the Affidavit of Larry Masci sworn April 25, 2006 but have not yet served Moore or Joseph Daniels ("Daniels");

AND WHEREAS Staff have requested that the Commission make a temporary order pursuant to section 127(5) of the *Act* that: (i) Daniels cease trading in all securities; and (ii) any exemptions contained in Ontario securities laws do not apply to Daniels for a period of 15 days;

AND WHEREAS the Commission is of the opinion that the time required to conclude a hearing could be prejudicial to the public interest as set out in section 127(5) of the *Act*;

AND WHEREAS counsel for Limelight, Da Silva and Campbell has advised that his clients do not oppose the extension of the Temporary Order and the adjournment of the Hearing to May 11, 2006;

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

IT IS ORDERED pursuant to section 127(7) that the Temporary Order is extended to May 11, 2006;

IT IS FURTHER ORDERED pursuant to section 127(5) and clause 2 of section 127(1) of the *Act* that Daniels cease trading in all securities;

IT IS FURTHER ORDERED pursuant to section 127(5) and clause 3 of section 127(1) of the *Act* that any exemptions contained in Ontario securities law do not apply to Daniels;

IT IS FURTHER ORDERED pursuant to section 127(6) of the *Act*, that the temporary order against Daniels shall take effect immediately and shall expire on the 15th day after its making unless extended by order of the Commission; and

IT IS FURTHER ORDERED that the Hearing is adjourned to Thursday, May 11, 2006 at 11:00 a.m. or such other date as may be arranged by the Secretary's Office.

Dated at Toronto this 26th day of April, 2006

"Paul Moore"

"Suresh Thakrar"

2.2.3 FrontPoint Partners LLC - s. 80 of the CFA

Headnote

Section 80 of the Commodity Futures Act (Ontario) – Renewal of previous order (granted May 2, 2003) providing an exemption from the adviser registration requirements of subsection 22(1)(b) of the CFA in respect of advising certain mutual funds, non-redeemable investment funds and similar investment vehicles established outside of Canada in respect of trades in commodity futures contracts and commodity futures options traded on commodity futures exchanges primarily outside of Canada and cleared through clearing corporations primarily outside of Canada, subject to certain terms and conditions.

Fees waived as application only required because amendments to or a rule under the CFA that would have a similar effect as section 7.10 of Rule 35-502 have not yet been adopted.

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., s. 22(1)(b), 80.

Securities Act, R.S.O. 1990, c. S.5, as am. – s. 7.10 of Rule 35-502 – Non Resident Advisers.

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

AND

**IN THE MATTER OF
FRONTPOINT PARTNERS LLC, ET AL**

**ORDER
(Section 80 of the CFA)**

UPON the application (the **Application**) of FrontPoint Partners LLC (the **Applicants**, as more fully defined below) to the Ontario Securities Commission (the **Commission**) for an order, pursuant to section 80 of the CFA, renewing the exemption order granted by the Commission on May 2, 2003 pursuant to subsection 38(1) of the CFA which provided that each of the Applicants and their respective directors, partners, officers, principals, members and employees acting on their behalf as advisers (collectively, the **Representatives**), be exempted, for a period of three years, from the registration requirements of paragraph 22(1)(b) of the CFA in respect of advising certain mutual funds, non-redeemable investment funds and similar investment vehicles (the **Funds**), established outside of Canada in respect of trades in commodity futures and options contracts principally traded on commodity futures exchanges outside Canada and cleared through clearing corporations outside Canada;

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

AND UPON the Applicants having represented to the Commission that:

1. FrontPoint Partners LLC is a limited liability company organized under the laws of the State of Delaware. Each of the Applicants is organized under the laws of a jurisdiction other than Canada or the provinces or territories thereof. The Applicants may also include affiliates of, or entities organized by, the Applicants which may subsequently execute and submit to the Commission a verification certificate confirming the truth and accuracy of the information set out in this Application with respect to that particular Applicant.
2. The Applicants currently provide or may in the future provide advice with respect to commodity futures and options contracts to the Funds.
3. Each of the Applicants, where required, is or will be registered or licensed or is or will be entitled to rely on appropriate exemptions from such registrations or licences to provide advice to the Funds pursuant to the applicable legislation of its principal jurisdiction. In particular, FrontPoint Partners LLC is registered with the U.S. Securities and Exchange Commission as an investment adviser under the U.S. Advisers Act of 1940 and the Applicants have filed claims for exemption under Commodity Futures Trading Rule 4.13(a)(4) from the requirement to register as commodity pool operators under Section 4m(1) of the Commodity Exchange Act.
4. None of the Applicants are registered in any capacity under the CFA or the Ontario *Securities Act* (the **OSA**).
5. The Applicants are, or in the future may be, the investment advisers for the Funds. As the investment advisers for the Funds, the Applicants are or will be responsible for, *inter alia*, providing certain administrative services, investment advice and other investment management services to the Funds and arranging for the execution of the Funds' securities transactions.
6. All of the Funds issue securities which are primarily offered abroad. Securities of the Funds are or will only be offered to certain Ontario residents who are institutional investors or high net worth individuals that qualify as an "accredited investor" under National Instrument 45-106 – *Prospectus and Registration Exemptions*.
7. The Funds may, as part of their investment program, invest in commodity futures and options contracts principally traded on organized exchanges outside of Canada and cleared through clearing corporations located outside of Canada.
8. There is presently no rule under the CFA that provides an exemption from the adviser registration requirement in paragraph 22(1)(b) of the CFA for a person or company acting as an adviser in respect of commodity futures contracts and commodity futures options that is similar to the exemption from the adviser registration requirement in clause 25(1)(b) of the OSA for acting as an adviser (as defined in the OSA) in respect of securities that is provided under section 7.10 (Privately Placed Funds Offered Primarily Abroad) of Rule 35-502 – *Non-Resident Advisers (Rule 35-502)*.
9. As would be required under section 7.10 of Rule 35-502, the securities of the Funds are, or will be:
 - (a) primarily offered outside of Canada;
 - (b) only distributed in Ontario through one or more registrants under the OSA; and
 - (c) distributed in Ontario in reliance upon an exemption from the prospectus requirements of the OSA.
10. Prospective investors in the Funds who are Ontario residents will receive disclosure that includes:
 - (a) a statement that there may be difficulty in enforcing any legal rights against the Funds and/or the Applicant which advises the relevant Funds, because such entities are resident outside of Canada and all or substantially all of their assets are situated outside of Canada; and
 - (b) a statement that the Applicant advising the Funds is not, or will not be, registered with or licensed by any securities regulatory authority in Canada and accordingly, the protections available to clients of a registered adviser will not be available to purchasers of securities of the Funds.
11. None of the Funds is, and none has any current intention of becoming a reporting issuer in Ontario or in any other Canadian jurisdiction.

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

IT IS ORDERED pursuant to section 80 of the CFA that the Applicants and the Representatives be exempted from the requirements of paragraph 22(1)(b) of the CFA in respect of their advisory activities in connection with the Funds, for a further period of three years, provided that:

- (a) the Applicants, where required, are or will be registered or licensed, or are or will be entitled to rely on appropriate exemptions from such registrations or licences, to provide advice to the Funds pursuant to the applicable legislation of their principal jurisdiction;
- (b) the Funds invest, or may in the future invest, in commodity futures contracts and commodity futures options principally traded on commodity futures exchanges outside of Canada and cleared through clearing corporations located outside of Canada;
- (c) securities of the Funds are or will be
 - (i) offered primarily outside of Canada;
 - (ii) only be distributed in Ontario through Ontario-registered dealers,
 - (iii) distributed in Ontario in reliance on an exemption from the prospectus requirements of the OSA and upon an exemption from the adviser registration requirement of the OSA under Section 7.10 of Rule 35-502;
- (d) prospective investors who are Ontario residents will receive disclosure that includes:
 - (i) a statement that there may be difficulty in enforcing legal rights against the Funds and/or the Applicants which advise the relevant Funds, because such entities are resident outside of Canada and all or substantially all of their assets are situated outside of Canada; and
 - (ii) a statement that the Applicants advising the Funds are not registered with or licensed by any securities regulatory authority in Canada and, accordingly, the protections available to clients of a registered adviser will not be available to purchasers of securities of the Funds.
- (e) any Applicant whose name does not specifically appear in this Order and who proposes to rely on the exemption granted under this Order, shall, as a condition to relying on such exemption, have executed

and filed with the Commission a verification certificate referencing this Order and confirming the truth and accuracy of the Application with respect to that particular Applicant.

April 28, 2006

“Robert L. Shirriff”

“Suresh Thakrar”

2.2.4 Hollinger Inc. - ss. 127(1)(2), 144

Headnote

Variation of cease trade order previously issued against certain directors, officers and other insiders of a reporting issuer in default of filings required under Ontario securities law – previous management and insider cease trade order (the MCTO) issued in response to earlier application by the issuer to the Commission under OSC Policy 57-603 Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements (the MCTO Policy)) requesting that an MCTO be issued as an alternative to an issuer cease trade order – issuer remains in default but has filed default status reports on a biweekly basis in accordance with Part 3 of the MCTO Policy – in accordance with the issuer’s prior undertaking, the issuer has advised the Commission of recent changes to the issuer’s directors, officers and other insiders – MCTO varied pursuant to section 144 to reflect additional respondents.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 6(3), 127, 144.

Policies Cited

OSC Policy 57-603 Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements.

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

AND

**IN THE MATTER OF
CERTAIN DIRECTORS, OFFICERS AND INSIDERS OF
HOLLINGER INC.
(BEING THE PERSONS AND COMPANIES LISTED
IN SCHEDULE “A” HERETO)**

**ORDER
(Paragraph 127(1)(2) and Section 144)**

WHEREAS on June 1, 2004, the Ontario Securities Commission (the “Commission”) made an Order under paragraph 2 of subsection 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), as varied by an Order of the Commission dated March 8, 2005 (collectively, the “Hollinger MCTO”), that all trading, whether direct or indirect, by the persons and companies listed in Schedule “A” (individually, a “Respondent” and collectively, the “Respondents”) in the securities of Hollinger Inc. (“Hollinger”) shall cease, subject to certain exceptions as provided for in the Hollinger MCTO, until two full business days following the receipt by the Commission of all filings Hollinger is required to make pursuant to Ontario securities law;

AND WHEREAS Hollinger has, at the request of the staff of the Commission (“Staff”), made an application (the “Application”) to vary the Hollinger MCTO to reflect certain changes to the class of persons and companies who are officers, directors or insiders of Hollinger since the date of the Hollinger MCTO;

AND UPON considering the Application and the recommendation of Staff;

AND UPON Hollinger having represented to the Commission that:

1. Hollinger is amalgamated under the *Canada Business Corporations Act* and is a reporting issuer in the Province of Ontario.
2. Hollinger has failed to file its interim statements (and interim Management’s Discussion & Analysis related thereto) for the three-month period ended March 31, 2004 as required to be filed under Ontario securities law on or before May 15, 2004.
3. Hollinger has further failed to file its annual financial statements (and annual Management’s Discussion & Analysis related thereto) and its Annual Information Form for the year ended December 31, 2003 by the required filing date under Ontario securities law, namely May 19, 2004.
4. Hollinger has further failed to make subsequent requisite periodic filings under the Act.
5. As of the date of this Order, Hollinger has not rectified the filing deficiencies described in paragraphs 2, 3 and 4 of this Order.
6. On April 30, 2004, Hollinger made an application to the Commission under OSC Policy 57-603 *Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements* (the “MCTO Policy”) requesting that a Management and Insider Cease Trade Order (as that term is defined in the MCTO Policy) be issued as an alternative to an Issuer Cease Trade Order (as that term is defined in the MCTO Policy).
7. In connection with this application, and in accordance with section 3.1 of the MCTO Policy, Hollinger provided the Commission with
 - (a) an affidavit listing the names and positions/titles (if any) of each person or company that, in the opinion of Hollinger, comes within the definition of “Defaulting Management and Other Insiders” (as that term is defined in the MCTO Policy); and
 - (b) an undertaking (the “Undertaking”) to provide to the Commission, during the period of default, particulars of any

changes to this information that is known to Hollinger.

8. On May 18, 2004, the Director made a temporary order (the "Temporary Order") under paragraph 2 of subsection 127(1) and subsection 127(5) of the Act that the Respondents cease trading in any securities of Hollinger, subject to certain exceptions as provided for in the Temporary Order, for a period of 15 days from the date of the Temporary Order;
9. On June 1, 2004, following a hearing on the matter, the Commission made the Hollinger MCTO that provided that all trading, whether direct or indirect, by the Respondents in the securities of Hollinger shall cease, subject to certain exceptions as provided for in the Hollinger MCTO, until two full business days following the receipt by the Commission of all filings Hollinger is required to make pursuant to Ontario securities law;
10. Since the date of the Hollinger MCTO, Hollinger has filed Default Status Reports on a biweekly basis in accordance with Part 3 of the MCTO Policy.
11. Since the date of the Hollinger MCTO, there have been certain changes to the class of persons and companies that, in the opinion of Hollinger, come within the definition of "Defaulting Management and Other Insiders". In accordance with the Undertaking, Hollinger has advised the Commission of these changes, and now requests that the Hollinger MCTO be varied to reflect such changes.
12. Hollinger believes that, since the date of the Hollinger MCTO, the following persons and companies have come within the definition of "Defaulting Management and Other Insiders" and accordingly should be named as additional respondents in the Hollinger MCTO:

Randall Benson
Joseph Wright
Stanley Beck
Newton Glassman
David Rattee
David Drinkwater
Ronald Mitchell

(collectively, the "Additional Respondents").

13. Each of the Additional Respondents is, or was, at some time since the end of the period covered by the last financial statements filed by Hollinger, namely since September 30, 2003, a director, officer or insider of Hollinger and during that time had, or may have had, access to material information with respect to Hollinger that has not been generally disclosed.

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

IT IS ORDERED under paragraph 2 of subsection 127(1) of the Act and under section 144 of the Act that the list of Respondents appended to the Hollinger MCTO as Schedule "A" is varied to include the Additional Respondents, as that term is defined in this Order.

DATED at Toronto, this 28th day of April, 2006.

"Robert Shirriff"
Ontario Securities Commission

"Suresh Thakrar"
Ontario Securities Commission

Schedule "A"

509645 N.B. Inc.
509646 N.B. Inc.
1269940 Ontario Limited
2753421 Canada Limited
Amiel Black, Barbara
Argus Corporation Limited
Atkinson, Peter Y.
Black, Conrad M. (Lord)
Boulton, J. A.
Burt, The Hon. Richard
Carroll, Paul A.
Colson, Daniel W.
Conrad Black Capital Corporation
Cowan, Charles G.
Creasey, Frederick A.
Cruickshank, John
Deedes, Jeremy
Dodd, David
Duckworth, Claire F.
Healy, Paul B.
Kipnis, Mark
Kissinger, The Hon. Henry A.
Lane, Peter K.
Loye, Linda
Maida, Joan
McCarthy, Helen
Meitar, Shmuel
O'Donnell-Keenan, Niamh
Paris, Gordon
Perle, The Hon. Richard N.
Radler, F. David
The Ravelston Corporation Limited
Rohmer, Richard, OC, QC
Ross, Sherrie L.
Samila, Tatiana
Savage, Graham
Seitz, The Hon. Raymond G.H.
Smith, Robert T.
Stevenson, Mark
Thompson, The Hon. James R.
Van Horn, James R.
Walker, Gordon W.
White, Peter G.

Vale, Donald M.J.
Delorme, Monique L.
Richardson, James A.
Marler, Jonathan H.
Tyrrell, Robert Emmett
Metcalf, Robert J.
Wakefield, Allan

509643 N.B. Inc.
509644 N.B. Inc.
509647 N.B. Inc.

2.2.5 Thomas Hinke

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

AND

**IN THE MATTER OF
THOMAS HINKE**

ORDER

WHEREAS on March 6, 2006, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act* (the "Act") in respect of Thomas Hinke ("Hinke");

AND WHEREAS on April 12, 2006, the Commission found, on the basis of an agreed statement of facts, filed, that Hinke breached Ontario securities law and engaged in conduct contrary to the public interest;

AND WHEREAS Hinke entered into a settlement agreement dated May 1, 2006 (the "Settlement Agreement"), in which Hinke agreed to a proposed settlement on sanctions of this matter, subject to approval of the Commission;

AND UPON reviewing the Settlement Agreement and upon hearing submissions from counsel for Hinke and from Staff of the Commission;

AND UPON Hinke agreeing to provide a copy of this Order to any registrant with whom he deals for the next year from the date of this Order;

AND UPON Hinke agreeing to take a relevant corporate governance course prior to becoming an insider, as defined in the Act, or an officer or director of a reporting issuer;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

IT IS HEREBY ORDERED THAT:

1. The Settlement Agreement dated May 1, 2006 is approved;
2. Pursuant to Clause 2 of subsection 127(1) of the Act that trading by Thomas Hinke shall cease:
 - (i) in the securities of Thermal Energy International Inc. ("TEI") for a six month period commencing from the date of his last trade in TEI, being February 15, 2006;

- (ii) in securities of all other reporting issuers, in which Hinke holds in excess of 5% of any class of securities or for which he is deemed an insider pursuant to the Act, for one year from the date of this Order;
3. Pursuant to clause 6 of subsection 127(1) of the Act that Hinke be reprimanded;
4. Pursuant to clause 9 of subsection 127(1) that Hinke pay an administrative penalty of \$ 32,000 to be allocated by the Commission to or for the benefit of third parties under s. 3.4(2)(b) of the Act; and
5. Pursuant to section 127.1 of the Act, that Hinke pay \$5,000 in costs.

IT IS HEREBY FURTHER ORDERED that a person or company affected by this Order may apply to the Commission for an order revoking or varying the terms of the Order pursuant to s. 144 of the Act.

Dated at Toronto, Ontario this 1st day of May, 2006

"Susan Wolburgh Jenah"
Vice-Chair

"Suresh Thakrar"
Commissioner

2.2.6 DDJ High Yield Fund and CI Investments Inc. - ss. 118(2)(b), 121

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption from the mutual fund conflict of interest provisions which prohibit certain related mutual funds from engaging in inter-fund trading, so as to permit a mutual fund to sell portfolio securities to another fund under common management in circumstances where the sale of portfolio securities arises upon the termination of one of the mutual funds.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990 c. S.5, as am., ss. 118(2)(b), 121.

April 28, 2006

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

AND

**IN THE MATTER OF
DDJ HIGH YIELD FUND
("DDJ Fund")
AND
CI INVESTMENTS INC.
(the "Manager")**

ORDER

Background

The Ontario Securities Commission (the "**Commission**") has received an application from the Manager under subsection 121(2) of the Act for an order exempting the Manager from paragraph 118(2)(b) of the Act in connection with the proposed purchase of portfolio securities (the "**Proposed Transfer**") by DDJ Fund from DDJ U.S. High Yield Trust ("**DDJ U.S. Trust**") in connection with the termination of DDJ U.S. High Yield Fund (the "**Terminating Fund**").

Representations

This Order is based on the following facts represented by the Manager:

1. Each of DDJ Fund and DDJ U.S. Trust (collectively, the "**Funds**") is a trust established under the laws of the Province of Ontario and is an "investment fund" as defined in National Instrument 81-106. DDJ Fund is a reporting issuer (or the equivalent) under the securities legislation of each province of Canada. DDJ U.S. Trust is a reporting issuer (or the equivalent) under the securities legislation of the province of

- Québec. Neither Fund is subject to the requirements of National Instrument 81-102 (“**NI 81-102**”).
2. The Terminating Fund is a trust established under the laws of the Province of Ontario and is an “investment fund” as defined in National Instrument 81-106. It is a reporting issuer, but not subject to the requirements of National Instrument 81-102.
 3. The outstanding units of DDJ Fund are listed and posted for trading on the Toronto Stock Exchange. To the knowledge of the Manager, no person beneficially owns more than 10% of the outstanding units of DDJ Fund.
 4. All of the outstanding units of DDJ U.S. Trust are held by two Canadian chartered banks (or their nominees) (the “**Counterparties**”) who deal at arm’s length with the Manager. The Counterparties are holding such units in order to hedge their obligations under forward agreements (the “**Forward Agreements**”) between the Counterparties and the Terminating Fund. The Manager may acquire and hold one unit of DDJ U.S. Trust in order to facilitate the eventual termination of DDJ U.S. Trust.
 5. On February 10, 2006, the Terminating Fund announced that it had received requests to redeem a sufficient number of its outstanding units that it would seek the approval of its unitholders to terminate. On March 22, 2006, the Terminating Fund filed an information circular regarding the termination. A meeting of unitholders of the Terminating Fund was called for April 21, 2006. This meeting was adjourned for lack of quorum and will reconvene on May 2, 2006 at which time a quorum will exist. Based upon proxies received to date, the Manager expects that the termination of the Terminating Fund will be approved. Termination of the Terminating Fund will trigger the following sequence of events:
 - (a) in order to return its net asset value to its unitholders, the Terminating Fund will need to effect an early settlement of the Forward Agreements;
 - (b) in order to fund their obligations when the Forward Agreements are settled early, the Counterparties will need to redeem all the units they hold of DDJ U.S. Trust; and
 - (c) in order to fund the redemption of its units by the Counterparties, DDJ U.S. Trust will need to dispose of all of its portfolio securities for cash.
 6. In order to:
 - (a) save trading costs that would be incurred by DDJ U.S. Trust if it liquidated the portfolio securities in the open market; and
 - (b) minimize the possibility of adversely affecting the market price of the portfolio securities,the Manager proposes that DDJ U.S. Trust effect the Proposed Transfer to DDJ Fund for cash based on their prevailing market value, rather than disposing of DDJ U.S. Trust’s portfolio securities in the open market.
 7. The Manager is the “portfolio manager” and a “responsible person” of each Fund for purposes of Section 118(2). DDJ U.S. Trust is an “associate” of the Manager as defined in Section 1(1) because the Manager is the trustee of DDJ U.S. Trust. Accordingly, unless this Order is granted, the Proposed Transfer will be prohibited by Section 118(2)(b) because the Manager will knowingly cause an investment portfolio it manages to purchase portfolio securities from an associate of the Manager.
 8. DDJ U.S. Trust will incur trading costs if DDJ U.S. Trust liquidates its portfolio securities in the open market. By utilizing the Proposed Transfer, these costs will be avoided and will be directly reflected in a higher net asset value to be returned to unitholders of the Terminating Fund.
 9. Certain of DDJ U.S. Trust’s portfolio securities are traded relatively thinly. If DDJ U.S. Trust attempts to dispose of such portfolio securities in the open market, it could adversely affect the trading price of such portfolio securities, resulting in a lower net asset value to be returned to unitholders of the Terminating Fund.
 10. The Proposed Transfer will be consistent with the investment objectives and strategies of DDJ Fund.
 11. The portfolio advisor to DDJ Fund (the Portfolio Advisor) has confirmed to the Manager that the Proposed Transfer is acceptable to the Portfolio Advisor as investments for DDJ Fund.
 12. DDJ Fund will be able to complete the Proposed Transfer using its uninvested cash and proceeds from liquidating its cash equivalents.
 13. The Proposed Transfer will not constitute a material change for DDJ Fund.
 14. The Proposed Transfer will take place at the prevailing market price of the portfolio securities. The Manager anticipates no difficulty determining the prevailing market value of each portfolio security at the time the Proposed Transfer occurs because public quotations in common use are

widely available for the market facilities through which the portfolio securities are traded.

15. No conflict of interest will arise with respect to the Proposed Transfer since:
- (a) the Manager will have no economic interest in the price at which the Proposed Transfer occurs;
 - (b) the Proposed Transfer will not change the basis or amount of management fees paid by DDJ Fund to the Manager; and
 - (c) the Proposed Transfer will not increase the net asset value of DDJ Fund against which the Manager calculates its management fees since the Manager will pay for the Proposed Transfer using existing assets of DDJ Fund rather than issuing additional units.

Decision

The Commission is satisfied that there is adequate justification for the Order.

The Commission orders under subsection 121(2)(a)(ii) that the Manager is exempt from paragraph 118(2)(b) of the Act in connection with the Proposed Transfer.

"Robert L. Shirriff"

"Suresh Thakrar"

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Thomas Hinke

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

AND

**IN THE MATTER OF
THOMAS HINKE**

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. By Notice of Hearing dated March 6, 2006, the Ontario Securities Commission (the "Commission") announced it would hold a hearing on April 12, 2006 to consider whether it is in the public interest to make an order that:

- (a) pursuant to section 127(1) clause 2 of the Act, Thomas Hinke ("Hinke") cease trading in securities of Thermal Energy International Inc. ("TEI") permanently or for such period or under such conditions as the Commission directs;
- (b) pursuant to section 127(1) clause 2 of the Act, Hinke cease trading for five years in securities of any reporting issuer in which Hinke holds more than 5% of any class of securities or for which he is deemed an insider pursuant to the Act;
- (c) pursuant to section 127(1) clause 9 of the Act, Hinke pay an administrative penalty of \$32,000;
- (d) pursuant to section 127(1) clause 6 of the Act, Hinke be reprimanded;
- (e) pursuant to section 127.1 of the Act, Hinke pay \$5,000 towards costs of the investigation and this proceeding;
- (f) such other order as the Commission may deem appropriate.

2. At the return date of the Hearing on April 12, 2006, the Commission accepted an Agreed Statement of Facts and, based on that Agreed Statement of Facts, made a finding that Hinke had breached Ontario securities law and engaged in conduct contrary to the public interest. The Agreed Statement of Facts is attached hereto as Schedule "A". The Commission adjourned the sanctions portion of the Hearing to May 1, 2006.

II. JOINT SETTLEMENT RECOMMENDATION AS TO SANCTIONS

3. Staff of the Commission ("Staff") recommend settlement of the sanctioning terms in respect of Hinke in accordance with the terms and conditions set out below. Hinke consents to the making of an order against him in the form attached as Schedule "B" on the basis of the Agreed Statement of Facts.

III. STATEMENT OF FACTS

4. The basis of the Commission's findings of conduct contrary to the public interest on April 12, 2005 was the Agreed Statement of Facts wherein Hinke agreed as follows.

5. Hinke is an individual residing in Ontario. Thermal Energy International Inc. ("TEI") is a reporting issuer, as defined in the *Securities Act*, R.S.O. 1990, c.S.5. During the time period April 11, 2005 to January 3, 2006 (the "Material Period"), Hinke held in excess of 10% of the shares of TEI and was therefore an insider, as defined in the Act.

6. During the Material Period, Hinke executed trades over 32 time periods in TEI, reducing his holdings in TEI from 16.1% to 10.9% and resulting in the sale of 870,050 shares for a value of \$ 188,518.40.

7. For each of the above noted trades in TEI, Hinke failed to file an insider report as required by s. 107(2) of the Act.

8. On December 12, 2005, Hinke was notified by Staff of the forgoing matter. Notwithstanding the forgoing, subsequent to Staff notification on December 12, 2005, Hinke continued to trade in shares of TEI and continued to file reports on a delinquent basis. Prior to the return date of the Hearing, Hinke filed all insider reports.

9. In addition, Hinke breached a prior Settlement Agreement dated April 9, 2002 entered into between Hinke and the Executive Director of the Commission (the "Agreement"). In the Agreement, Hinke acknowledged that he had contravened Ontario Securities law by failing to file insider reports pursuant to s. 107(2) for trades of shares in TEI. Pursuant to the terms of the Agreement, Hinke undertook to comply with all regulatory filing requirements in relation to TEI and was ordered to pay \$8,000 to the Ontario Securities Commission's Investor Education Fund.

IV. ADDITIONAL FACTS RELATING TO THE SANCTION HEARING

10. As of February 15, 2006, Hinke was no longer an insider of TEI in that he held less than 10% of the shares and is no longer employed by TEI.

11. Hinke advises that his last trade in TEI was on February 15, 2006.

12. By Court Order dated March 2, 2006, the Canadian Revenue Agency ("CRA") obtained an Order of the Federal Court of Canada seizing all of Hinkes' shares in TEI. The CRA seizure is currently under appeal by Hinke in Federal Court- Trial Division, Court File No. T-580-06. Hinke advises that pending the outcome of the appeal, all of Hinke's remaining TEI shares are being held, in trust, with Gowling Strathy Henderson LLP in Ottawa.

V. TERMS OF SETTLEMENT

13. Hinke consents to an order by the Commission containing the following terms:

- (a) pursuant to section 127(1) clause 2 of the Act, Thomas Hinke shall cease trading in securities of Thermal Energy International Inc. ("TEI") for a period of six months commencing from the date of his last trade, being February 15, 2006;
- (b) pursuant to section 127(1) clause 2 of the Act, Hinke shall cease trading in securities of any other reporting issuer in which Hinke holds more than 5% of any class of securities or for which he is deemed an insider pursuant to the Act for one year;
- (c) pursuant to section 127(1) clause 9 of the Act, Hinke pay an administrative penalty of \$32,000;
- (d) pursuant to section 127(1) clause 6 of the Act, Hinke be reprimanded;
- (e) pursuant to section 127.1 of the Act, Hinke pay \$5,000 towards costs of the investigation and this proceeding;
- (f) Hinke shall provide a copy of the order issued by the Commission to any registrant with whom he deals for the next year;
- (g) prior to becoming an insider or officer and director of a reporting issuer, Mr. Hinke agrees to take a relevant corporate governance course, which shall include insider trading obligations.

VI. STAFF COMMITMENT

14. If this Settlement Agreement is approved by the Commission, Staff will not initiate any proceeding under Ontario securities law in respect of any conduct or alleged conduct of Hinke in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 18 below.

VII. PROCEDURE FOR APPROVAL OF SETTLEMENT

15. Approval of this Settlement Agreement shall be sought at the sanctioning portion of the public hearing of the Commission returnable on May 1, 2005, or such other date as may be agreed to by Staff and in accordance with the procedures described in this Settlement Agreement.

Reasons: Decisions, Orders and Rulings

16. Staff and Hinke agree that if this Settlement Agreement is approved by the Commission, it, combined with the Agreed Statement of Facts, will constitute the entirety of the evidence to be submitted respecting the respondent in this matter, and Hinke agrees to waive his rights to a full sanctioning hearing, judicial review, or appeal of the matter under the Act.

17. Staff and Hinke agree that if this Settlement Agreement is approved by the Commission, neither Staff nor Hinke will make any public statement inconsistent with this Settlement Agreement.

18. If Hinke fails to honour any of the terms contained in paragraph 13 of this Settlement Agreement, Staff reserve the right to bring proceedings under Ontario securities law against Hinke based on the Commission's finding of conduct on April 12, 2006 and this Settlement Agreement or, in regards to paragraphs 13(c) and (e), to enforce the Order approving the terms as permitted by law.

19. If, for any reason whatsoever, this Settlement Agreement is not approved by the Commission or an order in substantially the form attached as Schedule "B" is not made by the Commission, each of Staff and Hinke will be entitled to all available proceedings, remedies and challenges regarding the appropriate sanction to be made against the Respondent, including proceeding to a sanctions hearing unaffected by this Settlement Agreement or the settlement negotiations as to sanctions.

20. Whether or not this Settlement Agreement is approved by the Commission, Hinke agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any attack on the Commission's jurisdiction, alleged bias, appearance of bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

VIII. DISCLOSURE OF AGREEMENT

21. The terms of this Settlement Agreement will be treated as confidential by all parties hereto until approved by the Commission, and forever if, for any reason whatsoever, this Settlement Agreement is not approved by the Commission, except with the written consent of Hinke and Staff or as may be required by law.

22. Any obligations of confidentiality shall terminate upon approval of this Settlement Agreement by the Commission.

IX. EXECUTION OF SETTLEMENT AGREEMENT

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

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

DATED this 1st day of May, 2006

Signed in the presence of:

"Allan Morrison"

"Thomas Hinke"

Witness

Thomas Hinke

DATED this 1st day of May, 2006

STAFF OF THE ONTARIO SECURITIES COMMISSION

Per:

"Kelley McKinnon" per

Michael Watson

Director, Enforcement Branch

Schedule "A"

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

AND

IN THE MATTER OF
THOMAS HINKE

AGREED STATEMENT OF FACTS

Staff of the Ontario Securities Commission and the Respondent, Thomas Hinke ("Hinke"), admit to the following facts as set out in paragraphs 1 through 10 below:

1. Thomas Hinke ("Hinke") is an individual residing in Ontario. During the time period April 11, 2005 to January 3, 2006 (the "Material Period"), Hinke held in excess of 10% of the shares of Thermal Energy International Inc. ("TEI").
2. TEI was incorporated pursuant to the laws of Ontario and is a reporting issuer, as defined in the *Securities Act*, R.S.O. 1990 c. S.5.
3. Prior to the Material Period, Hinke held a number of senior officer and director positions at TEI, including the position of Director and Co-Chair. Hinke remained employed by TEI until his termination on June 21, 2005.

Failure to File Insider Trades

4. During the Material Period Hinke executed trades over 32 time periods in TEI, which resulted in the reduction of Hinke's holdings in TEI from 16.1% to 11.5%. The trades resulted in the sale of 870,050 shares valued at a total of \$188,518.40 in TEI during the Material Period. The sales were executed through the following accounts:
 - a) account no. BC 12346C held by Hinke at Bolder Investment Partners ("Bolder");
 - b) account no. 04306160 held by Hinke at Global Securities Corporation ("Global");
 - c) account no. 5650471013 held by Hinke at CIBC World Markets Inc. ("CIBC").
5. For each of the above-noted trades in TEI, Hinke failed to file an insider report as required by the Act.
6. On December 12, 2005, Hinke was notified by Staff of the Commission of the failure to file reports as noted above. Notwithstanding this notice, Hinke continued to trade in shares of TEI and continued to file insider reports on a delinquent basis, as more particularly detailed in Schedule "A" attached hereto. Hinke admits to the accuracy of the information contained in Schedule "A" attached hereto. Subsequently, Hinke brought current all insider reports for the Material Period, as set out in Schedule "A".
7. Section 107(2) of the Ontario *Securities Act*, R.S.O. 1990, c.S.5, as amended requires Hinke to file a report of each change in his direct or indirect beneficial ownership of the reporting issuer, TEI. Section 107(2) requires Hinke to file the reports within 10 days from the day the change in ownership took place.

Breach of Prior Settlement Agreement

8. Pursuant to a an Executive Director's Settlement Agreement dated April 9, 2002 between Hinke and the Executive Director of the Commission (the "Agreement"), Hinke acknowledged that he had contravened Ontario Securities law by failing to file insider reports pursuant to s. 107(2) for trades of shares in TEI. A copy of the Agreement is attached hereto as Schedule "B". Pursuant to the terms of the Agreement, Hinke undertook to comply with all regulatory filing requirements in relation to TEI and was ordered to pay \$8,000 to the Ontario Securities Commission's Investor Education Fund.

Conduct Contrary to the Public Interest

9. The failure to file insider trading reports as set out above was a failure to comply with his Agreement and undertaking.

Reasons: Decisions, Orders and Rulings

10. By failing to file insider trading reports as required by section 107(2) and by breaching the express terms of the Agreement, Hinke acknowledges that pursuant to the facts set out in paragraphs 1 to 9 above he has breached Ontario securities law and engaged in conduct contrary to the public interest.
11. Mr. Hinke expressly acknowledges that he has had the opportunity to receive legal advice in regards to the within Agreed Statement of Facts. In addition, Mr. Hinke expressly acknowledges that the within Agreed Statement of Facts is made voluntarily and without any commitment or promise, in any form whatsoever, in regards to sanctions which may be requested by Staff.
12. The parties agree that the Schedules "A" and "B" referenced above form part of the within Agreed Statement of Facts that is agreed to.
13. This Agreed Statement of Facts may be signed in one or more counterparts and a facsimile signature shall be effective as an original signature.

THE PARTIES HEREBY ACCEPT THE FACTS SET OUT ABOVE AND ADMIT THE FACTS AND DOCUMENTS AS EVIDENCE. THE PARTIES CONSENT TO THE FILING OF THIS DOCUMENT WITH ATTACHED SCHEDULES WITH THE COMMISSION IN ADVANCE OF THE HEARING.

DATED this 10th day of April, 2006.

"Anne Sonnen"

Staff of the Ontario Securities Commission

"Thomas Hinke"

Thomas Hinke

Schedule B

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

AND

IN THE MATTER OF
THOMAS HINKE

ORDER

WHEREAS on March 6, 2006, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act* (the "Act") in respect of Thomas Hinke ("Hinke");

AND WHEREAS on April 12, 2006, the Commission found, on the basis of an agreed statement of facts, filed, that Hinke breached Ontario securities law and engaged in conduct contrary to the public interest;

AND WHEREAS Hinke entered into a settlement agreement dated May 1, 2006 (the "Settlement Agreement"), in which Hinke agreed to a proposed settlement on sanctions of this matter, subject to approval of the Commission;

AND UPON reviewing the Settlement Agreement and upon hearing submissions from counsel for Hinke and from Staff of the Commission;

AND UPON Hinke agreeing to provide a copy of this Order to any registrant with whom he deals for the next year from the date of this Order;

AND UPON Hinke agreeing to take a relevant corporate governance course prior to becoming an insider, as defined in the Act, or an officer or director of a reporting issuer;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

IT IS HEREBY ORDERED THAT:

6. The Settlement Agreement dated May 1, 2006 is approved;
7. Pursuant to Clause 2 of subsection 127(1) of the Act that trading by Thomas Hinke shall cease:
 - (i) in the securities of Thermal Energy International Inc. ("TEI") for a six month period commencing from the date of his last trade in TEI, being February 15, 2006;
 - (ii) in securities of all other reporting issuers, in which Hinke holds in excess of 5% of any class of securities or for which he is deemed an insider pursuant to the Act, for one year from the date of this Order;
8. Pursuant to clause 6 of subsection 127(1) of the Act that Hinke be reprimanded;
9. Pursuant to clause 9 of subsection 127(1) that Hinke pay an administrative penalty of \$ 32,000 to be allocated by the Commission to or for the benefit of third parties under s. 3.4(2)(b) of the Act; and
10. Pursuant to section 127.1 of the Act, that Hinke pay \$5,000 in costs.

IT IS HEREBY FURTHER ORDERED that a person or company affected by this Order may apply to the Commission for an order revoking or varying the terms of the Order pursuant to s. 144 of the Act.

Dated at Toronto, Ontario this day of May, 2006

Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Gulf International Minerals Ltd.	18 Apr 06	28 Apr 06	28 Apr 06	

4.2.1 Temporary, Permanent & Rescinding Management 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
Airesurf Networks Holdings Inc.	02 May 06	15 May 06			
DataMirror Corporation	02 May 06	15 May 06			
Foccini International Inc.	02 May 06	15 May 06			
Interquest Incorporated	03 May 06	16 May 06			
MedX Health Corp.	02 May 06	15 May 06			
ONE Signature Financial Corporation	03 May 06	16 May 06			
Simplex Solutions Inc.	02 May 06	15 May 06			

4.2.2 Outstanding 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
Airesurf Networks Holdings Inc.	02 May 06	15 May 06			
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
Bennett Environmental Inc.	10 Apr 06	24 Apr 06	24 Apr 06		
Big Red Diamond Corporation	03 Mar 06	16 Mar 06	16 Mar 06		
DataMirror Corporation	02 May 06	15 May 06			
Fareport Capital Inc.	13 Sept 05	26 Sept 05	26 Sept 05		
Foccini International Inc.	02 May 06	15 May 06			
Genesis Land Development Corp.	11 Apr 06	24 Apr 06	24 Apr 06		
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		

Request for Comments

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
HMZ Metals Inc.	03 Apr 06	14 Apr 06	17 Apr 06		
Hollinger Canadian Newspapers, Limited Partnership	21 May 04	01 Jun 04	01 Jun 04		
Hollinger Inc.	18 May 04	01 Jun 04	01 Jun 04		
Interquest Incorporated	03 May 06	16 May 06			
MedX Health Corp.	02 May 06	15 May 06			
Mindready Solutions Inc.	06 Apr 06	19 Apr 06	19 Apr 06		
Nortel Networks Corporation	27 Mar 06	10 Apr 06	10 Apr 06		
Nortel Networks Limited	27 Mar 06	10 Apr 06	10 Apr 06		
Novelis Inc.	18 Nov 05	01 Dec 05	01 Dec 05		
ONE Signature Financial Corporation	03 May 06	16 May 06			
Precision Assessment Technology Corporation	07 Apr 06	20 Apr 06	20 Apr 06		
Radiant Energy Corporation	01 Mar 06	14 Mar 06	14 Mar 06		
Royal Group Technologies Limited	03 Apr 06	18 Apr 06	18 Apr 06		
Simplex Solutions Inc.	02 May 06	15 May 06			
Specialty Foods Group Income Fund	04 Apr 06	17 Apr 06	17 Apr 06		
Sterlite Gold Ltd.	04 Apr 06	17 Apr 06	17 Apr 06		
WGI Heavy Minerals, Incorporated	04 Apr 06	17 Apr 06	17 Apr 06		

Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

REPORTS OF TRADES SUBMITTED ON FORMS 45-106F1 AND FORM 45-501F1

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
04/21/2006	2	Advanced Glazing Technologies Limited - Preferred Shares	6,000,000.00	10,526,316.00
04/21/2006	3	Affinion Group Inc. - Notes	5,047,258.14	4,500.00
01/05/2005 to 03/31/2006	1	AIM Canadian Balanced Fund - Units	51,573,232.49	3,854,557.15
04/01/2005 to 03/31/2006	2	AIM Canadian First Class - Units	45,607,559.20	2,846,236.85
04/01/2005 to 03/31/2006	1	AIM Canadian Premier Class - Units	24,741,105.17	1,529,370.64
01/04/2005 to 03/14/2006	1	AIM Canadian Premier Fund - Units	1,954,735.08	117,582.59
01/20/2005 to 03/14/2006	1	AIM Global Technology Fund - Units	30,585.00	12,342.03
04/04/2005 to 03/14/2006	1	AIM Global Theme Class - Units	798,399.79	86,347.77
02/03/2006 to 03/30/2006	1	AIM International Growth Class - Units	6,439.69	516.13
04/19/2006	1	Airesurf Networks Holdings Inc. - Common Shares	148,642.00	743,210.00
04/13/2006	36	Alexco Resources Corp. - Flow-Through Shares	4,000,000.60	1,702,128.00
04/21/2006	26	Alliance Surface Finishing Inc. - Notes	6,604,500.00	N/A
06/21/2006	3	Alliance Surface Finishing Inc. - Preferred Shares	161,452.50	14,250.00
04/24/2006	11	Apogee Minerals Ltd. - Units	378,423.00	378,423.00
04/18/2006	11	ARISE Technologies Corporation - Units	1,999,999.20	6,666,664.00
04/17/2006	228	Aurcana Corporation - Units	4,470,000.00	22,350,000.00
04/20/2006	32	Aurogin Resources Ltd. - Units	1,100,000.00	5,000,000.00
04/18/2006	59	Avantec Technologies Inc. - Units	800,000.00	10,000,000.00
04/13/2006	270	Baja Mining Corp. - Units	20,287,812.70	22,542,013.00
04/20/2006	6	Beaufield Consolidated Resources Inc. - Common Shares	175,500.00	225,000.00
04/13/2006	8	Brightside Technologies Inc. - Common Shares	382,131.25	61,131.00
03/31/2006	10	CablesEdge Software Inc. - Units	482,500.00	445,000.00

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
04/19/2006	1	Canadian Trading and Quotation System Inc. - Debentures	140,000.55	N/A
04/19/2006	19	CareVest Blended Mortgage Investment Corporation - Preferred Shares	444,742.00	444,742.00
04/19/2006	33	CareVest First Mortgage Investment Corporation - Preferred Shares	1,844,665.00	1,844,665.00
04/19/2006	4	CareVest First Mortgage Investment Fund - Units	6,500.00	6,500.00
04/21/2006	16	Cenit Corporation - Units	455,000.00	3,033,332.00
04/18/2006	33	Centenario Copper Corporation - Common Shares	5,709,785.48	3,333,500.00
04/10/2006	27	Consolidated Gold Win Ventures Inc. - Common Shares	405,500.00	5,592,857.00
04/13/2006 to 04/17/2006	11	Continental Precious Minerals Inc. - Units	5,625,000.00	6,250,000.00
04/19/2006	229	Cordy Oilfield Services Inc. - Common Shares	57,500,460.00	13,372,200.00
04/24/2006	15	Covik Development Corp. - Units	175,920.00	1,466,000.00
04/19/2006	6	Critical Outcome Technologies Inc. - Common Shares	220,000.00	733,333.00
04/26/2006	4	Discovery Income Fund - Trust Units	1,508,000.00	1,508,000.00
04/06/2006	29	Energy Metals Corporation - Units	30,250,000.00	5,500,000.00
04/13/2006	72	Energy Metals Corporation - Units	28,600,000.00	5,200,000.00
04/13/2006	11	Escape Group Inc. - Common Shares	119,500.00	2,310,000.00
04/11/2006	1	Excalibur Limited Partnership - Limited Partnership Units	315,007.92	1.10
04/11/2006	1	Excalibur Limited Partnership II - Limited Partnership Units	1,131,006.00	18.62
04/13/2006	91	First National Alarmcap Income Fund - Debentures	5,000,000.00	5,000.00
04/19/2006	1	First Swiss Capital Management Corp. - Notes	150,000.00	150,000.00
04/11/2006 to 04/20/2006	55	Fisgard Capital Corporation - Common Shares	739,399.58	466,341.00
03/31/2006	16	Flatiron Trust - Trust Units	3,643,712.85	2,355.02
02/01/2006	1	FrontPoint Offshore Financial Services Fund, Ltd. - Common Shares	6,874,800.00	6,000.00
03/01/2006	1	FrontPoint Offshore Japan Fund, Ltd - Common Shares	1,165,300.00	1,000.00
02/01/2006	1	FrontPoint Offshore Japan Fund, Ltd - Common Shares	2,578,050.00	2,250.00
02/01/2006	1	FrontPoint Offshore Multi-Strategy Fund Series A, Ltd. - Common Shares	286,450.00	250.00

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
03/01/2006	1	FrontPoint Offshore Utility and Energy Fund, Ltd. - Common Shares	7,985,800.90	6,853.00
02/01/2006	1	FrontPoint Offshore Utility and Energy Fund, Ltd. - Common Shares	6,508,144.00	5,680.00
04/19/2006	1	Glass Earth Limited - Units	500,000.00	3,333,333.00
04/20/2006	50	Guyana Goldfields Inc. - Units	20,131,002.05	4,938,272.00
04/25/2006	65	HudBay Minerals Inc. - Common Shares	20,075,000.00	1,460,000.00
04/20/2006	20	Hudson Resources Inc. - Units	1,615,800.60	2,693,001.00
04/13/2006	11	In Depth Resources Ltd. - Common Shares	252,031.25	204,625.00
04/13/2006	11	In Depth Resources Ltd. - Flow-Through Shares	1,566,375.00	1,044,250.00
04/21/2006	1	Investeco Private Equity Fund II, L.P. - Limited Partnership Units	151,646.29	150.00
04/27/2006	30	Lakeview Hotel Real Estate Investment Trust - Trust Units	11,500,001.50	3,538,462.00
04/19/2006	23	MacDonald Mines Exploration Ltd. - Flow-Through Shares	813,960.00	6,783,000.00
04/19/2006	12	MacDonald Mines Exploration Ltd. - Units	183,700.00	1,670,000.00
04/18/2006	6	Manaris Corporation - Stock Option	999,911.64	2,550,795.00
04/18/2006	52	Masters Energy Inc. - Flow-Through Shares	6,100,000.00	1,000,000.00
04/19/2006	1	MBK Partners, L.P. - Limited Liability Interest	17,046,000.00	N/A
04/21/2006	161	Mega Uranium Ltd. - Units	31,531,600.00	3,709,600.00
04/21/2006	33	Mirasol Resources Ltd. - Units	2,500,000.00	5,000,000.00
04/20/2006	61	New Island Resources Inc. - Flow-Through Shares	1,529,997.00	3,400,000.00
04/20/2006	40	New Island Resources Inc. - Units	500,000.00	1,250,000.00
04/18/2006 to 04/24/2006	2	New Solutions Financial (II) Corporation - Debentures	310,000.00	2.00
04/24/2006	93	Pacific Ridge Exploration Ltd. - Common Shares	3,250,000.00	6,500,000.00
04/13/2006	1	Packaging Dynamics Finance Corp. - Notes	1,141,900.00	1,000.00
04/19/2006	136	Palmarejo Silver and Gold Corporation - Warrants	75,000,001.50	7,894,737.00
04/21/2006	16	Pan African Mining Corp. - Units	3,600,000.00	2,000,000.00
03/27/2006	7	PFC 2016 Pacific Financial Corp. - Bonds	544,000.00	544.00
04/27/2006	60	Pinetree Capital Ltd. - Common Shares	34,500,000.00	2,300,000.00
04/19/2006	32	PMI Ventures Ltd. - Common Shares	886,950.00	6,547,800.00
04/18/2006 to 04/25/2006	20	Powertree Limited Partnership I - Units	230,000.00	46.00
04/24/2006	1	Primary Petroleum Corporation - Receipts	20,000.00	40,000.00

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
03/23/2006	1	Priveq III Limited Partnership - Limited Partnership Units	1,000,000.00	1,000.00
04/19/2006	9	Promittere Retirement Trust - Units	188,000.00	18,800.00
01/30/2006	4	Radisson Mining Resources Inc. - Common Shares	6,000.00	20,000.00
04/20/2006	51	Rampart Ventures Ltd. - Flow-Through Shares	1,500,000.00	286,333.00
04/11/2006	2	Real Estate Asset Liquidity Trust - Certificate	27,007,196.07	N/A
04/13/2006	84	Rimfire Minerals Corporation - Units	2,550,000.00	1,500,000.00
04/19/2006	6	San Gold Corporation - Common Shares	2,000,000.00	2,000,000.00
04/26/2006	17	Scandinavian Minerals Limited - Common Shares	5,330,000.00	1,300,000.00
04/19/2006	13	Seabridge Gold Inc. - Common Shares	8,443,750.00	875,000.00
04/18/2006	3	SIPQuest Inc. - Debentures	1,141,899.99	1,000,000.00
04/03/2006	13	Sonomax Hearing Healthcare Inc. - Common Shares	2,558,250.00	8,527,500.00
04/21/2006	27	Spider Resources Inc. - Units	749,059.99	10,700,855.00
04/18/2006	2	Symphony Trust - Notes	100,000,000.00	100,000,000.00
03/31/2006	1	Synergy Disc Replacement Inc. - Preferred Shares	24,144.40	96,578.00
04/17/2006	3	The Eastwood Harvey Corporation - Debentures	518,752.00	N/A
03/31/2006 to 04/07/2006	4	The Presbyterian Church in Canada - Units	5,831,159.00	557.23
01/01/2006	3	The Presbyterian Church in Canada - Units	915,301.18	91.53
04/18/2006	1	Trade Winds Ventures Inc. - Common Shares	0.00	8,036,466.00
01/07/2005 to 03/21/2006	2	Trimark Balanced Pool - Units	15,404,872.84	1,472,180.95
06/14/2005 to 03/22/2006	2	Trimark Canadian Equity Pool - Units	465,241.30	38,963.49
01/11/2005 to 03/21/2006	4	Trimark Global Equity Pool - Units	11,141,159.46	1,067,694.83
06/14/2005 to 03/22/2006	2	Trimark International Equity Pool - Units	286,015.22	26,119.47
05/09/2005 to 05/22/2006	2	Trimark U.S. Equity Pool - Units	103,114.46	10,175.22
04/20/2006	41	Uranium City Resources Inc. - Units	4,303,700.00	4,082,000.00
04/18/2006	5	Vector Wind Energy Inc. - Flow-Through Shares	477,000.19	1,019,481.00
04/20/2006	30	Viking Gold Exploration Inc. - Common Shares	252,750.00	1,685,000.00
04/10/2006	22	WBIC Canada Ltd. - Common Shares	247,310.96	112,296.00
04/12/2006	3	Williams Scotsman, Inc. - Notes	2,863,250.00	2,500.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

AIM Canadian Equity Growth Private Pool
AIM EAFE Equity Growth Private Pool
Trimark Canadian Equity Private Pool
Trimark EAFE Equity Private Pool
Trimark Global Equity Private Pool
Trimark Global Equity Private Pool - Currency Neutral
Trimark Global Mid-Cap Equity Private Pool
Trimark Monthly Income Private Pool
Trimark U.S. Equity Private Pool
Trimark U.S. Equity Private Pool - Currency Neutral
Trimark World Balanced Private Pool
Trimark World Balanced Private Pool - Currency Neutral
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated April 26, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

Series A and F Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

AIM Funds Management Inc.

Project #925149

Issuer Name:

AirIQ Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

\$5,309,091.00 - 26,545,455 Common Shares issuable upon exercise of 26,545,455 previously issued Special Warrants

Underwriter(s) or Distributor(s):

Paradigm Capital Inc.

Promoter(s):

-

Project #925565

Issuer Name:

AltaLink, L.P.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Shelf Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

\$500,000,000.00 - Medium-Term Notes (secured)

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Casgrain & Company Limited

Promoter(s):

-

Project #927872

Issuer Name:

Altus Group Income Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 1, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

\$36,137,500.00 - 2,450,000 Subscription Receipts, each representing the right to receive one trust unit Price: \$14.75 per Subscription Receipt

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Sprott Securities Inc.

Promoter(s):

-

Project #929572

Issuer Name:

Big Bank Big Oil Split Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

\$ * (Maximum) * Preferred Shares and * Capital Shares
Prices: \$10.00 per Preferred Share and \$15.00 per Capital Share

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Berkshire Securities Inc.
Blackmont Capital Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
MGI Securities Inc.
Wellington West Capital Inc.

Promoter(s):

Claymore Investments, Inc.

Project #927563

Issuer Name:

Canada Dominion Resources 2006 II Limited Partnership
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

\$100,000,000.00 - 4,000,000 Limited Partnership Units
Price: \$25.00 per Unit
Minimum Subscription: \$5,000 (200 Units)

Underwriter(s) or Distributor(s):

Dundee Securities Corporation

Promoter(s):

Canada Dominion Resources 2006 II Corporation

Project #927168

Issuer Name:

CGF Trust

Type and Date:

Preliminary Prospectus dated April 27, 2006
Received on May 1, 2006

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

Brompton Funds Management Limited

Project #929283

Issuer Name:

Churchill IV Debenture Corp.
Churchill IV Real Estate Limited Partnership
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated May 1, 2006
Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

Minimum: \$2,500,000.00 (200 Units); Maximum:
\$20,000,000.00 (1,600 Units)
Price: \$12,500 per Unit

Underwriter(s) or Distributor(s):

Dundee Securities Corporation

Promoter(s):

Churchill International Securities Corporation

Project #931182 & 931076

Issuer Name:

CMP 2006 II Resource Limited Partnership
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

\$100,000,000.00 (maximum) 100,000 Limited Partnership
Units Price per Unit: \$1,000
Minimum Subscription: \$5,000 (Five Units)

Underwriter(s) or Distributor(s):

Dundee Securities Corporation

Promoter(s):

CMP 2006 II Corporation

Project #927169

Issuer Name:

Cold Creek Capital Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary CPC Prospectus dated April 26, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

\$625,000.00 - 2,500,000 Common Shares Price: \$0.25 per Common Share

Underwriter(s) or Distributor(s):

Raymond James Limited

Promoter(s):

Michael S. Vandale

Project #926418

Issuer Name:

DFA Five-Year Global Fixed Income Fund
DFA International Core Equity Fund
DFA International Small Cap Fund
DFA International Value Fund
DFA U.S. Core Equity Fund
DFA U.S. Small Cap Fund
DFA U.S. Value Fund
Principal Regulator - British Columbia

Type and Date:

Preliminary Simplified Prospectuses dated April 26, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

Class I Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Dimensional Fund Advisors Canada Inc.

Project #925329

Issuer Name:

diversiGlobal Dividend Value Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

Maximum \$ * (* Trust Units) Price: \$10.00 per Trust Unit
Minimum Purchase: 100 Trust Units

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
CIBC World Markets Inc.
Dundee Securities Corporation
Scotia Capital Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.

National Bank Financial Inc.
Canaccord Capital Corporation
HSBC Securities (Canada) Inc.
Berkshire Securities Inc.
Blackmont Capital Inc.

Promoter(s):

Goodman & Company, Investment Counsel Ltd.

Project #927043

Issuer Name:

EM Resources Inc.

Type and Date:

Preliminary Prospectus dated April 25, 2006
Received on April 26, 2006

Offering Price and Description:

\$180,000.00 - 1,200,000 Common Shares Price: \$0.15 per Common Share

Underwriter(s) or Distributor(s):

Northern Securities Inc.

Promoter(s):

Eduard H Ludwig

Project #924490

Issuer Name:

Explorer IV Resource Limited Partnership

Type and Date:

Preliminary Prospectus dated May 2, 2006
Received on May 2, 2006

Offering Price and Description:

\$ * - * Units Price: \$25.00 per Unit. Minimum Subscription: \$2,500.00

Underwriter(s) or Distributor(s):

Middlefield Capital Corporation

Promoter(s):

Explorer IV Resource Management Limited
Middlefield Group Limited

Project #931659

Issuer Name:

Front Street Canadian Equity Fund
Front Street Diversified Income Fund
Front Street Resource Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated April 25, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

(Series A, B and F Securities)

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #926289

Issuer Name:

Gold Reserve Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 2, 2006
Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

\$ * - * Class A Common Shares Price: \$ * per Class A
Common Share

Underwriter(s) or Distributor(s):

Sprott Securities Inc.
RBC Dominion Securities Inc.

Promoter(s):

-

Project #931749

Issuer Name:

Great Basin Gold Ltd.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

\$15,075,000.00 - 6,700,000 Common Shares Price: \$2.25
per Offered Share

Underwriter(s) or Distributor(s):

Pacific International Securities Inc.
BMO Nesbitt Burns Inc.

Promoter(s):

-

Project #926076

Issuer Name:

imaxx Canadian Balanced Fund
imaxx Canadian Dividend Fund
imaxx Canadian Small Cap Fund
imaxx TOP Income Portfolio
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated April 28, 2006
Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

Offering A and F Class Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

AEGON Fund Management Inc.

Project #928080

Issuer Name:

Impax Energy Services Income Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

TD Securities Inc.
CIBC World Markets Inc.

Promoter(s):

Impax Management Ltd.

Project #929032

Issuer Name:

InnVest Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 2, 2006
Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

\$75,000,000.00 - 6.00% Convertible Unsecured
Subordinated Debentures Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Scotia Capital Inc.

CIBC World Markets Inc.

BMO Nesbitt Burns Inc.

TD Securities Inc.

Promoter(s):

-

Project #931815

Issuer Name:

Ithaca Energy Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated April 24, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

Research Capital Corporation
CIBC World Markets Inc.

Promoter(s):

Neill A. Carson

Project #925570

Issuer Name:

Medicago Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Prospectus dated May 2, 2006
Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

Minimum Offering: \$8,000,000.00 or * Common Shares (the "Minimum Offering"); Maximum Offering: \$12,000,000.00 or * Common Shares (the "Maximum Offering") Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

Dundee Securities Corporation
Desjardins Securities Inc.
Canaccord Capital Corporation

Promoter(s):

-

Project #931945

Issuer Name:

North American Palladium Ltd.

Type and Date:

Preliminary Short Form Shelf Prospectus dated April 26, 2006

Received on April 28, 2006

Offering Price and Description:

8,820,655 Common Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #927053

Issuer Name:

Precious Metals and Mining Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

\$ * - * Units Price: \$10.00 per Unit Minimum Purchase: 200 Units

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Canaccord Capital Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Berkshire Securities Inc.
Blackmont Capital Inc.
Desjardins Securities Inc.
Dundee Securities Corporation
Wellington West Capital Inc.
IPC Securities Corporation
Research Capital Corporation

Promoter(s):

Sentry Select Capital Corp.

Project #928505

Issuer Name:

PROEX ENERGY LTD.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated May 1, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

\$48,450,000.00 - 3,000,000 Common Shares Price: \$16.15 per Common Share

Underwriter(s) or Distributor(s):

FirstEnergy Capital Corp.
Raymond James Ltd
GMP Securities L.P.
Peters & Co. Limited
Tristone Capital Inc.
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
Sprott Securities Inc.

Promoter(s):

-

Project #930111

Issuer Name:

SCITI TR Fund

Type and Date:

Preliminary Non-Offering Prospectus dated April 28, 2006
Received on May 1, 2006

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

Scotai Capital Inc.

Project #929235

Issuer Name:

Senior Care Real Estate Investment Trust

Principal Regulator - Ontario

Type and Date:

Amended and Restated Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.

Scotia Capital Inc.

BMO Nesbitt Burns Inc.

RBC Dominion Securities Inc.

National Bank Financial Inc.

TD Securities Inc.

Canaccord Capital Corporation

Genuity Capital Markets Inc.

Blackmont Capital Inc.

Promoter(s):

Reichmann International Development Corporation

Project #918384

Issuer Name:

Silver Standard Resources Inc.

Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form PREP Prospectus dated April 28, 2006

Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

\$ * - 6,000,000 Common Shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

Deutsche Bank Securities Limited

Blackmont Capital Inc.

Citigroup Global Markets Canada Inc.

National Bank Financial Inc.

Salman Partners Inc.

Promoter(s):

-

Project #928223

Issuer Name:

Silvermex Resources Ltd.

Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated April 25, 2006

Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

\$1,800,000.00 - 6,000,000 Shares Price: \$0.30 per Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

Arturo Bonillas

Bruce Bragagnolo

Project #928731

Issuer Name:

SIRIT Inc.

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 28, 2006

Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

GMP Securities L.P.

Wellington West Capital Markets Inc.

Dundee Securities Inc.

Haywood Securities Inc.

MGI Securities Inc.

Promoter(s):

-

Project #927072

Issuer Name:

Split REIT Opportunity Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated April 26, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

\$ • (Maximum) \$ • (Maximum) • Preferred Securities •
Capital Units Prices: \$10 per Preferred Security and \$15
per Capital Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
HSBC Securities (Canada) Inc.
Blackmont Capital Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
Dundee Securities Corporation
Raymond James Ltd.
Research Capital Corporation
Wellington West Capital Inc.

Promoter(s):

First Asset Funds Inc.

Project #925434

Issuer Name:

Timmins Gold Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated April 25, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

Minimum Offering of 6,000,000 Units - \$2,400,000.00;
Maximum Offering of 8,000,000 Units _ \$3,200,000.00
Price: \$0.40 per Unit

Underwriter(s) or Distributor(s):

Bolder Investment Partners Ltd.

Promoter(s):

Arturo Bonillas
Bruce Bragagnolo

Project #928656

Issuer Name:

Tournigan Gold Corporation
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated April 26, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

Cdn. \$45,250,150.00 - 31,207,000 Common Shares
Issuable on Exercise of 31,207,000 Special Warrants and
936,210 Broker Warrants Issuable on Exercise of 936,210
Compensation Options

Underwriter(s) or Distributor(s):

Sprott Securities Inc.
Dundee Securities Corporation
Canaccord Capital Corporation

Promoter(s):

-

Project #925376

Issuer Name:

Wilkinson Good Neighbor Communities Real Estate
Investment Trust
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated April 25, 2006
Mutual Reliance Review System Receipt dated April 26, 2006

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

TD Securities Inc

Promoter(s):

Wilkinson Corporation

Project #924346

Issuer Name:

Yellow Pages Income Fund
YPG Holdings Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Shelf Prospectus dated May 1, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

Units, Subscription Receipts and Debt Securities (Unsecured)
Fully and Unconditionally guaranteed as to payment of principal, premium (if any) and interest by YPG Trust, YPG LP, YPG Holdings Inc. Yellow Pages Group Co. and Trader Media Corporation
\$1,500,000,000

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
HSBC Securities (Canada) Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
Blackmont Capital Inc.
Canaccord Capital Corporation
Casgrain & Company Limited
Desjardins Securities Inc.
Dundee Securities Corporation
Genuity Capital Markets G.P.
UBS Securities Canada Inc.
Westwind Partners Inc.

Promoter(s):

-

Project #929055

Issuer Name:

AGF Managed Futures Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated April 18, 2006 to the Prospectus dated October 4, 2005
Mutual Reliance Review System Receipt dated April 26, 2006

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

AGF Funds Inc.

Promoter(s):

-

Project #831493

Issuer Name:

Antrim Energy Inc.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated April 26, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

\$29,250,000.00 - 15,000,000 Common Shares at \$1.95 per Common Share

Underwriter(s) or Distributor(s):

Research Capital Corporation

Promoter(s):

-

Project #920582

Issuer Name:

Augusta Resource Corporation
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated April 25, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

\$44,099,000.00 - 23,210,000 Common Shares and 11,605,000 Warrants issuable on exercise or deemed exercise of 23,210,000 Special Warrants

Underwriter(s) or Distributor(s):

Salman Partners Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
Wellington West Capital Markets Inc.

Promoter(s):

-

Project #918277

Issuer Name:

Banro Corporation
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

3,925,000.00 Common Shares Price: Cdn\$12.80 per common share

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES
Raymond James Ltd.
MGI Securities Inc.

Promoter(s):

-

Project #920941

Issuer Name:

Caterpillar Financial Services Limited
Principal Regulator - Ontario

Type and Date:

Final Short Form Shelf Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

Cdn \$750,000,000.00 - Medium Term Notes (unsecured)
Unconditionally guaranteed as to principal, premium (if any), interest and certain other amounts by CATERPILLAR FINANCIAL SERVICES CORPORATION, a Delaware corporation

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
TD Securities Inc.

Promoter(s):

-

Project #919100

Issuer Name:

Chartwell Seniors Housing Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated May 1, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

\$185,009,000.00 - 13,310,000 Units Price: \$13.90 Per Unit

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #922463

Issuer Name:

Connor, Clark & Lunn Global Financials Fund
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

Maximum: \$125,000,000.00 (12,500,000 Units @ \$10 per Unit)

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
TD Securities Inc.
HSBC Securities (Canada) Inc.
Wellington West Capital Inc.
Raymond James Ltd.
Richardson Partners Financial Limited
Blackmont Capital Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.

Promoter(s):

Connor, Clark & Lunn Capital Markets Inc.

Project #911694

Issuer Name:

Fidelity International Portfolio Fund
(Series A, B, F, O, T and S)
Principal Regulator - Ontario

Type and Date:

Amendment #3 dated April 19, 2006 to the Simplified Prospectus dated October 18, 2005
Mutual Reliance Review System Receipt dated April 26, 2006

Offering Price and Description:

Series A, B, F, O, T and S Units

Underwriter(s) or Distributor(s):

Fidelity Investments Canada Limited
Fidelity Investments Canada Limited

Promoter(s):

Fidelity Investments Canada Limited

Project #828265

Issuer Name:

IBF 1 Corp
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

MINIMUM OFFERING: \$500,000.00 or 2,000,000 Common Shares; MAXIMUM OFFERING: \$1,000,000.00 or 4,000,000 Common Shares PRICE: \$0.25 per Common Share Agent's Option (as defined herein) Incentive Stock Options (as defined herein)

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

Scott Samuel
Project #904835

Issuer Name:

Inter-Citic Minerals Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 26, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

\$11,056,478.00 - 12,284,975 common shares and 6,142,487 share purchase warrants to be issued upon exercise of 12,284,975 previously issued Special Warrants

Underwriter(s) or Distributor(s):

Salman Partners Inc.
Pacific International Securities Inc.
Wellington West Capital Markets Inc.

Promoter(s):

-

Project #918745

Issuer Name:

iShares CDN S&P/TSX 60 Index Fund
iShares CDN S&P/TSX Capped Composite Index Fund
iShares CDN S&P/TSX MidCap Index Fund
iShares CDN S&P/TSX Capped Energy Index Fund
iShares CDN S&P/TSX Capped Financials Index Fund
iShares CDN S&P/TSX Capped Gold Index Fund
iShares CDN S&P/TSX Capped Information Technology Index Fund
iShares CDN S&P/TSX Capped REIT Index Fund
iShares CDN S&P/TSX Capped Materials Index Fund
iShares CDN S&P/TSX Capped Income Trust Index Fund
iShares CDN Dow Jones Canada Select Dividend Index Fund
iShares CDN Scotia Capital Short Term Bond Index Fund
iShares CDN Scotia Capital Universe Bond Index Fund
iShares CDN Scotia Capital Real Return Bond Index Fund
iShares CDN S&P 500 Hedged to Canadian Dollars Index Fund
iShares CDN MSCI EAFE 100% Hedged to CAD Dollars Index Fund
Principal Regulator - Ontario

Type and Date:

Final Prospectuses dated April 25, 2006
Mutual Reliance Review System Receipt dated April 26, 2006

Offering Price and Description:

Mutual Fund Units @ Net Asset Value

Underwriter(s) or Distributor(s):

Barclays Global Investors Canada Limited

Promoter(s):

-

Project #901044

Issuer Name:

John Deere Credit Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Shelf Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

Cdn. \$1,250,000,000.00 - Medium Term Notes (Unsecured)

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
TD Securities Inc.
Merrill Lynch Canada Inc.

Promoter(s):

-

Project #899437

Issuer Name:

Labopharm Inc.
Principal Regulator - Quebec

Type and Date:

Final Short Form Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 27, 2006

Offering Price and Description:

\$98,890,000.00 - 11,000,000 Common Shares Price: \$8.99 per Common Share

Underwriter(s) or Distributor(s):

Merrill Lynch Canada Inc.
Banc of America Securities Canada Co.
Canaccord Capital Corporation
Orion Securities Inc.
Dundee Securities Corporation
Westwind Partners Inc.

Promoter(s):

-

Project #920158

Issuer Name:

Pure Energy Visions Corporation
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

29,126,160 Common Shares Issuable Upon Exercise of 29,126,160 Special Warrants

Underwriter(s) or Distributor(s):

-

Promoter(s):

D. Wayne Hartford

Project #870910

Issuer Name:

QuStream Corporation
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 28, 2006
Mutual Reliance Review System Receipt dated May 1, 2006

Offering Price and Description:

\$10,080,000.00 - 4,200,000 Units Price: \$2.40 per Unit

Underwriter(s) or Distributor(s):

Orion Securities Inc.
GMP Securities L.P.
MGI Securities Inc.
Paradigm Capital Inc.

Promoter(s):

Frederick L. Godard
Howard G. Sutton

Project #922932

Issuer Name:

SCITI Total Return Trust
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated April 27, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

Maximum \$30,000,000,000.00 (30,000,000 Units @ \$10 per Unit)

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
TD Securities Inc.
HBBC Securities (Canada) Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
Desjardins Securities Inc.
Raymond James Ltd.
Blackmont Capital Inc.
Richardson Partners Financial Limited
Wellington West Capital Inc.

Promoter(s):

Scotia Capital Inc.

Project #901519

Issuer Name:

SHAW COMMUNICATIONS INC.
Principal Regulator - Alberta

Type and Date:

Final MJDS Short Form Prospectus dated May 2, 2006
Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

\$300,000,000.00 - 6.15% Senior Notes due 2016 (unsecured)

Underwriter(s) or Distributor(s):

TD Securities Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
National Bank Financial Inc.
Merrill Lynch Canada Inc.
GMP Securities L.P.

Promoter(s):

-

Project #923701

Issuer Name:

Sprott Canadian Equity Fund
Sprott Energy Fund
Sprott Gold and Precious Minerals Fund
Sprott Growth Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated April 26, 2006
Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

Mutual fund trust units at net asset value

Underwriter(s) or Distributor(s):

Sprott Asset Management Inc.

Promoter(s):

Sprott Asset Management Inc.

Project #908103

Issuer Name:

Class A Units, Class B Units and Class D Units of
The Hartford U.S. Capital Appreciation Fund
The Hartford Global Leaders Fund
The Hartford U.S. Stock Fund
The Hartford Canadian Stock Fund
The Hartford Canadian Value Fund
The Hartford Growth and Income Fund
The Hartford Canadian Equity Income Fund
The Hartford Advisors Fund
The Hartford Bond Fund

-and-

Class A Units, Class B Units and Class D Units

-and-

DCA Class A Units, DCA Class B Units and DCA Class D
Units

(Twelve Month Series 1 and Six Month Series 3)

of

The Hartford Money Market Fund

Type and Date:

Final Simplified Prospectuses dated April 28, 2006
Mutual Reliance Review System Receipt dated May 2, 2006

Offering Price and Description:

Class A Units, Class B Units and Class D Units and DCA
Class A Units, DCA Class B Units and DCA Class D Units
in Series (currently only Twelve Month Series 1 and Six
Month Series 3)

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #905982

Issuer Name:

Westcoast Energy Inc.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Base Shelf Prospectus dated April 28, 2006

Mutual Reliance Review System Receipt dated April 28, 2006

Offering Price and Description:

\$500,000,000.00 - Debt Securities Preferred Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #922613

Issuer Name:

Westfield Real Estate Investment Trust
Principal Regulator - Manitoba

Type and Date:

Final Short Form Prospectus dated April 26, 2006

Mutual Reliance Review System Receipt dated April 26, 2006

Offering Price and Description:

\$30,000,000.00 - 6.25% Series C Convertible Redeemable
Unsecured Subordinated Debentures

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

CIBC World Markets Inc.

National Bank Financial Inc.

Scotia Capital Inc.

Bieber Securities Inc.

Westwind Partners Inc.

Promoter(s):

-

Project #921584

Issuer Name:

Wharton Resources Limited
Principal Jurisdiction - Ontario

Type and Date:

Preliminary Prospectus dated September 29th, 2005

Withdrawn on April 26th, 2006

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

Desjardins Securities Inc.

Promoter(s):

W. Milton Cox

Donald L. Sytsma

Bassam Nastat

Project #837756

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Change in Name	From: Strategic Advisors Corp To: Trapeze Asset Management Inc.	Limited Market Dealer and Investment Counsel and Portfolio Manager	May 01, 2006
Change in Name	From: Strategic Capital Partners Inc. To: Trapeze Capital Corp.	Investment Dealer	May 01, 2006
New Registration	Gemini Asset Management Inc.	Limited Market Dealer and Investment Counsel and Portfolio Manager	May 01, 2006
New Registration	Investwell Financial Inc.	Securities Adviser	May 01, 2006
Change of Registration Category	MFS Institutional Advisors Inc.	From: International Adviser To: International Adviser and Limited Market Dealer	May 01, 2006
New Registration	ING Clarion Real Estate Securities L.P.	International Adviser (Investment Counsel & Portfolio Manager)	April 28, 2006
Change in Name	From: Dixon Mitchell Rae Investment Counsel Inc. To: Dixon Mitchell Investment Counsel Inc.	Extra-Provincial Investment Counsel & Portfolio Manager	March 10, 2006
New Registration	Tenth Power Securities Ltd.	Limited Market Dealer	April 13, 2006

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Ontario Hearing Panel Makes Findings Against Scott Andrew Stevens

NEWS RELEASE
For immediate release

MFDA ONTARIO HEARING PANEL MAKES FINDINGS AGAINST SCOTT ANDREW STEVENS

May 1, 2006 (Toronto, Ontario) – A disciplinary hearing in the Matter of Scott Andrew Stevens was held on April 28, 2006 before a Hearing Panel of the Ontario Regional Council of the Mutual Fund Dealers Association of Canada (“MFDA”) in Toronto, Ontario. The Hearing Panel found that the two allegations set out by MFDA staff in the Notice of Hearing dated December 15, 2005, summarized below, had been established:

Allegation #1: Between December 2004 and February 2005, Mr. Stevens misappropriated from several of his clients the sum of \$77,500, more or less, and thereby failed to deal fairly, honestly and in good faith with those clients, contrary to MFDA Rule 2.1.1.

Allegation #2: Commencing August 2005, Mr. Stevens failed to provide a report in writing as required by the MFDA in the course of an investigation, contrary to section 22.1 of MFDA By-law No. 1.

The Hearing Panel made the following orders with respect to penalty at the conclusion of the hearing and advised that it would issue written reasons for its decision in due course:

- A permanent prohibition on Mr. Stevens from engaging in any securities-related business in any capacity;
- A fine in the aggregate amount of \$61,000; and
- Costs in the amount of \$2,000.

A copy of the Notice of Hearing is available on the MFDA web site at www.mfda.ca.

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 176 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

Shaun Devlin
Vice-President, Enforcement
(416) 943-4672 or sdevlin@mfda.ca

13.1.2 MFDA Issues Notice of Hearing Regarding Shawn Sandink

NEWS RELEASE
For immediate release

**MFDA ISSUES NOTICE OF HEARING
REGARDING SHAWN SANDINK**

May 1, 2006 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) today announced that it has commenced disciplinary proceedings against Shawn Sandink.

MFDA staff alleges in its Notice of Hearing that Mr. Sandink engaged in the following conduct contrary to the By-laws, Rules or Policies of the MFDA:

Allegation: Between January 1999 and August 2003, Mr. Sandink misappropriated \$34,250 from one of his mutual fund clients, thereby failing to deal fairly, honestly and in good faith with his client and engaging in business conduct that was unbecoming and detrimental to the public interest, contrary to MFDA Rule 2.1.1.

The first appearance in this matter will take place by teleconference before a Hearing Panel of the MFDA Ontario Regional Council in the Hearing Room located at the offices of the MFDA, 121 King Street West, Suite 1000, Toronto, Ontario on Friday, June 2, 2006 at 10:00 a.m. (Eastern) or as soon thereafter as can be held.

The purpose of the first appearance is to schedule the date for the commencement of the hearing on its merits and to address any other procedural matters.

The first appearance is open to the public, except as may be required for the protection of confidential matters. Members of the public attending the first appearance will be able to listen to the proceeding by teleconference.

A copy of the Notice of Hearing is available on the MFDA web site at www.mfda.ca.

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 176 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

Shaun Devlin
Vice-President, Enforcement
(416) 943-4672 or sdevlin@mfda.ca

13.1.3 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures – CDS Buy-in Windows

THE CANADIAN DEPOSITORY FOR SECURITIES LIMITED (CDS)

TECHNICAL AMENDMENTS TO CDS PROCEDURES
CDS BUY-IN WINDOWS

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE RULE AMENDMENT

Background

The proposed amendments are made at the suggestion of CDS staff after consultation with the CDS Participant community. These consultations determined that a change to the current time windows to enter buy-ins would be beneficial to all affected parties.

The Procedures marked for the amendments may be accessed at the CDS website at:

<http://www.cds.ca/cdshome.nsf/Pages/-EN-Documentation?Open>

Description of Proposed Amendments

The proposed amendments will reduce the time window during which buy-ins may be made by CDS Participants and will afford Participants an additional 15 minutes to react to intents to buy-in placed against them.

For example, an entry made on Day 1 must be made between 4:00 p.m. and 4:45 p.m., Eastern Time in order for it to be executed on Day 3. Entries made between 5:00 p.m. and 7:30 p.m. Eastern Time will be executed on Day 4.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as they are matters of a technical nature in routine operating procedures and administrative practices relating to CDS services.

C. EFFECTIVE DATE OF THE RULE

Pursuant to Appendix A (“Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC”) of the Recognition and Designation Order, as varied and restated, these amendments will be effective on May 8th, 2006.

D. QUESTIONS

Questions regarding this notice may be directed to:

Tony Hoffmann
Legal Counsel
The Canadian Depository for Securities Limited
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416-365-3768
Fax: 416-365-1984
e-mail: attention@cds.ca

JAMIE ANDERSON
Senior Legal Counsel

13.1.4 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures – CDS Projected Payment and Tender Breakdown Reports

THE CANADIAN DEPOSITORY FOR SECURITIES LIMITED (CDS)
TECHNICAL AMENDMENTS TO CDS PROCEDURES
CDS PROJECTED PAYMENT AND TENDER BREAKDOWN REPORTS

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE RULE AMENDMENT

Background

The proposed amendments to CDS Reporting Procedures documentation are being made in the general course of CDS's work to enhance its services for the benefit of its participants and the financial markets in general. Requests made by CDS' stakeholders or CDS staff are evaluated and, if appropriate, a change in the format or layout of a CDS report is made.

The Procedures marked for the amendments may be accessed on the CDS website at:

<http://www.cds.ca/cdshome.nsf/Pages/-EN-Documentation?Open>

Description of Proposed Amendments

The proposed amendments to CDS reports are twofold:

1. The Tender Breakdown Reports (Report IDs 000213 and 000282), which currently report only until *expiry* date, will be amended to extend reporting through to the *payable* date;
2. The sort order Projected Payment Reports (Report IDs 000201 and 000203).

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as they are matters of a technical nature in routine operating procedures and administrative practices relating to the settlement services.

C. EFFECTIVE DATE OF THE RULE

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as varied and restated, these amendments will be effective on May 8th, 2006.

D. QUESTIONS

Questions regarding this notice may be directed to:

Tony Hoffmann
Legal Counsel
The Canadian Depository for Securities Limited
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416-365-3768
Fax: 416-365-1984
e-mail: attention@cds.ca

JAMIE ANDERSON
Senior Legal Counsel

13.1.5 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures – Institutional Trade Reporting

THE CANADIAN DEPOSITORY FOR SECURITIES LIMITED (CDS)

TECHNICAL AMENDMENTS TO CDS PROCEDURES
INSTITUTIONAL TRADE REPORTING

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE RULE AMENDMENT

Background

CDS has been producing the reports which form the substance of the proposed amendments for several years. These reports have, to date, been produced on an as-needed, *ad hoc* basis. In order to eliminate the time and expense inherent in this manual process, CDS undertook an internal initiative to automate the production of the reports for the benefit of all CDS Participants. Additionally, the automation of these reports will assist CDS Participants in their monitoring of Institutional Trade Processing trade activity.

The Procedures marked for the amendments may be accessed at the CDS website at:

<http://www.cds.ca/cdshome.nsf/Pages/-EN-Documentation?Open>

Description of Proposed Amendments

The proposed amendments will:

- Add five (5) institutional trade processing reports to the list of available reports to the List of reports (Chapter 1 of CDS Reporting Procedures).
- Change the sort order of fields in the Projected Payment Report for Paying Agents (Chapter 13 of CDS Reporting Procedures).
- Add the detailed descriptions of the above reports (Chapter 15 of CDS Reporting Procedures).

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as they are matters of a technical nature in routine operating procedures and administrative practices relating to CDS Services.

C. EFFECTIVE DATE OF THE RULE

Pursuant to Appendix A (“Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC”) of the Recognition and Designation Order as varied and restated, these amendments will be effective on 17 April 2006.

D. QUESTIONS

Questions regarding this notice may be directed to:

Tony Hoffmann
Legal Counsel
The Canadian Depository for Securities Limited
85 Richmond Street West
Toronto, Ontario M5H 2C9
Telephone: 416-365-3768
Fax: 416-365-1984
e-mail: attention@cds.ca

JAMIE ANDERSON
Senior Legal Counsel

13.1.6 CDS Rule Amendment Notice – Technical Amendment to CDS Procedures – Special Requests for Outstanding Issues

THE CANADIAN DEPOSITORY FOR SECURITIES LIMITED (CDS)

TECHNICAL AMENDMENTS TO CDS PROCEDURES – SPECIAL REQUESTS FOR OUTSTANDING ISSUES

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE RULE AMENDMENT

Background

The proposed amendments to the procedures for requesting eligibility of physical securities for outstanding issues are the result of CDS's ongoing internal evaluation of its services and the efficiency with which those services are provided.

The Procedures marked for the amendments may be accessed at the CDS website at:

<http://www.cds.ca/cdshome.nsf/Pages/-EN-Documentation?Open>

Description of Proposed Amendments

The proposed amendments are twofold:

1. CDS has made grammatical changes to *Section 3.2.2 (Requesting issues be made eligible in CDSX)*; these changes are of a housekeeping/stylistic nature only.
2. *Section 3.2.3 (Special requests for outstanding issues)*, a new section, has been added; this addition has the effect of formalizing and streamlining the requirements and process for Participant communication with CDS regarding the submission of physical securities for eligible deposit in CDSX. The new section does not impose new criteria for eligibility, and specifies that new issues do not qualify for this service.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments in section 3.2.2 proposed pursuant to this notice are considered technical amendments as they are matters involving only the correction of spelling, punctuation, typographical or grammatical mistakes or inaccurate cross-referencing (OSC Rule Protocol, section 3(a)(iii)).

The amendments in section 3.2.3 proposed pursuant to this Notice are considered technical amendments as they are matters of a technical nature in routine operating procedures and administrative practices relating to CDS services. (OSC Rule Protocol, section 3(a)(i)).

C. EFFECTIVE DATE OF THE RULE

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as varied and restated on July 12, 2005, these amendments will be effective on 17 April, 2006.

D. QUESTIONS

Questions regarding this notice may be directed to:

Tony Hoffmann
Legal Counsel
The Canadian Depository for Securities Limited
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416-365-3768
Fax: 416-365-1984
e-mail: attention@cds.ca

JAMIE ANDERSON
Senior Legal Counsel

Chapter 25

Other Information

25.1 Consents

25.1.1 Aura Gold Inc. - s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Canada Business Corporations Act.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am.
Canada Business Corporations Act, R.S.C. 1985, c. C-144,
as am.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulations Cited

Regulation made under the Business Corporations Act,
Ont. Reg. 289/00, as am., s. 4(b).

April 11, 2006

**IN THE MATTER OF
ONT. REG. 289/00, AS AMENDED
(THE "REGULATION")
MADE UNDER
THE BUSINESS CORPORATIONS ACT
R.S.O. 1990, c. B.16, AS AMENDED (THE "CBCA")**

AND

**IN THE MATTER OF
AURA GOLD INC.**

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

UPON the application (the "Application") of Aura Gold Inc. (the "Applicant") to the Ontario Securities Commission (the "Commission") requesting a consent from the Commission for the Applicant to continue in another jurisdiction, as required by subsection 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

The Applicant intends to apply (the "Application for Continuance") to the Director under the OBCA for authorization to continue under the *Canada Business*

Corporations Act, R.S.C., 1985, c. C-44, as amended (the "CBCA").

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

The Applicant was incorporated by Letters Patent under a predecessor to the OBCA on July 12, 1946 under the name Baldwin Consolidated Mines Limited. By articles of amendment dated July 11, 1989, the name of the Applicant was changed to Canadian Baldwin Holdings Limited. By articles of amendment dated July 27, 2005, the name of the Applicant was changed to Canadian Baldwin Resources Limited. By articles of amendment dated March 22, 2006, the name of the Applicant was changed to Aura Gold Inc. Its head office is located at 2500 - 120 Adelaide Street West, Toronto, Ontario, M5H 1T1.

The Applicant is an offering corporation under the OBCA and is a reporting issuer under the *Securities Act* (Ontario) R.S.O. 1990, c.S.5, as amended (the "Act").

The Applicant's authorized share capital consists of an unlimited number of common shares. As at March 27, 2006, there were 33,605,718 common shares issued and outstanding.

The Applicant intends to remain a reporting issuer under the Act after the continuance.

The Applicant is not in default of any of the provisions of the Act or the regulations or rules made under the Act.

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

The Applicant's shareholders authorized the continuance of the Applicant as a corporation under the CBCA by special resolution at a meeting of shareholders held on March 15, 2006 (the "Meeting"). Consequently, assuming receipt of the requested consent, the Application for Continuance will be made, articles of continuance will be filed under the CBCA and the continuance will become effective.

Pursuant to section 185 of the OBCA, all common shareholders of record as at the record date for the Meeting were entitled to dissent rights with respect to the continuance (the "Dissent Rights").

The management information circular describing the continuance, which was dated January 31, 2006, was printed and mailed to shareholders and was filed on the System for Electronic Document Analysis and Retrieval on

February 13, 2006 (the "Circular"). Full disclosure of the reasons and implications of the continuance are included at pages 6 and 7 of the Circular. The Circular also advised the holders of the Applicant's common shares of their Dissent Rights.

The principal reason for the proposed continuance is that under the OBCA, a majority of the directors must be resident Canadians, while under the CBCA, twenty-five percent of the directors are required to be resident Canadians. As the Applicant intends to focus on a search for, and development and exploration of, gold and precious metal properties in Brazil, it is desirable that its board of directors reflect this focus. The less onerous requirement for Canadian residency of directors under the federal jurisdiction would thus be advantageous for the Applicant.

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

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

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

"Paul Moore"
Vice-Chair
Ontario Securities Commission

"Susan Wolburgh Jenah"
Vice-Chair
Ontario Securities Commission

25.1.2 Atlas Cromwell Ltd. - s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Business Corporations Act (British Columbia).

Statutes Cited

Business Corporations Act, R.S.O. 1990, c.B.16, as am.
Business Corporations Act (British Columbia), S.B.C. 2002, c. 57, as am.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulations Cited

Regulation made under the Business Corporations Act, O. Reg. 289/00, as am., s. 4(b).

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

AND

**IN THE MATTER OF
ATLAS CROMWELL LTD.**

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

UPON the application of Atlas Cromwell Ltd. (the "Applicant") to the Ontario Securities Commission (the "Commission") requesting consent (the "Request") from the Commission for the Applicant to continue in another jurisdiction, as required by subsection 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

The Applicant was incorporated under the OBCA on June 30, 1998. Its head office is located at Three Bentall Centre, Suite 3123, 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

The authorized share capital of the Applicant consists of an unlimited number of Common Shares, of which, as at April 4, 2006, there were 39,011,000 common shares (the "Shares") issued and outstanding.

All of the issued and outstanding Shares of the Applicant are listed for trading on the NEX board of the TSX Venture Exchange under the symbol "ACR.H".

Other Information

The Applicant intends to apply (the "Application for Continuance") to the Director under the OBCA for authorization to continue under the *Business Corporations Act* (British Columbia) ("BCBCA"). Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation, its Application for Continuance must be accompanied by a consent from the Commission.

The Applicant 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"). The Applicant is also a reporting issuer or its equivalent under the securities legislation of the provinces of British Columbia and Alberta (the "Legislation").

The Applicant intends to remain a reporting issuer under the Act and the Legislation after the Continuance.

The Applicant is not in default of any of the provisions of the Act or the regulations or rules made thereunder and is not in default under the Legislation of any other jurisdiction where it is a reporting issuer or its equivalent.

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

The Applicant's shareholders authorized the continuance of the Applicant as a corporation under the BCBCA by special resolution at the annual and special meeting of shareholders held on December 6, 2005 (the "Meeting").

The material rights, duties and obligations of a corporation governed by the BCBCA are substantially similar to those of a corporation governed by the OBCA. A summary of differences between the BCBCA and the OBCA was provided to shareholders in the Applicant's management information circular for its Meeting.

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

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

DATED this 18th day of April, 2006

"Susan Wolburgh Jenah"
Vice-Chair
Ontario Securities Commission

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

25.1.3 Barrick Gold Corporation - s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Business Corporations Act (Alberta).

States Cited

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

Business Corporations Act (Alberta), R.S.A. 2000, c. B-9, as am.

Regulations Cited

Regulation made under the Business Corporations Act, O. Reg. 289/00, as am., s. 4(b).

**IN THE MATTER OF
THE REGULATION MADE
UNDER THE BUSINESS CORPORATIONS ACT,
R.S.O. 1990, C. B.16, AS AMENDED (the OBCA)**

ONTARIO REGULATION 289/00 (the Regulation)

AND

**IN THE MATTER OF
BARRICK GOLD CORPORATION (the Filer)**

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

UPON the application of the Filer to the Ontario Securities Commission (the **Commission**) requesting consent (the **Request**) from the Commission for the Filer to continue in another jurisdiction (the **Continuance**), as required by subsection 4(b) of the Regulation;

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

AND UPON the Filer having represented to the Commission that:

1. The Filer is a corporation governed by the OBCA. Its head office is located at BCE Place, Canada Trust Tower, Suite 3700, 161 Bay Street, P.O. Box 212, Toronto, Ontario, M5J 2S1.
2. The Filer is an offering corporation under the OBCA and a reporting issuer under the *Securities Act* (Ontario), R.S.O. 1990, c. S.5, as amended (the **Act**). The Filer is also a reporting issuer or its equivalent in each other province and territory of Canada (the **Jurisdictions**).
3. The authorized capital of the Filer consists of (i) an unlimited number of common shares, (ii) an unlimited number of first preferred shares, issuable

in series, and (iii) an unlimited number of second preferred shares, issuable in series. As at March 16, 2006, the Filer had 861,262,874 common shares and one first preferred share series C special voting share outstanding.

4. The Filer's common shares are listed and posted for trading on the Toronto Stock Exchange (the **TSX**), the New York Stock Exchange, the London Stock Exchange, Euronext Paris and the SWX Swiss Exchange.
5. The Filer is proposing to submit an application to the Director under section 181 of the OBCA (the **Application for Continuance**) for authorization to continue as a corporation under the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9, as amended (the **ABCA**).
6. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation under the OBCA, the Application for Continuance must be accompanied by a consent from the Commission.
7. The Filer is not in default under any provision of the Act or the regulations of the Act, nor under the securities legislation of any of the Jurisdictions. The Filer is not included in a list of defaulting reporting issuers maintained by the Commission or any of the Jurisdictions.
8. The Filer 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 Filer intends to remain a reporting issuer under the Act and a reporting issuer or its equivalent in the Jurisdictions after the Continuance.
10. The Application for Continuance is to be submitted for approval by the shareholders of the Filer by special resolution at the Annual and Special Meeting of shareholders of the Filer (the **Meeting**) scheduled to be held on May 4, 2006.
11. Pursuant to Section 185 of the OBCA, all shareholders of record of the Filer as of the record date for the Meeting are entitled to dissent rights with respect to the Application for Continuance (the **Dissent Rights**).
12. The management information circular of the Filer dated March 24, 2006 (the **Circular**) has been sent to all shareholders in connection with the Meeting and advises the shareholders of the Filer of their Dissent Rights.
13. The Continuance has been proposed so that the Filer can undertake an internal reorganization that will enable it to complete the sale of certain assets, acquired as part of its recent acquisition of Placer

Dome Inc. (**Placer Dome**), to Goldcorp Inc. on a tax-efficient basis, and potentially facilitate the integration of Placer Dome's other assets into the Filer's corporate group, as more fully described in the Circular.

14. The Filer will amalgamate with Placer Dome under the ABCA pursuant to a plan of arrangement and the amalgamated corporation will seek to be continued from Alberta to Ontario.
15. The material rights, duties and obligations of a corporation governed by the ABCA are substantially similar to those of a corporation governed by the OBCA.

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

THE COMMISSION HEREBY CONSENTS to the continuance of the Filer as a corporation under the ABCA.

Dated April 21, 2006

"Carol S. Perry"

"Suresh Thakrar"

Other Information

25.1.4 Gerdau Ameristeel Corporation - s. 4(b) of the Regulation**Headnote**

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Canada Business Corporations Act.

Statutes Cited

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

Canada Business Corporations Act, R.S.C. 1985, c. C-44, as am.

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

Regulation Cited

Regulation made under the Business Corporations Act, Ont. Reg. 289/00, as am., s. 4(b)

**IN THE MATTER OF
THE REGULATIONS MADE UNDER
THE BUSINESS CORPORATIONS ACT,
R.S.O. 1990, c. B-16, AS AMENDED (the OBCA)**

ONTARIO REG. 289/00 (the Regulation)

AND

**IN THE MATTER OF
GERDAU AMERISTEEL CORPORATION (the FILER)**

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

UPON the application of the Filer to the Ontario Securities Commission (the **Commission**) requesting a consent from the Commission for the Filer to continue into another jurisdiction pursuant to subsection 4(b) of the Regulation;

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

AND UPON the Filer having represented to the Commission that:

1. The Filer is proposing to submit an application to the Director under 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. The authorized capital of the Filer consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series, of which 304,729,125 common shares and no preferred shares were outstanding as at March 31, 2006.

3. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation under the OBCA, the Application for Continuance must be accompanied by a consent from the Commission.
4. The Filer (formerly Co-Steel Inc.) was incorporated under the laws of the Province of Ontario by letters patent dated September 10, 1970. The registered office of the Filer is located at 1801 Hopkins Street South, Whitby, Ontario, L1N 5T1.
5. The Filer 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), and is a reporting issuer or its equivalent in each of the provinces of Canada.
6. The Filer's common shares are listed for trading on the Toronto Stock Exchange and on the New York Stock Exchange. The Filer is also subject to the reporting requirements of the United States Securities Exchange Act of 1934.
7. The Filer intends to remain a reporting issuer in Ontario and in the other jurisdictions in which it is a reporting issuer or its equivalent and will remain subject to the reporting requirements of the United States Securities and Exchange Commission.
8. The Filer is not in default under any provision of the Act or the regulations or rules made thereunder, nor under the securities legislation of any other jurisdiction where it is a reporting issuer or its equivalent.
9. The Filer is not a party to any proceeding nor, to the best of its knowledge, information and belief, any pending proceeding under the Act.
10. The Application for Continuance of the Filer under the CBCA is subject to approval by the shareholders of the Filer by special resolution to be obtained at an annual and special meeting of shareholders (the Meeting) to be held on May 10, 2006.
11. The management information circular dated March 30, 2006 provided to all shareholders of the Filer in connection with the Meeting advised the holders of common shares of the Filer of their dissent rights in connection with the Application for Continuance pursuant to section 185 of the OBCA.
12. The continuance of the Filer under the CBCA is proposed to provide the Filer with greater flexibility in the selection of independent directors.
13. The material rights, duties and obligations of a corporation incorporated under the CBCA are

Other Information

substantially similar to those of a corporation incorporated under the OBCA.

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

THE COMMISSION HEREBY CONSENTS, subject to receipt of shareholder approval as aforesaid, to the continuance of the Filer as a corporation under the CBCA.

DATED April 28th, 2006.

“Robert L. Shirriff”

“Suresh Thakrar”

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