The Ontario Securities Commission

OSC Bulletin

November 10, 2006

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

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

NOVEMBER 10, 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
Suite 1700, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

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

SCHEDULED OSC HEARINGS

November 21, 2006	**First Global Ventures, S.A. and Allen Grossman**
10:00 a.m.	s. 127
	D. Ferris in attendance for Staff
	Panel: PMM/ST
December 4, 2006	**Euston Capital Corporation and George Schwartz**
2:00 p.m.	s. 127
	Y. Chisholm in attendance for Staff
	Panel: WSW/ST
December 5, 6, & 7, 2006	**Jose Castaneda**
	s. 127 and 127.1
10:00 a.m.	P. Foy in attendance for Staff
	Panel: TBA
December 13, 2006	**Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)**
10:00 a.m.	s.127 and 127.1
	D. Ferris in attendance for Staff
	Panel: SWJ/ST
January 15, 2007	**Norshield Asset Management (Canada) Ltd., Olympus United Group Inc., John Xanthoudakis, Dale Smith and Peter Kefalas**
10:00 a.m.	s.127
	M. MacKewn in attendance for Staff
	Panel: WSW/DLK

March 26, 2007 10:00 a.m.	**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
	* October 3, 2006 – Notice of Withdrawal
May 7, 2007 10:00 a.m.	**Limelight Entertainment Inc., Carlos A. Da Silva, David C. Campbell, Jacob Moore and Joseph Daniels**
	s. 127 and 127.1
	D. Ferris in attendance for Staff
	Panel: TBA
May 23, 2007 10:00 a.m.	**Eugene N. Melnyk, Roger D. Rowan, Watt Carmichael Inc., Harry J. Carmichael and G. Michael McKenney**
	s. 127 and 127.1
	J. Superina in attendance for Staff
	Panel: TBA
October 12, 2007 10:00 a.m.	**Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton**
	s. 127
	H. Craig in attendance for Staff
	Panel: TBA
TBA	**Yama Abdullah Yaqeen**
	s. 8(2)
	J. Superina in attendance for Staff
	Panel: TBA
TBA	**Cornwall *et al***
	s. 127
	K. Manarin in attendance for Staff
	Panel: TBA
TBA	**John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir**
	S. 127 & 127.1
	K. Manarin in attendance for Staff
	Panel: TBA
TBA	**Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boultbee and Peter Y. Atkinson**
	s.127
	J. Superina in attendance for Staff
	Panel: TBA
TBA	**Mega-C Power Corporation, Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited**
	S. 127
	A. Sonnen in attendance for Staff
	Panel: TBA
TBA	**Bennett Environmental Inc.*, John Bennett, Richard Stern, Robert Griffiths and Allan Bulckaert***
	S. 127
	P. Foy in attendance for Staff
	Panel: TBA
	* settled June 20, 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

Philip Services Corp., Allen Fracassi, Philip Fracassi**, Marvin Boughton**, Graham Hoey**, Colin Soule*, Robert Waxman and John Woodcroft****
* Settled November 25, 2005
** Settled March 3, 2006

Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg

John Daubney and Cheryl Littler

Maitland Capital Ltd., Allen Grossman, Hanouch Ulfan, Leonard Waddingham, Ron Garner, Gord Valde, Marianne Hyacinthe, Diana Cassidy, Ron Catone, Steven Lanys, Roger McKenzie, Tom Mezinski, William Rouse and Jason Snow

1.1.2 Notice of Ministerial Approval of NI 81-107 Independent Review Committee for Investment Funds and OSC Rule 81-802 Implementing National Instrument 81-107 Independent Review Committee for Investment Funds

NOTICE OF MINISTERIAL APPROVAL OF
NATIONAL INSTRUMENT 81-107 *INDEPENDENT REVIEW COMMITTEE FOR INVESTMENT FUNDS*
AND
ONTARIO SECURITIES COMMISSION RULE 81-802 *IMPLEMENTING NATIONAL INSTRUMENT 81-107 INDEPENDENT REVIEW COMMITTEE FOR INVESTMENT FUNDS*
AND
RELATED AMENDMENTS

On September 19, 2006, the Minister of Government Services approved the following rules which came into force on November 1, 2006:

1. National Instrument 81-107 *Independent Review Committee for Investment Funds*;

2. Ontario Securities Commission Rule 81-802 *Implementing National Instrument 81-107 Independent Review Committee for Investment Funds*;

3. related amendments to:

   - National Instrument 81-101 *Mutual Fund Prospectus Disclosure*, Form 81-101F1 *Contents of Simplified Prospectus* and Form 81-101F2 *Contents of Annual Information Form*
   - National Instrument 81-102 *Mutual Funds*
   - National Instrument 81-104 *Commodity Pools*
   - National Instrument 81-106 *Investment Fund Continuous Disclosure*, Form 81-106F1 *Contents of Annual and Interim Management Report of Fund Performance*
   - National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)*, and
   - Ontario Securities Commission Rule 41-501 *General Prospectus Requirements*.

The following related policies also came into force on November 1, 2006:

1. Companion Policy 81-802CP to Ontario Securities Commission Rule 81-802 *Implementing National Instrument 81-107 Independent Review Committee for Investment Funds*; and

2. amendments to Companion Policy 81-102CP to National Instrument 81-102 *Mutual Funds*.

These rules and policies were previously published in a supplement to the Bulletin on July 28, 2006 and are published in Chapter 5 of this Bulletin.

On September 19, 2006, the Minister of Government Services also approved a Regulation amending or revoking certain provisions of Regulation 1015 of the Revised Regulations of Ontario, 1990. This Regulation was filed as O. Reg. 500/06 on November 3, 2006 and will be published in the Ontario Gazette on November 18, 2006. The Regulation is published in Chapter 9 of this Bulletin.

1.4 Notices from the Office of the Secretary

1.4.1 Robert Patrick Zuk et al.

FOR IMMEDIATE RELEASE
November 3, 2006

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

AND

IN THE MATTER OF
ROBERT PATRICK ZUK, IVAN DJORDJEVIC,
MATTHEW NOAH COLEMAN, DANE ALAN WALTON,
DEREK REID and DANIEL DAVID DANZIG

TORONTO – Following a Pre-Hearing Conference today in the above named matter, the Commission issued an Order adjourning the Hearing on the Merits scheduled to commence on Tuesday, November 7, 2006 on a peremptory basis to be heard between March 26, 2007 and May 18, 2007.

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

OFFICE OF THE SECRETARY
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and Public Affairs
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1.4.2 Research In Motion Limited

FOR IMMEDIATE RELEASE
November 7, 2006

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

AND

IN THE MATTER OF
CERTAIN DIRECTORS, OFFICERS
AND OTHER INSIDERS OF
RESEARCH IN MOTION LIMITED
(BEING THE PERSONS AND COMPANIES LISTED
IN SCHEDULE "A" HERETO)

TORONTO – Following a hearing held today, the Commission issued an Order pursuant to Paragraphs 127(1)2 and 2.1 of the Act. The Order provides that: (1) all trading in and acquisitions of securities of RIM, whether direct or indirect, by any of the Respondents cease until two business days following the receipt by the Commission of all filings RIM is required to make pursuant to Ontario securities laws; and (2) if the Commission has not received by December 18, 2006 all filings RIM is required to make pursuant to Ontario securities laws, RIM will appear before the Commission with a report on the status of its continuous disclosure obligations.

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

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1.4.3 Juniper Fund Management Corporation et al.

FOR IMMEDIATE RELEASE
November 7, 2006

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

AND

IN THE MATTER OF
THE JUNIPER FUND MANAGEMENT CORPORATION,
JUNIPER INCOME FUND,
JUNIPER EQUITY GROWTH FUND AND
ROY BROWN (a.k.a. ROY BROWN-RODRIGUES)

TORONTO – Today the Commission issued an Order pursuant to subsections 127(2) and (7) of the Act in the above named matter. The Order provides that:

(a) the Hearing is adjourned to December 13, 2006 at 10:00 a.m.;

(b) the Intervenor Motion is adjourned to December 13, 2006; and

(c) the Temporary Order is extended until December 13, 2006.

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

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Dividend 15 Split Corp. II - 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 twice per month - 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.

October 26, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, 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
DIVIDEND 15 SPLIT CORP. II
(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 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") to calculate net asset value at least once every business day (the "Requested Relief").

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

(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 Fund is a mutual fund corporation established under the laws of the Province of Ontario. Quadravest Inc. will be the manager of the Fund (the "Manager") and Quadravest Capital Management Inc. (the "Portfolio Advisor") will provide investment advisory and portfolio management services to the Fund.

2. The Fund will make an offering (the "Offering") to the public, on a best efforts basis, of class A shares (the "Class A Shares") and of preferred shares (the "Preferred Shares") in each of the provinces of Canada.

3. The Preferred Shares and the Class A Shares are expected to be listed and posted for trading on the Toronto Stock Exchange (the "TSX").

4. The Fund will invest the net proceeds of the Offering primarily in a portfolio of common shares or other equity securities (the "Portfolio") of 15 major publicly traded Canadian dividend-paying issuers (collectively, the "Portfolio Companies"). Up to 15% of the Net Asset Value of the Filer may be invested in equity securities of issuers other than the Portfolio Companies. To supplement the dividends earned on the Portfolio and to reduce

risk, the Filer will from time to time write covered call options in respect of all or part of the Portfolio.

5. The Preferred Shares and Class A Shares may be surrendered for retraction at any time and will be retracted on a monthly basis on the last business day of each month (a "Retraction Date"), provided such shares are surrendered for retraction not less than 20 business days prior to the Retraction Date. The Filer will make payment for any shares retracted within 15 business days of the Retraction Date.

6. Under clause 14.2(3)(b) of NI 81-106, an investment fund that is a reporting issuer is generally required to calculate the net asset value per security of the fund on at least a weekly basis. Furthermore, an investment fund that uses or holds specified derivatives, such as the Fund intends to do, must calculate its net asset value per security on a daily basis.

7. The Fund proposes to calculate its net asset value per Unit on each Retraction Date and the 15th day of each month, or if the 15th is not a business day, the preceding business day (each a "Valuation Date"). Net asset value will be calculated as at the close of business on each Valuation Date by subtracting the aggregate amount of the Fund's liabilities from the aggregate value of the Fund's assets.

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 the Prospectus discloses:

(a) that the net asset value calculation will be provided by the Portfolio Advisor to shareholders on request, and

(b) a website that the public can access for this purpose;

for so long as:

(c) the Preferred Shares and the Class A Shares are listed on the TSX; and

(d) the Fund calculates its net asset value at least twice a month.

"Rhonda Goldberg"
Assistant Manager

2.1.2 Cyries Energy Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – under take-over bid, Canadian resident securityholders to receive trust units, while US securityholders will receive substantially the same value as Canadian securityholders, in the form of cash paid to the US securityholders based on the proceeds from the sale of their shares – number of shares held by US residents is de minimis – US does not have an identical consideration requirement – offeror exempt from requirement that all holders of the same class of securities must be offered identical consideration

Applicable Ontario Statutory Provisions

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

Citation: Cyries Energy Inc., 2006 ABASC 1745

October 24, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, 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
CYRIES ENERGY INC. (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) for an exemption from the requirement in the Legislation to offer identical consideration to all holders of the class of securities subject to a take-over bid (the Identical Consideration Requirement) to all holders of the same class of securities that are subject to a take-over bid (the Requested Relief) in connection with a proposed securities exchange take-over bid to be made by the Filer for all issued and outstanding common shares (the Dual Shares) of Dual Exploration Inc. (Dual).

2. Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Representations

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

   4.1 The Filer is a public company incorporated under the laws of Alberta with its head office in Calgary, Alberta.

   4.2 The Filer is currently a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland and Labrador.

   4.3 The Filer is a "foreign private issuer" within the meaning of Rule 405 of Regulation C adopted by the SEC under the 1933 Act.

   4.4 Dual is a public company incorporated under the laws of Alberta with its head office in Calgary, Alberta.

   4.5 Dual is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Ontario and Québec.

   4.6 Effective October 4, 2006, the Filer and Dual entered into an acquisition agreement, under which the Filer agreed to make a formal offer (the Take-Over Bid) to purchase all of the Dual Shares in consideration for shares of the Filer (Cyries Shares) on the basis of 0.167 of a Cyries Share for each Dual Share.

   4.7 Approximately 5% of the issued and outstanding Dual Shares on a non-diluted basis (approximately 4.5% on a fully diluted basis) are currently beneficially held by holders resident in the United States (the US Shareholders).

   4.8 Because the Cyries Shares issuable under the Take-Over Bid to the US Shareholders have not been registered or otherwise qualified for distribution under the 1933 Act and are not eligible for sale under the securities laws of a substantial number of states in the United States without registration, the offer, sale and delivery of the Cyries Shares to US Shareholders without further action by the Filer would constitute a violation of United States securities laws.

   4.9 Rule 802 under the 1933 Act (Rule 802) would provide an exemption from the requirement that the Cyries Share be registered under the 1933 Act if the US Shareholders are offered terms at least as favourable as those offered to other holders of securities of the same class, subject to an exception which allows the Filer to offer cash consideration to US Shareholders resident in states that do not have an applicable state "blue sky" exemption.

   4.10 There is no general exemption from state "blue sky" laws that coordinates with Rule 802. As a result, the securities laws of a significant number of states would prohibit delivery of the Cyries Shares to US Shareholders without registration or qualification of the Cyries Shares to be issued to US Shareholders resident in such states unless such holders are exempt institutional investors.

   4.11 The Filer is not eligible to rely on any of the forms and procedures set forth in the Multijurisdictional Disclosure System in respect of the Take-Over Bid for relief from the United States tender offer rules.

   4.12 Registration under the 1933 Act of the Cyries Shares deliverable to US Shareholders would be costly and burdensome to the Filer.

   4.13 For US Shareholders or holders of Dual Shares who appear to the Filer or to the depositary designated under the Take-Over Bid (the Depositary) to be US Shareholders, who are resident in one of the subject states with no available registration exemption and who are not exempt institutional investors, the Filer proposes to deliver to the Depositary the Cyries Shares that those US Shareholders would otherwise be entitled to receive under the Take-Over Bid, and that the Depositary will then sell the Cyries Shares on behalf of those US Shareholders and deliver to them their respective pro rata share of the cash

proceeds of sale less commissions and applicable withholding taxes.

4.14 Any sale of the Cyries Shares described in paragraph 4.13 will be completed as soon as commercially reasonable following the date on which the Filer takes up the Dual Shares tendered by the US Shareholders under the Take-Over Bid.

4.15 The Take-Over Bid circular and letter of transmittal to be prepared by the Filer and sent to all holders of Dual Shares will disclose the procedure described in paragraph 4.13 to be followed for US Shareholders who tender their Dual Shares pursuant to the Take-Over Bid.

4.16 Except to the extent that relief from the Identical Consideration Requirement is granted, the Take-Over Bid will otherwise be made in compliance with the requirements under the Legislation governing take-over bids.

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, in connection with the Take-Over Bid, the Requested Relief is granted so that US Shareholders who would otherwise receive Cyries Shares under the Take-Over Bid instead receive cash proceeds from the sale of those Cyries Shares in accordance with the procedure set out in section 4.13.

"Glenda A. Campbell, QC"
Vice-Chair
Alberta Securities Commission

"Stephen R. Murison"
Vice-Chair
Alberta Securities Commission

2.1.3 Enerflex Systems Ltd. - 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.

Citation: Enerflex Systems Ltd., 2006 ABASC 1750

October 31, 2006

Bennett Jones LLP
4500 Bankers Hall East
855 - 2 Street SW
Calgary, AB T2P 4K7

Attention: David Dorrans

Dear Sir:

Re: Enerflex Systems Ltd. (the "Applicant") - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Ontario, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador (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:

1. 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;

2. no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;

3. 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

4. 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 in the Jurisdictions.

Relief requested granted on the 31st day of October, 2006.

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

2.1.4 Mesirow Financial Investment Management, Inc. - s. 6.1(1) of MI 31-102 National Registration Database and s. 6.1 of OSCB Rule 13-502 Fees

Headnote

Applicant seeking registration as an international adviser is exempted from the electronic funds transfer requirement pursuant to subsection 6.1(1) of Multilateral Instrument 31-102 National Registration Database and activity fee contemplated under section 4.1 of Ontario Securities Commission Rule 13-502 Fees is waived in respect of this discretionary relief, subject to certain conditions.

Rules Cited

Multilateral Instrument 31-102 National Registration Database (2003) 26 OSCB 926, s. 6.1.
Ontario Securities Commission Rule 13-502 Fees (2003) 26 OSCB 867, ss. 4.1, 6.1.

November 1, 2006

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

AND

**IN THE MATTER OF
MESIROW FINANCIAL INVESTMENT
MANAGEMENT, INC.**

**DECISION
(Subsection 6.1(1) of Multilateral Instrument 31-102
National Registration Database and Section 6.1 of
Ontario Securities Commission Rule 13-502 Fees)**

UPON the Director having received the application of Mesirow Financial Investment Management, Inc. (the **Applicant**) for an order pursuant to subsection 6.1(1) of Multilateral Instrument 31-102 *National Registration Database* (MI 31-102) granting the Applicant relief from the electronic funds transfer requirement contemplated under MI 31-102 and for relief from the activity fee requirement contemplated under section 4.1 of Ontario Securities Commission Rule 13-502 *Fees* (Rule 13-502) in respect of this discretionary relief;

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

AND UPON the Applicant having represented to the Director as follows:

1. The Applicant is organized under the laws of the State of Illinois in the United States of America, and is a subsidiary of Mesirow Financial Holdings, Inc. The Applicant is not a reporting issuer in any province or territory of Canada. The Applicant is

seeking registration under the Act as an international adviser. The head office of the Applicant is located in Chicago, Illinois.

2. MI 31-102 requires that all registrants in Canada enrol with CDS Inc. (CDS) and use the national registration database (NRD) to complete certain registration filings. As part of the enrolment process, registrants are required to open an account with a member of the Canadian Payments Association from which fees may be paid with respect to NRD by electronic pre-authorized debit (the electronic funds transfer requirement or EFT Requirement).

3. The Applicant has encountered difficulties in setting up a Canadian based bank account for purposes of fulfilling the EFT Requirement.

4. The Applicant confirms it is not registered, and does not presently intend to register, in another category in Ontario to which the EFT Requirement applies.

5. Staff of the Canadian Securities Administrators has indicated that, with respect to applications from international dealers and international advisers (or applicants in equivalent categories of registration) for relief from the EFT Requirement, it is prepared to recommend waiving the fee normally required to accompany applications for discretionary relief (the Application Fee).

6. For Ontario registrants, the requirement for payment of the Application Fee is set out in section 4.1 of Rule 13-502.

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

IT IS THE DECISION of the Director, pursuant to subsection 6.1(1) of MI 31-102 that the Applicant is granted relief from the EFT Requirement for so long as the Applicant:

A. makes acceptable alternative arrangements with CDS for the payment of NRD fees and makes such payment within ten (10) business days of the date of the NRD filing or payment due date;

B. pays its participation fee under the Act to the Commission by cheque, draft, money order or other acceptable means at the time of filing its application for annual renewal, which shall be no later than the first day of December in each year;

C. pays any applicable activity fees, or other fees that the Act requires it to pay to the Commission, by cheque, draft, money order or other acceptable means at the appropriate time; and

D. is not registered in any other Canadian jurisdiction in another category to which the EFT Requirement applies;

PROVIDED THAT the Applicant submits a similar application in any other Canadian jurisdiction where it becomes registered as a non-Canadian adviser or in an equivalent registration category;

AND IT IS THE FURTHER DECISION of the Director, pursuant to section 6.1 of Rule 13-502, that the application fee will be waived in respect of the application for this Decision.

“David M. Gilkes”

2.1.5 Sovereign Canadian Equity Pool et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – s. 19.1 of National Instrument 81-102 Mutual Funds – exemption from section 2.7 (1)(a) of NI 81-102 to permit interest rate and credit derivative swaps with a remaining term to maturity of greater than 3 years; exemption from section 2.8(1) of NI 81-102 to the extent that cash cover is required in respect of specified derivatives to permit the Funds to cover specified derivative positions with: bonds, debentures, notes, other evidences of indebtedness and securities of money market funds; and exemption from sections 2.8(1)(d) and (f)(i) NI 81-102 to permit the Funds when they open or maintain a long position in a standardized future or forward contract or when they enter into or maintain an interest rate swap position and during the periods when the Funds are entitled to receive payments under the swap, to use as cover, an option to sell an equivalent quantity of the underlying interest of the standardized future, forward or swap.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.7(1)(a), 2.8(1), 2.8(1)(d), 2.8(1)(f)(i), 19.1.

October 23, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK, NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR, PRINCE EDWARD ISLAND, 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
SOVEREIGN CANADIAN EQUITY POOL
SOVEREIGN US EQUITY POOL
SOVEREIGN OVERSEAS EQUITY POOL
SOVEREIGN GLOBAL EQUITY POOL
SOVEREIGN EMERGING MARKETS EQUITY POOL
SOVEREIGN CANADIAN FIXED INCOME POOL
RUSSELL CANADIAN FIXED INCOME FUND
RUSSELL CANADIAN EQUITY FUND
RUSSELL US EQUITY FUND
RUSSELL OVERSEAS EQUITY FUND
RUSSELL GLOBAL EQUITY FUND
(the "Existing Funds")

AND

RUSSELL INVESTMENTS CANADA LIMITED
(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 under the securities legislation of the Jurisdictions (the "**Legislation**") granting relief from the requirements set out in Sections 2.7(1)(a) and 2.8(1) of National Instrument 81-102 ("**NI 81-102**") in order to permit each Existing Fund and such other mutual funds (except for money market funds) for which the Filer may, in the future, become the manager (together with the Existing Funds, the "**Funds**") to:

(a) cover specified derivative positions with:

  (i) any bonds, debentures, notes or other evidences of indebtedness that are liquid ("**Fixed Income Securities**");

  (ii) floating rate evidences of indebtedness ("**FRNs**"); or

  (iii) securities of money market funds managed by the Manager to which NI 81-102 applies ("**Money Market Funds**");

(b) use as cover, a right or obligation to sell an equivalent quantity of the underlying interest of the standardized future, forward or swap when:

  (i) it opens or maintains a long position in a debt-like security that has a component that is a long position in a forward contract, or in a standardized future or forward contract; or

  (ii) it enters into or maintains an interest rate swap position and during the periods when the Fund is entitled to receive payments under the swap; and

(c) enter into interest rate swaps and credit default swaps ("**CDSs**") with a remaining term to maturity of greater than 3 years.

(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 or NI 81-102 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 the manager of each Fund for purposes of NI 81-102. The Filer is registered under the *Securities Act* (Ontario) as an advisor in the categories of investment counsel and portfolio manager and under the *Commodity Futures Act* (Ontario) as a commodity trading manager.

2. Each Fund is a mutual fund that offers, or has offered, its securities by a prospectus in all the Jurisdictions. Each Fund is a reporting issuer (or the equivalent) under the securities legislation of the Jurisdictions and is subject to the requirements of NI 81-102.

3. The investment objectives and strategies of each Fund permit the Fund to invest a portion of its assets in Fixed Income Securities and to use derivative instruments (including CDSs) to gain exposure to securities and markets instead of investing in the securities directly. Each Fund also may use derivative instruments to reduce risk by protecting the Fund against potential losses from changes in interest rates and reducing the impact of currency fluctuations on the Fund's portfolio holdings. When a Fund uses specified derivatives for non-hedging purposes, the Fund is subject to the cash cover requirement of NI 81-102.

4. The Filer retains investment managers (the "**Investment Managers**") to manage specific portions of the assets of each Fund according to a mandate (a "**Mandate**") established between the Filer and each Investment Manager. The Mandates permit the Investment Managers to use derivatives in accordance with the investment objectives and strategies of the Funds and the requirements of NI 81-102. Each Investment Manager is required to have written policies and procedures in place on the use of derivatives as investments within the Funds. These policies and procedures must set out specific procedures for the authorisation, documentation, reporting, monitoring and review of derivative strategies and positions, which policies and procedures must be reviewed at least annually by each Investment Manager. The Filer also requires that each Investment Manager use risk management processes to monitor and measure the risks of all portfolio holdings, including the derivatives positions in the Funds. The Investment Managers use risk measurement procedures or simulations to test the derivatives holdings of the Funds under stress, where applicable. The Filer is responsible for the investment advice that the Investment Managers provide to the Funds.

5. The Filer has its own written investment guidelines relating to the use of derivatives (the "**Filer's Guidelines**"). The Filer's Guidelines are reviewed on an ongoing basis by senior members of the portfolio management group of the Filer. The Chief Investment Officer of the Filer is responsible for oversight of all derivative strategies permitted by the Funds. In addition, compliance personnel employed by the Filer review the use of derivatives by the Funds as part of their ongoing review of Fund activity. Setting limits and controls on the use of derivatives by the Funds are part of the Filer's Fund compliance regime and include reviews and monitoring by analysts who ensure that the derivative positions of the Funds are within such limits and controls.

6. Strategies currently employed by some Investment Managers from time to time in managing investment portfolios of their other clients in the United States and European jurisdictions are currently prohibited by NI 81-102. The inability of the Investment Managers to use such strategies for the Funds deprives investors in the Funds of the benefits of a more efficient, cost-effective and diversified portfolio.

7. The Requested Relief will be in the best interests of the Funds as it should lead to cost savings, potentially enhance the performance of the Funds and will not leave the Funds exposed to any material incremental risk beyond the risk that the Filer is targeting and is consistent with the investment objectives and strategies of the Funds. Without these exemptions, the Funds will not have the flexibility to enhance yield and to manage more effectively the exposures under specified derivatives.

8. While money market instruments which are required by NI 81-102 as cash cover are highly liquid, the price paid for that liquidity comes in the form of very low yields relative to longer dated instruments and even relative to similar risk alternatives.

9. Throughout the period that each Fund relies on the Requested Relief, the Fund's then current prospectus will disclose the nature of the Requested Relief and that the Fund will be managed consistent with the Requested Relief.

<u>Using Fixed Income Securities, Floating Rates Notes and Money Market Funds as Cash Cover</u>

10. The current definition of "cash cover" in NI 81-102 includes:

(a) commercial paper that has a term to maturity of 365 days or less and an approved credit rating and that was issued by a person or company other than a government or permitted supranational agency; and

(b) cash equivalent that is an evidence of indebtedness with a remaining term to maturity of 365 days or less and that is issued, or full and unconditionally guaranteed as to principal and interest, by government entities that are listed in the definition of "cash equivalent" as defined in NI 81-102,

(collectively, "**short-term debt**").

Fixed Income Securities

11. The definition of "cash cover" addresses regulatory concerns of interest rate risk and credit risk by limiting the term of the instruments and requiring the instruments to have an approved credit rating. By permitting the use of Fixed Income Securities with a remaining term to maturity of 365 days or less and an approved credit rating as cover for specified derivative transactions with respect to the Funds, the regulatory concerns with allowing Fixed Income Securities to be used as cash cover are met since the term and credit rating will be the same as other instruments currently permitted for use as "cash cover". Further, the longer dated instruments will enhance yields for the Funds.

FRNs

12. FRNs are debt securities issued by the federal or provincial governments, Crown corporations or other corporations and other entities with floating interest rates that reset periodically, usually every 30 to 90 days. However, the term to maturity of FRNs can be more than 365 days.

13. For purposes of meeting the cash cover requirement in section 2.8 of NI 81-102, the Funds will invest only in FRNs that have a remaining term to maturity of more than 365 days and with interest rates that reset no longer than every 185 days. The use of FRNs as cash cover can enhance the returns of the Funds without reducing the quality of "cash cover" for the purposes of specified derivatives.

14. There is considered to be minimal interest rate risk associated with FRNs as floating interest rates generally reset on a short term basis, such as every 30 days to 90 days. Credit risk aside, if an FRN resets every 365 days or less, then the interest rate risk of the FRN is about the same as a fixed rate instrument with a term to maturity of 365 days.

15. Further, financial instruments that meet the current "cash cover" requirement have low credit risk. The current "cash cover" requirements provide that evidences of indebtedness of issuers, other than government agencies, must have approved credit ratings. As a result, if the issuer of an FRN is an entity other than a government agency, the FRN will have an approved credit rating as required in NI 81-102.

16. Given the frequent interest rate resets, the nature of the issuer and the adequate liquidity of FRNs, the risk profile and the other characteristics of FRNs are similar to those of short-term debt, which constitutes cash cover under NI 81-102. FRNs will have adequate liquidity and will otherwise meet the requirement for derivative transactions carried out in accordance with section 2.8.

Money Market Funds

17. In order to qualify as "money market funds" under NI 81-102, the Money Market Funds are essentially restricted to investments that are considered to be cash cover. These investments include FRNs if their principal amounts continue to have a market value of approximately par at the time of each change in the rate to be paid to their holders. If the direct investments of the Money Market Funds would constitute cash cover under NI 81-102, then indirectly holding these investments through an investment in securities of Money Market Funds also should satisfy the cash cover requirements of NI 81-102 and may increase the returns on that portion of the assets of each Fund set aside as cover for specified derivative positions.

18. Having the opportunity to pool the money market instruments of the Funds (whether held as cover for specified derivative positions or otherwise) in the Money Market Funds may lead to better yields for all of the Funds.

<u>Using Put Options as Cover for Long Positions in Futures, Forwards and Swaps</u>

19. Regulatory regimes in other countries recognize the hedging properties of options for all categories of derivatives, including long positions evidenced by standardized futures or forwards or in respect of swaps where a fund is entitled to receive payments from the counterparty, provided they are covered by an amount equal to the difference between the market price of a holding and the strike price of the option that was bought or sold to hedge it. NI 81-102 effectively imposes the requirement to overcollateralize, since the maximum liability to the mutual fund under the scenario described is equal to the difference between the market value of the long and the

exercise price of the option. Overcollateralization imposes a cost on a mutual fund.

20. Section 2.8(1)(c) permits a mutual fund to write a put option and cover it with buying a put option on an equivalent quantity of the underlying interest of the written put option. This position has similar risks as a long position in a future, forward or swap and therefore the Funds should be permitted to cover a long position in a future, forward or swap with a put option or short future position.

Interest Rate and Credit Default Swaps

21. The added flexibility given to the Funds to enter into interest rate swaps and CDSs without a restriction as to term of the swap will be particularly beneficial to Funds that are seeking quick and cost effective exposure and diversification for a relatively small amount of fixed income assets.

22. Both the interest rate swap market and CDS market are very large and generally very liquid. Single name CDSs are slightly less liquid than the bonds of their reference entities, while CDSs on an index of credit default swaps (a "**CDX**") are generally more liquid than corporate or emerging markets bonds. A CDX is linked to a number of the most highly liquid CDSs and therefore permits quick and cost effective diversification to high yield and emerging market issuers.

23. The term of a CDS imparts credit risk similar to that of a bond of the reference entity with the same term. Absent the Requested Relief, the Funds will not be able to achieve the same sensitivity to credit risk as the CDXs by using credit default swaps with a maximum term of three years because the average term of CDSs included in a CDX typically is much longer than three years. There is no term restriction in NI 81-102 when investing directly in the reference entities (corporate or sovereign bonds).

24. Permitting the Funds to enter into swaps beyond three year terms will increase the possibility for the Funds to increase returns due to an expanded opportunity set of swaps and enables the Funds to target exposure that might not otherwise be available in the cash bond markets or could not be achieved as efficiently as in the cash bond markets. Further, it enables the Funds to effect hedging transactions that are more efficient and tailored.

25. As part of its Mandate, each Investment Manager can enter into swap transactions on behalf of the Funds only in compliance with certain conditions relating to creditworthiness of the counterparty. Credit risk exposure to a counterparty on a swap transaction is generally a small fraction of the underlying notional exposure, equal to the cumulative price change since the inception of the swap (less any collateral posted by the counterparty). If the Requested Relief is granted, any incremental risk associated with swaps having extended terms to maturity will be adequately mitigated because:

(a) the counterparty must be approved by the Investment Manager and have an approved credit rating prescribed by NI 81-102; and

(b) the Investment Manager will terminate the swap transaction immediately if the counterparty ceases to have an approved credit rating.

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:

1. the Fixed Income Securities have a remaining term to maturity of 365 days or less and have an "approved credit rating" as defined in NI 81-102;

2. the FRNs meet the following requirements:

   (a) the floating interest rates of the FRNs reset no later than every 185 days;

   (b) the FRNs are floating rate evidences of indebtedness with the principal amounts of the obligations that will continue to have a market value of approximately par at the time of each change in the rate to be paid to the holders of the evidences of indebtedness;

   (c) if the FRNs are issued by a person or company other than a government or "permitted supranational agency" as defined in NI 81-102, the FRNs have an "approved credit rating" as defined in NI 81-102;

   (d) if the FRNs are issued by a government or permitted supra-national agency, the FRNs have their principal and interest fully and unconditionally guaranteed by:

(i) the government of Canada or the government of a jurisdiction in Canada; or

(ii) the government of the United States of America, the government of one of the states of the United States of America, the government of another sovereign state or a "permitted supranational agency" as defined in NI 81-102 if, in each case, the FRN has an "approved credit rating" as defined in NI 81-102; and

(e) the FRNs meet the definition of "conventional floating rate debt instrument" in section 1.1 of NI 81-102;

3. the Money Market Funds are subject to NI 81-102;

4. a Fund shall not open or maintain a long position in a debt-like security that has a component that is a long position in a forward contract, or in a standardized future or forward contract, unless the Fund holds:

(a) cash cover including Fixed Income Securities, FRNs and securities of Money Market Funds as permitted by this Decision (collectively, the "Cover") in an amount that, together with margin on account for the specified derivative and the market value of the specified derivative, is not less than, on a daily mark-to-market basis, the underlying market exposure of the specified derivative;

(b) a right or obligation to sell an equivalent quantity of the underlying interest of the future or forward contract, and Cover that, together with margin on account for the position, is not less than the amount, if any, by which the strike price of the future or forward contract exceeds the strike price of the right or obligation to sell the underlying interest; or

(c) a combination of the positions referred to in paragraphs (a) and (b) immediately above that is sufficient, without recourse to other assets of the Fund, to enable the Fund to acquire the underlying interest of the future or forward contract;

5. a Fund shall not enter into or maintain an interest rate swap position unless for periods when the Fund would be entitled to receive payments under the swap, the Fund holds:

(a) Cover in an amount that, together with margin on account for the swap and the market value of the swap, is not less than, on a daily mark-to-market basis, the underlying market exposure of the swap;

(b) a right or obligation to enter into an offsetting interest rate swap on an equivalent quantity and with an equivalent term and Cover that, together with margin on account for the position, is not less than the aggregate amount, if any, of the obligations of the Fund under the interest rate swap less the obligations of the Fund under such offsetting interest rate swap; or

(c) a combination of the positions referred to in paragraphs (a) and (b) immediately above that is sufficient, without recourse to other assets of the Fund, to enable the Fund to satisfy its obligations under the interest rate swap; and

6. a Fund shall not enter into an interest rate swap or CDS with a remaining term to maturity of greater than 3 years unless such an interest rate swap or CDS is permitted by the investment objectives and strategies of the Fund;

7. the Funds disclose the nature and terms of this relief in the Funds' prospectus under the Investment Strategies section, or in the introduction to Part B of the prospectus with a cross-reference thereto under the Investment Strategies section, and in the Funds' annual information form.

"Leslie Byberg"
Manager, Investment Funds
Ontario Securities Commission

2.1.6 TransAlta Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1 - Continuous Disclosure Obligations - Financial Statements - delivery - Issuer seeking relief from the requirement to deliver its financial statements by the filing deadline - The issuer is an SEC issuer as defined in NI 51-102. The issuer must file its financial statements and related MD&A with the Commission when it files them with the SEC. The issuer prepares and files its financial statements and related MD&A with the SEC before it would otherwise be required to file them with the Commission. The issuer will deliver the financial statements by the later of the date it would be required to file them with the Commission if it did not file the financial statements and related MD&A with the SEC, and 10 days after receiving the request for the financial statements and related MD&A.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 4.2(a), 4.4(a), 4.6(3), 5.6(1), 13.1.

Citation: TransAlta Corporation, 2006 ABASC 1710

October 24, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, 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
TRANSALTA CORPORATION (the Filer)

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (the Decision Maker) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Newfoundland and Labrador (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 requirement to send its interim financial statements and its annual financial statements (collectively, the Financial Statements) and interim and annual MD&A (collectively, MD&A) by the date the Filer files its Financial Statements and related MD&A with the SEC to any securityholder that requests a copy of the Financial Statements and related MD&A (the Requested Relief).

2. Under the Mutual Reliance Review System for Exemptive Relief Applications:

   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 Definitions and in National Instrument 51-102 Continuous Disclosure Obligations have the same meaning in this decision unless they are otherwise defined in this MRRS Decision Document.

Representations

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

   4.1 The Filer is incorporated under the laws of Canada with its head office located in Calgary, Alberta.

   4.2 The Filer is a reporting issuer in each of the Jurisdictions where that concept exists and is a SEC issuer within the meaning of National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102).

   4.3 The Filer is up-to-date in its current continuous filing obligations under the Legislation and is not on the list of defaulting reporting issuers maintained by any of the Decision Makers.

   4.4 The common shares of the Filer are listed on the Toronto Stock Exchange and the New York Stock Exchange.

   4.5 The Filer files its Financial Statements and related MD&A with the securities regulatory authorities in each of the Jurisdictions in accordance with the Legislation concurrently with filing those materials with the SEC in accordance with the 1934 Act.

4.6 The Filer files one set of financial statements in both Canada and the United States of America (US) prepared in accordance with Canadian generally accepted accounting principles (GAAP) and audited in accordance with Canadian generally accepted auditing standards. The notes to the annual financial statements include a summary of differences between Canadian and US GAAP.

4.7 Under the Legislation, the Filer is required to send a copy of the Financial Statements and related MD&A to security holders of the Filer who have requested Financial Statements and related MD&A (Requesting Security Holders).

4.8 The Legislation requires that copies of the requested Financial Statements and MD&A must be sent to a Requesting Security Holder by the later of:

4.8.1 the filing deadline for the Financial Statements and MD&A requested (the Delivery Deadline); and

4.8.2 10 calendar days after the Filer receives the request.

4.9 The filing deadline for the Filer is determined pursuant to provisions in the Legislation which state that the Financial Statements and MD&A must be filed:

4.9.1 in the case of the Filer's annual financial statements and related MD&A, on or before the earlier of:

4.9.1.1 the 90th day after the end of its most recently completed financial year; and

4.9.1.2 the date of filing of the Filer's annual financial statements with the SEC; or

4.9.2 in the case of the Filer's interim financial statements and related MD&A, on or before the earlier of:

4.9.2.1 the 45th day after the end of the interim period; and

4.9.2.2 the date of filing of the Filer's interim financial statements with the SEC.

4.10 The Filer files its Financial Statements and related MD&A in each of the Jurisdictions in accordance with the Legislation, concurrent with the filing of those materials with the SEC and, in the ordinary course, these filings are made prior to the filing deadline otherwise applicable pursuant to the Legislation if such materials were not also filed with the SEC.

4.11 Accordingly, the Delivery Deadline for Financial Statements and related MD&A is generally determined by reference to the date the Financial Statements are filed with the SEC.

4.12 Under the Legislation, reporting issuers that are not SEC issuers, or that do not otherwise file financial statements with a foreign securities regulatory authority, have until 45 days, in the case of interim financial statements and related MD&A, or 90 days, in the case of annual financial statements and related MD&A, following the applicable reporting period to send their financial statements regardless of when the financial statements and related MD&A are filed with Canadian securities regulatory authorities.

4.13 Because the Delivery Deadline under the Legislation is effectively triggered for the Filer by the filing of the Financial Statements and related MD&A with the SEC, the Filer would have to delay filing its Financial Statements and related MD&A with Canadian securities regulatory authorities and the SEC, even though they are available for filing, in order to be able to satisfy the delivery obligations under the Legislation.

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 Filer sends its Financial Statements and related MD&A to a Requesting Security holder:

6.1 in the case of annual financial statements and related MD&A, by the later of:

6.1.1 90 days after the end of the applicable financial year end; and

6.1.2 10 calendar days after the Filer receives the request; and

6.2 in the case of interim financial statements and related MD&A, by the later of:

6.2.1 45 days after the end of the applicable interim period; and

6.2.2 10 calendar days after the Filer receives the request.

"Agnes Lau, CA"
Associate Director, Corporate Finance
Alberta Securities Commission

2.1.7 Investors Global Bond Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – section 19.1 of National Instrument 81-102 Mutual Funds – exemption from section 2.1(1) of NI 81-102 to permit investments in evidences of indebtedness guaranteed by a government for up to 20% of a mutual fund's net assets where the evidences of indebtedness are rated "AA" and up to 35% of a mutual fund's net assets where the evidences of indebtedness are rated "AAA".

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.1(1), 19.1.

August 25, 2006

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

AND

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

AND

IN THE MATTER OF
INVESTORS GLOBAL BOND FUND
(the "Filer" or "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 the Filer for a decision under the securities legislation of the Jurisdictions (the "Legislation") exempting the Filer pursuant to section 19.1 of National Instrument 81-102 Mutual Funds ("NI 81-102") from the requirement in section 2.1(1) of NI 81-102 to permit the Filer to invest up to:

1. 20% of its net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction, or the government of the United States of America and are rated "AA" by Standard & Poor's, or have an equivalent rating by one or more other approved credit rating organizations; and

2. 35% of its net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction, or the government of the United States of America and are rated "AAA" by Standard & Poor's, or have an equivalent rating by one or more other approved credit rating organizations.

(paragraphs 1 and 2 collectively will be referred to as the "Requested Relief")

Under the Mutual Reliance Review System for Exemptive Relief Applications

(a) the Manitoba 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 otherwise defined in this decision.

Representations

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

1. The Fund is a unit trust mutual fund governed by a Restated Trust Agreement dated September 23, 1994. The Fund commenced the distribution of its units in September, 1992. The Fund is currently distributed under a Simplified Prospectus and Annual Information Form dated June 30, 2006 (SEDAR Project # 934947).

2. Investors Group Trust Co. Ltd. (head office in Winnipeg) is the trustee of the Fund. Day-to-day investment advisory services and administration, including unitholder record keeping and tax reporting, is provided by I.G. Investment Management, Ltd. (the "Manager"), also of Winnipeg. These companies are directly or indirectly owned by IGM Financial Inc. (formerly known as Investors Group Inc.).

3. The Fund's objective is to provide interest income and potential capital growth by investing primarily in bonds and debentures of non-Canadian issuers. The Fund seeks to achieve its objective through participation in the debt markets of various countries by primarily investing in fixed income securities issued by non-Canadian issuers, including:

    - foreign governments, their guarantees and agencies, as well as the debt issues of the political subdivisions of those countries;
    - supranational organizations such as the World Bank; and
    - foreign corporations.

4. The Fund may also invest a portion of its assets in high-yield debt securities rated below investment grade, including debts issued by governments of emerging market countries, provided that the Fund will not purchase any debt security rated below "BBB" (or an equivalent rating) by any Recognized Credit Rating Agency and further provided that the Fund will maintain an overall weighted average of its debt portfolio at a rating of "A" (or an equivalent rating) or higher.

5. The Fund issues one retail series of units which are available for purchase under a Deferred Sales Charge purchase option and a No-Load purchase option. As at September 30, 2005, the Fund had approximately 7,114,000 Series C (retail series) units issued and outstanding. The Fund's net asset value on that date was approximately $161,303,000 for both Series C (retail series) and Series Z (institutional series) units.

6. The Fund's benchmark index for its peer group is the Citicorp World Government Bond Index (formerly known as the Salomon Smith Barney World Government Bond Index) (the "Index"). As disclosed in the most recent annual management report of fund performance, the annual compound performance of the Fund as compared to the Index is as follows (as at September 30, 2005):

	1 Year	3 Years	5 Years	10 Years
Investors Global Bond Fund	-1.97%	0.58%	4.68%	3.40%
Citicorp World Gov't Bond	-5.49%	-2.64%	2.73%	3.97%

7. The Fund is also held as an Underlying Fund by several other Investors Group fund-of-funds (referred to as 'Portfolio' funds), as indicated below (as at December 31, 2004):

Investors Group Portfolio Fund	% of Portfolio Fund invested in the Fund	% of Net Assets of the Fund held by the Portfolio Fund
Alto Conservative Portfolio	5%	0.52%
Alto Monthly Income Portfolio	10%	2.66%
Investors Retirement Plus Portfolio	10%	70.53%

8. Sections 2.1(1) and 2.1(2) of NI 81-102 restricts mutual funds from investing no more than ten (10%) percent of their assets in any single issuer, save and except for securities issued or guaranteed as to principal and interest by the Government of Canada or an agency thereof, or by the Government of any Province of Canada or an agency thereof, or by the Government of the United States of America or an agency thereof.

9. By letter dated January 26, 1993 from The Manitoba Securities Commission, the Fund obtained relief from Section 2.04(1) of National Policy Statement No. 39 (the forerunner of Section 2.1 of NI 81-102) to permit it to invest up to 25% of its net assets in each of the securities issued or guaranteed by each of the governments of Japan, Germany, France, and the United Kingdom. Pursuant to Section 19.2(3) of NI 81-102, the Fund continues to rely upon this exemption. In addition, by Order dated February 1, 1993 from the Quebec Securities Commission (Decision No. 92-C-0016), the Fund obtained similar relief from the application of Article 283 of the Quebec Securities Regulation.

10. In 1993, when the Fund obtained its current relief, there were greater diversification opportunities as the European debt markets comprised several currency-denominated issuers (including well developed and liquid markets for Lira, Franc, and Mark issued debt securities), each impacted by national government monetary policies. In contrast, today the European debt markets are dominated by Euro-currency denominated debt which comprises approximately 40% of the world government bond market and the coordinated monetary policy followed by the members of the European Union has effectively reduced diversification opportunities. Therefore, under existing circumstances, if the Manager believes that Euro-currency denominated debt instruments are relatively over-valued, a higher exposure to other debt markets may be required.

11. In Companion Policy 81-102CP, the Canadian Securities Administrators state their views on various matters relating to NI 81-102. Section 3.1(4) of the Companion Policy indicates that the relief from paragraph 2.04(1)(a) of NP39, which is replaced by Section 2.1 of NI 81-102, has been provided to mutual funds generally under the following circumstances:

    1) The mutual Fund has been permitted to invest up to 20% of its net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction or the government of the United States of America and are rated "AA" by Standard & Poor's, or have an equivalent rating by one or more other approved credit rating organizations; and

    2) The mutual fund has been permitted to invest up to 35% of its net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued by issuers described in paragraph 1) and are rated "AAA" by Standard & Poor's, or have an equivalent rating by one or more other approved credit rating organizations.

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 except that the Filer is permitted to invest up to 25% of its net assets in each of the securities issued or guaranteed by each of the governments of Japan, Germany, France, and the United Kingdom.

"R.B. Bouchard"
Director, Corporate Finance
The Manitoba Securities Commission

2.1.8 Veolia Environnement - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Application for relief from the prospectus requirement and the dealer registration requirement in respect of certain trades made in connection with an employee share offering pursuant to a classic offering and a leveraged offering by a French issuer – Relief granted to the manager of the fund from the adviser registration requirement.

Applicable Legislative Provisions

National Instrument- 45-106 Prospectus and Registration Exemptions.
National Instrument 45-102 Resale of Securities.

Applicable Ontario Statutory Provisions

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

October 27, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
QUÉBEC, ONTARIO, ALBERTA
AND BRITISH COLUMBIA
(the "Jurisdictions")

AND

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

AND

IN THE MATTER OF
VEOLIA ENVIRONNEMENT (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 under the securities legislation of the Jurisdictions (the "**Legislation**") for:

1. an exemption from the prospectus requirements of the Legislation (the "**Prospectus Relief**") so that such requirements do not apply to trades in the units ("**Units**") of two collective shareholding vehicles, the FCPE Sequoia Souscription International 2006 (the "**Intermediary Classic Fund**") and the Sequoia Classique International FCPE (the "**Principal Classic Fund**", and together with the Intermediary Classic Fund, the "**Classic Fund**") and one compartment, Sequoia Symphonie International 2006, of another collective shareholding vehicle, FCPE Sequoia Harmonie International (the "**Leveraged Fund**", together with the Classic Fund, the "**Funds**") made pursuant to the Employee Share Offering (as defined below) to or with Qualifying Employees (as defined below) resident in the Jurisdictions who elect to participate in the Employee Share Offering (the "**Canadian Participants**");

2. an exemption from the dealer registration requirements of the Legislation (the "**Registration Relief**") so that such requirements do not apply to trades in Units of the Classic Fund made pursuant to the Employee Share Offering to or with Canadian Participants, nor to trades in Units of the Leveraged Fund made pursuant to the Employee Share Offering to or with Canadian Participants not resident in Ontario; and

3. an exemption from the adviser registration requirements and dealer registration requirements of the Legislation so that such requirements do not apply to the manager of the Funds, Natexis Asset Management (the "**Manager**") to the extent that its activities described in paragraphs 29 and 30 hereof require compliance with the adviser registration requirements and dealer registration requirements (collectively, with the Prospectus Relief and the Registration Relief, the "**Initial Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications

(a) the Autorité des marchés financiers is the principal regulator for this application, and

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

Interpretation

Defined terms contained in National Instrument 14-101 Definitions or in the Autorité des marchés financiers' Notice 14-101 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 corporation formed under the laws of France. It is not and has no intention of becoming a reporting issuer (or equivalent) under the Legislation. The shares of the Filer (the "**Shares**") are listed on Euronext Paris and on the New York Stock Exchange (in the form of American Depositary Receipts).

2. The Filer carries on business in Canada through the following affiliated companies: John Meunier Inc., Veolia Water Canada Inc., Veolia ES Canada Industrial Services Inc., Veolia ES Canada Services Industrielles Inc., Veolia ES Matieres Residuelles Inc., Veolia ES Services D'Assainissement Inc., Veolia ES Sewer Services (Ottawa) Inc., Veolia ES Sewer Services Inc., Veolia ES Canada Inc., 2172-0677 Quebec Inc., 2422-3026 Quebec Inc., Groupe Connex GVI Inc., Groupe Viens Inc. and Les Autobus Boulais Ltée. (the "**Canadian Affiliates**", together with the Filer and other affiliates of the Filer, the "**Veolia Group**"). Each of the Canadian Affiliates is a direct or indirect controlled subsidiary of the Filer and is not, and has no intention of becoming, a reporting issuer (or equivalent) under the Legislation.

3. The Filer offers for subscription Shares to employees of the Veolia Group within the frame of its employee savings plan (the "**Employee Share Offering**"). The Employee Share Offering is comprised of two subscription options: (i) an offering of Shares to be subscribed through the Intermediary Classic Fund (which will be merged with the Principal Classic Fund after completion of the Employee Share Offering (the "**Classic Plan**"); and (ii) an offering of Shares to be subscribed through the Leveraged Fund (the "**Leveraged Plan**").

4. Only persons who are employees of a member of the Veolia Group at the time of the Employee Share Offering with a minimum seniority of three months (the "**Qualifying Employees**") will be invited to participate in the Employee Share Offering.

5. The Funds were established for the purpose of implementing the Employee Share Offering.

6. The Funds are not and have no intention of becoming reporting issuers under the Legislation.

7. The Funds are collective shareholding vehicles (fonds communs de placement d'entreprise or "**FCPEs**") of a type commonly used in France for the conservation or custodianship of shares held by employee investors. The Funds have been registered with and approved by the Autorité des marchés financiers in France (the "**French AMF**"). Only Qualifying Employees will be allowed to hold Units of the Funds in an amount proportionate to their respective investments in the Funds.

8. Under French law, all Units acquired in the Employee Share Offering will be subject to a hold period of approximately five years (the "**Lock-Up Period**"), subject to certain exceptions prescribed by French law (such as a release on death or termination of employment).

9. The Canadian Affiliates will, as part of the Employee Share Offering, offer the Canadian Participants a matching contribution in the form of Shares issued by the Filer and awarded for free to be contributed under the Classic Plan (the "**Contributed Shares**"). For this purpose, the Filer will issue Shares at the Subscription Price (defined below) corresponding to the amount of the matching contribution to which each employee is entitled pursuant to his or her personal investment, as predetermined and communicated to the Canadian Participants prior to the commencement of Employee Share Offering (the "**Matching Contribution Program**").

10. Under the Classic Plan, at the end of the Lock-Up Period or in the event of an early redemption resulting from the Canadian Participant exercising one of the exceptions to the Lock-Up Period prescribed by French law, a Canadian Participant may (i) redeem Units in the Classic Fund for a cash payment equal to the then market value of the Shares, or (ii) continue to hold Units in the Classic Fund and redeem those Units at a later date.

11. Under the Leveraged Plan, at the end of the Lock-Up Period, the Swap Agreement (defined below) will terminate; after making the final swap payments, a Canadian Participant may: (i) redeem his or her Units of the Leveraged Fund in consideration for payment of an amount calculated pursuant to the Redemption Formula (defined below); (ii) transfer his or her Units of the Leveraged Fund in consideration for the issuance of Units of equivalent value of the Classic Fund, which may in future be redeemed for an equivalent amount in cash; or (c) retain his or her Units of the Leveraged Fund until he or she wishes to redeem them.

12. Under the Classic Plan, Canadian Participants will be issued Units in the Classic Fund, which will subscribe for Shares on behalf of the Canadian Participants, at a subscription price that is equal to the average of the opening price of the Shares on the 20 trading days preceding the date of fixing of the subscription price by the Filer (the "**Reference Price**"), less a 20% discount (the "**Subscription Price**").

13. Dividends paid on the Shares held in the Classic Fund will be contributed to the Classic Fund and used to purchase additional Shares. To reflect this reinvestment, no additional Units (or fractions thereof) of the Classic Fund will be issued to employees; rather, the net asset value of Units of the Classic Fund will be increased to reflect this dividend reinvestment.

14. Under the Leveraged Plan, Canadian Participants will subscribe for Units in the Leveraged Fund, and the Leveraged Fund will then subscribe for

Shares using the Employee Contribution (as described below) and certain financing made available by Calyon (the "**Bank**"), which is governed by the laws of France.

15. Canadian Participants in the Leveraged Plan receive a 20% discount on the Reference Price.

16. Participation in the Leveraged Plan represents an opportunity for Qualifying Employees potentially to obtain significantly higher gains than would be available through participation in the Classic Plan, by virtue of the Qualifying Employee's indirect participation in a financing arrangement involving a swap agreement (the "**Swap Agreement**") between the Leveraged Fund and the Bank. In economic terms, the Swap Agreement effectively involves the following exchange of payments: for each Share which may be subscribed for by the Qualifying Employee's contribution (the "**Employee Contribution**") under the Leveraged Plan at the Reference Price less the 20% discount, the Bank will lend to the Leveraged Fund (on behalf of the Canadian Participant) an amount sufficient to enable the Leveraged Fund (on behalf of the Canadian Participant) to subscribe for an additional 1.5 Shares (the "**Bank Contribution**") at the Reference Price less the 20% discount.

17. Under the terms of the Swap Agreement, at the end of the Lock-Up Period (the "**Settlement Date**"), the Leveraged Fund will owe to the Bank an amount equal to the market value of the Shares held in the Leveraged Fund, less

    (i) 100% of the Employee Contributions; plus

    (ii) a guaranteed yield of 10% on the Subscription Price; and

    (iii) an amount equal to 1.6 times the Average Increase (as defined below), if any, of the shares acquired with the Employee Contributions (together with (i) and (ii) above, the "**Redemption Formula**")

18. The "**Average Increase**" is determined as the difference between (i) the average of the closing price of a Share observed on the last trading day of each month (a "**Monthly Quote**") on Eurolist Euronext Paris during the five year term of the Leveraged Plan (i.e., the average of sixty quotes), and (ii) the Subscription Price. If a Monthly Quote is less than the Subscription Price, the Subscription Price will be substituted for the Monthly Quote for that month in the calculation of the Average Increase.

19. If, at the Settlement Date, the market value of the Shares held in the Leveraged Fund is less than 100% of the Employee Contributions, the Bank will, pursuant to a guarantee agreement, make a cash contribution to the Leveraged Fund to make up any shortfall.

20. At the end of the Lock-Up Period, the Swap Agreement will terminate after the making of final swap payments and a Canadian Participant (i) may redeem his or her Leveraged Fund Units in consideration for a payment of an amount calculated pursuant to the Redemption Formula; (ii) transfer his or her Units of the Leveraged Fund in consideration for the issuance of Units of equivalent value of the Classic Fund; or (iii) retain his or her Units in the Leveraged Fund until he or she wishes to redeem them.

21. Under no circumstances will a Canadian Participant in the Leveraged Fund be entitled to receive less than 100% of his or her Employee Contribution at the end of the Lock-Up Period, nor be liable for any other amounts.

22. Under French law, each Fund, as a FCPE, is a limited liability entity. Each Fund's portfolio will consist exclusively of Shares of the Filer and, in the case of the Classic Fund, from time to time, cash in respect of dividends paid on the Shares which will be reinvested in Shares. The Leveraged Fund's portfolio will also include the Swap Agreement. From time to time, either portfolio may include cash or cash equivalents that the Funds may hold pending investments in Shares and for purposes of Unit redemptions. The risk statement provided to Canadian Participants will confirm that, under no circumstances, will a Canadian Participant in the Leveraged Plan be liable to any of the Leveraged Fund, the Bank or the Filer for any amounts in excess of his or her Employee Contribution under the Leveraged Plan.

23. During the term of the Swap Agreement, dividends paid on the Shares held in the Leveraged Fund will be remitted to the Leveraged Fund, and the Leveraged Fund will remit an equivalent amount to the Bank as partial consideration for the obligations assumed by the Bank under the Swap Agreement.

24. For Canadian federal income tax purposes, the Canadian Participants in the Leveraged Fund should be deemed to receive all dividends paid on the Shares financed by either the Employee Contribution or the Bank Contribution, at the time such dividends are paid to the Leveraged Fund, notwithstanding the actual non-receipt of the dividends by the Canadian Participants by virtue of the terms of the Swap Agreement. Consequently, Canadian Participants will be required to fund the tax liabilities associated with the dividends from their own resources.

25. The declaration of dividends on the Shares remains at the sole discretion of the board of directors of the Filer. The Filer has not made any commitment to the Bank as to any minimum payment in respect of dividends.

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

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

28. The Manager, Natexis Asset Management, is an asset management company governed by the laws of France. The Manager is registered with the French AMF to manage French investment funds and complies with the rules of the French AMF. The Manager is not and has no intention of becoming a reporting issuer under the Legislation.

29. The Manager's portfolio management activities in connection with the Employee Share Offering and the Funds are limited to subscribing for Shares from the Filer, selling such Shares as necessary in order to fund redemption requests, and such activities as may be necessary to give effect to the Swap Agreement.

30. The Manager is also responsible for preparing accounting documents and publishing periodic informational documents as provided by the rules of each Fund. The Manager's activities in no way affect the underlying value of the Shares and the Manager will not be involved in providing advice to any Canadian Participants.

31. Shares issued in the Employee Share Offering will be deposited in the relevant Fund through Natexis Banque Populaires (the "**Depositary**"), a large French commercial bank subject to French banking legislation.

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

33. The Canadian resident Qualifying Employees will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.

34. The total amount invested by a Qualifying Employee in the Employee Share Offering, including any Bank Contribution, cannot exceed 25% of his or her estimated gross annual compensation for 2006.

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

36. The Filer will retain a securities dealer registered as a broker/investment dealer under the Legislation of Ontario (the "**Registrant**") to provide advisory services to Canadian Participants resident in Ontario who express interest in the Leveraged Plan and to make a determination, in accordance with industry practices, as to whether an investment in the Leveraged Plan is suitable for each such Canadian Participant based on his or her particular financial circumstances. The Registrant will establish accounts for, and will receive the initial account statements from the Leveraged Fund on behalf of, such Canadian Participants. The Units of the Leveraged Fund will be issued by the Leveraged Fund to Canadian Participants resident in Ontario solely through the Registrant.

37. Units of the Leveraged Fund will be evidenced by account statements issued by the Leveraged Fund.

38. The Canadian Participants will receive an information package in the French or English language, as applicable, which will include a summary of the terms of the Employee Share Offering, a tax notice containing a description of Canadian income tax consequences of subscribing to and holding the Units in the Funds and redeeming Units for cash at the end of the Lock-Up Period. The information package for Canadian Participants in the Leveraged Plan will include all the necessary information for general inquiry and support with respect to the Leveraged Plan and will also include a risk statement which will describe certain risks associated with an investment in Units pursuant to the Leveraged Plan, and a tax calculation document which will illustrate the general Canadian federal income tax consequences of participating in the Leveraged Plan.

39. Upon request, Canadian Participants may receive copies of the Filer's annual report on Form 20-F filed with the United States Securities and Exchange Commission and/or the French *Document de Référence* filed with the French AMF in respect of the Shares and a copy of the relevant Fund's rules (which are analogous to company by-laws). The Canadian Participants will also receive copies of the continuous disclosure materials relating to the Filer furnished to the Filer's shareholders generally.

40. There are approximately 2,306 Qualifying Employees resident in Canada, in the provinces of Québec (1,674), Ontario (588), British Columbia (39) and Alberta (5), who represent in the aggregate less than 1% of the number of Veolia Group's employees worldwide.

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

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 Initial Requested Relief is granted provided that:

1. the first trade in any Units acquired by Canadian Participants pursuant to this Decision in a Jurisdiction is deemed a distribution or a primary distribution to the public under the Legislation of such Jurisdiction unless the following conditions are met:

   (a) the issuer of the security

      (i) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or

      (ii) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;

   (b) at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada

      (i) did not own directly or indirectly more than 10 percent of the outstanding securities of the class or series, and

      (ii) did not represent in number more than 10 percent of the total number of owners directly or indirectly of securities of the class or series; and

   (c) the first trade is made

      (i) through an exchange, or a market, outside of Canada, or

      (ii) to a person or company outside of Canada; and

(2) in Quebec, the required fees are paid in accordance with Section 271.6(1.1) of the *Securities Regulation* (Québec).

"Josée Deslauriers"
Director, Capital Markets
Autorité des marchés financiers

"Claude Lessard"
Manager, Supervision of Intermediaries
Autorité des marchés financiers

2.1.9 Goldcorp Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – National Instrument 43-101 Standards of Disclosure for Mineral Projects, s. 9.1 – Issuer wants relief from the timing requirements for filing a technical report – The issuer has current technical reports on all but one of its material mineral properties; for that property the issuer will provide sufficient alternate information in the information circular and name a qualified person who is responsible for the relevant disclosure; undertakings relating to the supplement to the information circular have been filed on the issuer's SEDAR profile; the issuer will file the supporting technical report within a reasonable time after filing the information circular.

Applicable Ontario Provisions

National Instrument 43-101 Standards of Disclosure for Mineral Projects, ss. 4.2(4), 9.1.

October 13, 2006

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

AND

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

AND

IN THE MATTER OF
GOLDCORP INC.
(GOLDCORP)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from Goldcorp, on behalf of Glamis Gold Ltd. (Glamis) and its own behalf, for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting Goldcorp and Glamis from the requirement in section 4.2(4) of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (NI 43-101), to file a technical report supporting information in an information circular not later than the time the circular is filed or made available to the public.

Under the Mutual Reliance Review System for Exemptive Relief Applications:

(a) the British Columbia 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 Goldcorp:

Facts

Goldcorp

1. Goldcorp is a corporation incorporated under the laws of Ontario; Goldcorp's registered and head office is located at Suite 3400, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8;

2. the common shares of Goldcorp (Goldcorp Shares) are listed and posted for trading on the Toronto Stock Exchange under the symbol "G" and the New York Stock Exchange under the symbol "GG"; Goldcorp is authorized to issue an unlimited number of Goldcorp Shares of which, as of August 24, 2006, 418,147,546 were outstanding;

3. Goldcorp is a gold mining company engaged in the acquisition, exploration and operation of precious metal properties with interests in the following mineral projects which, for the purpose of NI 43-101, will be considered mineral projects material to Goldcorp after it completes its proposed plan of arrangement, described below, with Glamis (Goldcorp and Glamis, together the Combined Company):

   (a) 100% interest in the Red Lake mine (Red Lake) and the Campbell mine (Campbell) located in Ontario (collectively Red Lake/Campbell);

   (b) 37.5% interest in the Alumbrera gold/copper mine (Alumbrera) located in Argentina;

   (c) 100% interest in the San Dimas gold/silver mines (San Dimas) located in Mexico;

(d) 40% interest in the Pueblo Viejo development project (Pueblo Viejo) located in the Dominican Republic; and

(e) 100% interest in the Los Filos gold development project (Los Filos) located in Mexico

(collectively the Goldcorp Property Interests).

4. Goldcorp acquired its interest in Alumbrera, San Dimas and Los Filos as a result of its acquisition of Wheaton River Minerals Ltd. (Wheaton) on April 15, 2005;

5. Goldcorp acquired Campbell, which was previously owned by Placer Dome Inc. (Placer), from Barrick Gold Corporation (Barrick) on May 12, 2006; Campbell is adjacent to Red Lake but has historically been managed as a separate mine due to the different ownership of Campbell and Red Lake;

6. Goldcorp acquired its interest in Pueblo Viejo, which was previously owned by Placer, from Barrick on May 12, 2006;

7. Goldcorp is a reporting issuer or equivalent in all Canadian provinces and territories and is eligible to use the short form prospectus system established by National Instrument 44-101 – *Short Form Prospectus Distributions* (NI 44-101);

8. Goldcorp files periodic reports with the U.S. Securities and Exchange Commission pursuant to the requirements of the U.S. Securities Exchange Act of 1934, as amended;

Glamis

9. Glamis is a corporation incorporated under the laws of British Columbia; Glamis' registered office is located at Suite 1500, 1055 West Georgia St., P.O. Box 11117, Vancouver, British Columbia V6E; Glamis' head office is located at 5190 Neil Road, Suite 310, Reno, Nevada, USA 89502;

10. the common shares of Glamis (Glamis Shares) are listed and posted for trading on the Toronto Stock Exchange and the New York Stock Exchange under the symbol "GLG"; Glamis is authorized to issue an unlimited number of Glamis Shares of which, as of August 31, 2006, 167,036,020 were outstanding;

11. Glamis is a gold mining company engaged in the acquisition, exploration and operation of precious metal properties with interests in the following mineral projects, which will be considered mineral projects material to the Combined Company for the purpose of NI 43-101:

(a) 100% interest in the Marlin mine (Marlin) located in Guatemala; and

(b) 100% interest in the Peñasquito project (Peñasquito) located in Mexico

(collectively the Glamis Property Interests).

12. Glamis acquired Peñasquito as a result of its acquisition of Western Silver Corporation on May 3, 2006;

13. Glamis is a reporting issuer or equivalent in all Canadian provinces and territories and is eligible to use the short form prospectus system established by NI 44-101;

14. Glamis files periodic reports with the U.S. Securities and Exchange Commission pursuant to the requirements of the U.S. Securities Exchange Act of 1934, as amended;

The Arrangement

15. Goldcorp and Glamis have entered into an amended and restated arrangement agreement (the Agreement) dated as of August 30, 2006; under the terms of the Agreement, Glamis shareholders will receive 1.69 Goldcorp Shares and C$0.0001 in cash for each Glamis Share (the Arrangement); upon completion of the Arrangement, Glamis will be a wholly-owned subsidiary of Goldcorp and will cease to be a publicly-traded company;

16. it is anticipated that approximately 288,000,000 Goldcorp Shares will be issued in connection with the Arrangement;

17. The shareholders of Glamis must approve the Arrangement; a meeting (the Meeting) of the shareholders of Glamis has been called for October 26, 2006 (the Meeting Date) to consider the Arrangement;

18. Glamis, with assistance from Goldcorp, is preparing a management information circular (the Circular) in connection with the Meeting which will contain and/or incorporate by reference information regarding Glamis and Goldcorp, including information regarding the Goldcorp Property Interests and the Glamis Property Interests;

19. a technical report, within the meaning of NI 43-101, has been filed in respect of each of the following Goldcorp Property Interests: Alumbrera, San Dimas, Los Filos and Pueblo Viejo; specifically, a report dated January 2003 entitled Technical Report on Mining and Processing Assets of Peak Gold Mines, in New South Wales, Australia and Minera Alumbrera Ltd., in Argentina prepared by Micon International Limited (Micon)

for Wheaton, a report dated March 9, 2005 entitled "An audit of the Mineral Resources/Reserves Tayoltita, Santa Rita, San Antonio, and San Martin Mines as of December 31, 2004 for Wheaton River Minerals Ltd." prepared by Watts, Griffis and McOuat Limited for Wheaton, a report dated March 31, 2006 entitled "Technical Report NI 43-101F1 Los Filos Project" prepared by Snowdon Mining Industry Consultants for Goldcorp, and a report dated October 26, 2005 entitled "Pueblo Viejo Project: Province of Sanchez Ramirez, Dominican Republic 43-101 Report and Qualified Person's Review" prepared by AMEC Americas Limited for Placer and readdressed to Goldcorp (collectively the Goldcorp Technical Reports);

20. since the respective dates of the Goldcorp Technical Reports, no new material information exists regarding Alumbrera, San Dimas, Los Filos or Pueblo Viejo, which would require the filing of a current technical report under NI 43-101 for these properties;

21. Placer did not file a NI 43-101 technical report for Campbell; based on Placer's public disclosure, Placer did not characterize Campbell as a material mineral project within the meaning of NI 43-101; to date, Goldcorp has disclosed the most recent estimates of mineral reserves and mineral resources on Campbell, as at December 31, 2005, disclosed by Placer, within its overall estimate of mineral reserves and mineral resources at Red Lake; employees of Placer, formerly a senior producing issuer, prepared the estimate of mineral reserves and mineral resources at Campbell in accordance with NI 43-101, and in accordance with Placer's policies and procedures; Goldcorp is currently in the process of integrating Red Lake and Campbell into one operation; in connection with this integration, Goldcorp will prepare a new estimate of mineral reserves and mineral resources and will prepare a technical report in accordance with NI 43-101 concerning the combined operations; Goldcorp will file a technical report for Red Lake/Campbell within 45 days after the date the Circular is filed;

22. the disclosure in the Circular regarding Red Lake, Alumbrera, San Dimas, Los Filos and Marlin will be incorporated by reference from Goldcorp and Glamis' current Annual Information Forms (AIFs); the disclosure regarding Peñasquito, Pueblo Viejo and Campbell will be included in the Circular; no technical report in respect of Red Lake was required with respect to the disclosure contained in Goldcorp's AIF, on the basis that material information concerning Red Lake was contained in a disclosure document filed before February 1, 2001 (as permitted by section 4.2(1)(f) of NI 43-101);

23. the disclosure in the Circular regarding Campbell will include:

- discussion of the significant differences in reserve and resource calculations and methodologies between Red Lake and Campbell, including the parameters (such as commodity prices and cut-off grades) on which the reserve and resource calculations are based
- discussion of the impact on mine life
- disclosure of cash costs and total production costs for each of Red Lake and Campbell, specifically identified as non-GAAP financial measures
- disclosure of differences between Red Lake and Campbell in processing methods, mining methods, recoveries, dilution and environmental issues including tailings and waste management
- disclosure of the costs of integrating the operations, including significant capital expenditures expected to be incurred both to integrate the operations and, if contemplated in the near future, expand production
- discussion of the expected synergies once integration is completed
- confirmation that Goldcorp has obtained relief from filing a technical report for Campbell in support of such disclosure, provided that a Red Lake/Campbell technical report is filed within 45 days of filing the Circular;

24. subsections 4.2(1)(b) and (f) of NI 43-101 require an issuer to file a current technical report to support material information contained in a short form prospectus and AIF, describing mineral projects on a property material to the issuer unless that information was contained in: (a) a disclosure document filed before February 1, 2001; or (b) a previously filed technical report (the foregoing exceptions are referred to in this application as the Grandfathering Provisions); Goldcorp relies on the Grandfathering Provisions in respect of disclosure regarding Red Lake; no new material information exists regarding Red Lake which would require the filing of a current technical report under NI 43-101;

25. the mineral reserves and mineral resources concerning Campbell to be contained in the Circular were calculated by employees of Placer in accordance with NI 43-101;

26. a technical report has been filed in respect of each of Peñasquito and Marlin; specifically, a report dated July 31, 2006 entitled "100,000 MTPD Minera Peñasquito Feasibility Study" prepared by M3 Engineering and Technology Corp., and a report dated November 11, 2003 entitled "Marlin Project Technical Report" prepared by Glamis Qualified Persons (as defined in NI 43-101) (collectively, the Glamis Technical Reports);

27. since the respective dates of the Glamis Technical Reports, no new material information exists regarding the Glamis Property Interests that would require the filing of a current technical report under NI 43-101 for any of the Glamis Property Interests;

28. concurrently with filing the Circular, Glamis and Goldcorp will file the Certificates of Qualified Persons and Consents of Qualified Persons required by section 8.1 and 8.3 of NI 43-101 in respect of the Goldcorp Technical Reports and the Glamis Technical Reports;

29. as the record date for the Meeting is September 26, 2006, the Circular is expected to be printed between September 26 and 28, mailed to shareholders of Glamis and filed with the Decision Makers on or about October 5, 2006, it is respectfully requested that this application be considered by the Decision Makers on an expedited basis.

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 Goldcorp and Glamis are exempt from the requirement in subsection 4.2(4) of NI 43-101 to file, not later than the time the Circular is filed or made available to the public, a technical report to support information in the Circular related to Red Lake/Campbell, provided that a Red Lake/Campbell technical report is filed within 45 days of filing the Circular.

"Martin Eady", CA
Director, Corporate Finance
British Columbia Securities Commission

2.1.10 Cogeco Inc. and Cogeco Cable Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief to provide comparative audited financial statements in a business acquisition report (BAR) – audited financial statements must be included in the BAR - audited financial statements cannot be provided because the company was under Companies' Creditors Arrangement Act protection.

Applicable Legislative Provisions

National Instrument 51-102 - Continuous Disclosure Obligations, s. 8.4.

October 19, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
QUÉBEC AND ONTARIO (THE JURISDICTIONS)

AND

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

AND

IN THE MATTER OF
COGECO INC.
AND
COGECO CABLE INC.
(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) that the requirements set out in the following not apply to the acquisition by Cogeco Cable Inc. (the Acquisition) of Cabovisão – Televisão por Cabo, S.A. (Cabovisão), a wholly owned subsidiary of Cable Satisfaction International Inc. (CSII) :

i) *National Instrument* 51-102 Section 8.4 (1)(d) to provide an auditor's report on the financial statements of Cabovisão for the year ended December 31, 2004;

(the Requested Relief).

Application of Principal Regulator System

Under Multilateral Instrument 11-101 Principal Regulation System (MI 11-101) and the Mutual Reliance Review System for Exemptive Relief Applications:

a) the Autorité des marches financiers is the principal regulator for the Filers;

b) the Filers are relying on the exemption in Part 3 of MI 11-101 in Newfoundland & Labrador, New Brunswick, Nova Scotia, Manitoba, Saskatchewan, Alberta and Nunavut; and

(c) 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. Cogeco Inc. is a company incorporated and existing under the Companies Act of Québec.

2. The registered office and principal executive office of the Cogeco Inc. are located at 5 Place Ville-Marie, Suite 915, Montréal, Québec.

3. The authorized share capital of Cogeco Inc. consists of an unlimited number of Subordinate Shares, Multiple Shares, Class A Shares and Class B Shares. As at June 30, 2006, the date of Cogeco Inc.'s most recent interim financial statements, 1,849,900 Multiple Voting Shares and 14,688,356 Subordinate Voting Shares were issued and outstanding.

4. The Subordinate Shares of Cogeco Inc. are listed and traded on the Toronto Stock Exchange under the symbol "CGO".

5. Cogeco Inc. is a reporting issuer or the equivalent in each of the provinces and territories of Canada and, to the knowledge of Cogeco Inc., is not in default under the securities legislation in each of the Jurisdictions except for the fact that the BAR has not been filed.

6. Cogeco Inc.'s financial year-end is August 31.

7. Cogeco Cable Inc. is a subsidiary of Cogeco Inc.

8. Cogeco Cable Inc. is a corporation incorporated and existing under the Canada Business Corporations Act.

9. The registered office and principal executive office of Cogeco Cable Inc. are located at 5 Place Ville-Marie, Suite 915, Montréal, Québec.

10. The authorized share capital of Cogeco Cable Inc. consists of an unlimited number of Class A Preference Shares, Class B Preference Shares, Multiple Voting Shares and Subordinate Voting Shares. As at May 31, 2006, the date of the Filer's most recent interim financial statements, 24,301,634 Subordinate Voting Shares and 15,691,100 Multiple Voting Shares were issued and outstanding.

11. The Subordinate Shares of Cogeco Cable Inc. are listed and traded on the Toronto Stock Exchange under the symbol "CCA.SV".

12. Cogeco Cable Inc. is a reporting issuer or the equivalent in each of the provinces and territories of Canada and, to the knowledge of the Filers, is not in default under the securities legislation in each of the Jurisdictions except for the fact that the BAR has not been filed.

13. Cogeco Cable Inc.'s financial year-end is August 31.

14. CSII is a Canadian communications company that builds and operates broadband networks in Portugal through its indirect wholly owned subsidiary Cabovisão.

15. CSII is a reporting issuer in all the provinces of Canada and its shares were listed on the TSX under the symbol "CSQ" until June 2, 2006, when CSII's shares were delisted.

16. Cabovisão is a private entity wholly owned by CSII, based in and incorporated pursuant to the laws of Portugal and is not a reporting issuer in any Jurisdiction. Cabovisão builds and operates hybrid fibre coaxial networks with two-way transmission and large bandwidth and provides cable television services, high-speed Internet access, telephone and high-speed data transmission services.

17. Cabovisão's financial year-end is December 31.

18. On June 27, 2003, the Superior Court of Québec issued an order approving a reorganization of CSII and arrangement with respect to its creditors pursuant to the Companies' Creditors Arrangement Act.

19. On November 14, 2003, the board of directors of CSII terminated all of its employees.

20. On March 19, 2004, the Superior Court of Québec rendered a judgment in connection with CSII under the Canada Business Corporations Act and

the Companies' Creditors Arrangement Act, that, among other orders;

a) sanctioned the Amended Arrangement and Reorganization Plan (the Plan) which had been previously approved by the creditors of CSII on March 16, 2004;

b) directed and authorized Richter & Associés Inc. to effect all the transactions contemplated by the Plan;

c) ordered all proceedings against CSII and its assets be stayed and suspended.

21. CSII did not file continuous disclosure documents as required by the Legislation from the date of April 7, 2004 until June 2, 2006.

22. On June 2, 2006 CSII issued a news release announcing the 'Plan Implementation, Share Purchase and Proceeds Distribution Agreement' that it had entered into with Cogeco Cable Inc., Catalyst Fund Limited Partnership I (Catalyst) and Cabovisão.

23. The aforementioned agreement contemplated the purchase by Cogeco Cable Inc. from CSII, Catalyst and Cabovisão, at a cost of €464.9 million, of all the issued and outstanding shares of Cabovisão.

24. The Acquisition price includes the purchase of senior debt and reimbursement of certain other Cabovisão liabilities, including debtor-in-possession loans made to Cabovisão by Catalyst. The final purchase price will be determined following completion of a post-closing working capital adjustment. Cogeco Cable Inc. is assuming Cabovisão's €20 million working capital deficiency in connection with the Acquisition. The Acquisition price was determined based on unaudited annual financial statements of Cabovisão, which were prepared in accordance with generally accepted accounting principles in Portugal.

25. The Acquisition was approved by the Superior Court of Québec on July 4, 2006 and was subject to the fulfillment of certain conditions of closing, including the implementation of the Plan of Arrangement and Reorganization previously approved by the Court in March 2004, as amended.

26. The transfer of the shares of Cabovisão to Cogeco Cable Inc. was completed on August 3, 2006, effective as of August 1, 2006.

27. The Acquisition constitutes a "significant acquisition" for the Filer as defined in Section 8.3 of NI 51-102 since the significance tests are satisfied if the relevant percentage is read as 40%, and as such, the Filers are required to file a BAR relating to the Acquisition.

28. CSII ceased to operate in 2003 and ceased to fulfill its continuous disclosure obligations under the Legislation in 2004. As a result, CSII did not require Cabovisão to prepare audited financial statements for Cabovisão's financial year ended December 31, 2004 and CSII did not prepare audited consolidated financial statements including or based on financial statements of Cabovisão for the year ended December 31, 2004.

29. The Filers' auditors have never conducted an audit or review of Cabovisão's financial statements for the year ended December 31, 2004.

30. The Filers have been advised by their auditors that the latter are unable to audit the financial statements for the year ended December 31, 2004 because they do not have access to senior management of Cabovisão who would provide documentation necessary to complete the audit of Cabovisão. The Filers and their auditors made reasonable efforts to obtain access to, or copies of, the documentation (including the appropriate representations from senior management) and senior management required to prepare audited financial statements of Cabovisão for this period but such efforts were unsuccessful.

31. The Filers have filed their financial results for the year ended August 31, 2006 which reflect the Acquisition since the closing date of the Acquisition.

32. The conditions of the exemption set out in Section 8.9 of NI 51-102 are met and the Filers intend to rely upon the exemption provided therein from the obligation to provide comparative information for interim financial statements of Cabovisão prepared for the period from January 1, 2006 to July 31, 2006

33. As a private entity, Cabovisão was not required to prepare audited financial statements for the financial year ended December 31, 2004. While similar information may have been included in audited financial statements that CSII was required to prepare as a reporting issuer, CSII failed to file audited financial statements for this period.

Decision

The Decision Makers being satisfied that they have jurisdiction to make this decision and that the relevant test under the Legislation has been met, the Requested Relief is granted, provided that the Filers will include the following financial information relating to Cabovisão in the BAR:

a) Audited balance sheet of Cabovisão as at December 31, 2005 and an unaudited balance sheet as at December 31, 2004, each prepared in accordance with Canadian generally accepted accounting principles (GAAP);

b) Audited income statements and statement of retained earnings and cash flows for the year ended December 31, 2005 with unaudited comparative figures from the year ended December 31, 2004, prepared in accordance with Canadian GAAP;

c) Unaudited pro forma income statements for Cogeco Inc. and Cogeco Cable Inc., constructed for the period September 1, 2005 to August 31, 2006, prepared in accordance with Canadian GAAP; and

d) Unaudited interim financial statements of Cabovisão for the interim period beginning January 1, 2006 and ending July 31, 2006, prepared in accordance with Canadian GAAP.

"Josée Deslauriers"
Directrice des marchés des capitaux
Autorité des marchés financiers

2.1.11 Goodman & Company, Investment Counsel Ltd. - 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 common shares of an issuer during the prohibition period – affiliates of the dealer manager 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.

November 2, 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
GOODMAN & COMPANY, INVESTMENT COUNSEL LTD.
(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 common shares (**Common Shares**) of Sherwood Copper Corporation (the **Issuer**) during the 60-day period following the completion of the distribution of special warrants (**Warrants**) of the Issuer (the **Prohibition Period**) notwithstanding that the Dealer

Manager or its associates or affiliates act or have acted as an underwriter in connection with private placement of Warrants which are convertible into Common Shares, to be sold without an offering memorandum (the **Offering**) in the Provinces of British Columbia, Alberta and Ontario.

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 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 the Dealer Manager is in Toronto, Ontario.

4. The Issuer is a mineral exploration company engaged in the acquisition, exploration and development of strategic mineral properties in Canada.

5. The terms of the Offering provided that 4,620,000 Warrants would be issued totalling $15,015,000 that would entitle each holder to receive, without payment of any further consideration, one Common Share of the Issuer at any time prior to the Expiry Date (as hereinafter defined). Warrants that have not been previously exercised will be deemed exercised on behalf of, and without any required action on the part of, the holders on the earlier of: (i) the third business day after the date on which a final receipt has been issued by the securities regulatory authorities in the Jurisdictions for a final prospectus qualifying the Common Shares issuable upon exercise of the Warrants; and (ii) 4:59 p.m. (Vancouver time) on the date (the Expiry Date) which is four months and a day following the closing date.

6. The Offering was being underwritten, subject to certain terms, by an underwriting syndicate which we understand included Dundee Securities Corporation (the **Related Underwriter**), among others (the Related Underwriter together with the other underwriters, the **Underwriters**). The Related Underwriter is an affiliate of the Dealer Manager.

7. The Offering closed on September 26, 2006.

8. On October 4, 2006, the Issuer filed a short form prospectus (the **Prospectus**), receipted pursuant to a decision document dated October 5, 2006, qualifying the conversion of Warrants into Common Shares. According to the Prospectus, the Issuer has qualified for distribution on aggregate of 4,620,000 Common Shares issuable on the exercise of 4,620,000 previously issues Warrants, at a price of $3.25 per Warrant. The Underwriters were granted pursuant to an underwriting agreement dated August 8, 2006 (the **Underwriting Agreement**) an option (the **Over Allotment Option**) to solicit subscriptions for an additional 3,080,000 special warrants, which Over Allotment Option went unexercised.

9. According to the Prospectus, the net proceeds of the Offering are estimated to be $13,864,100. The Issuer intends to use the net proceeds from the Offering to fund the construction of the Issuer's high-grade copper-gold project in the Yukon Territory.

10. The Underwriting Agreement provided that if a decision document evidencing final receipt for a final prospectus qualifying the distribution of Common Shares issuable upon the exercise or deemed exercise of Warrants was not obtained by October 10, 2006 then each Warrant will, on the exercise or deemed exercise, entitle the holder to acquire 1.1 Common Shares.

11. The Issuer's Common Shares are listed on the TSX Venture Exchange (**TSXV**) under the symbol "SWC".

12. According to the Prospectus, the Issuer is not a "related issuer" or "connected issuer" of the Related Underwriter, as defined in NI 33-105.

13. 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.

14. The Dealer Managed Funds are not required or obligated to purchase any Common Shares during the Prohibition Period.

15. The Dealer Manager may cause the Dealer Managed Funds to invest in Common Shares during the Prohibition Period. Any purchase of the Common Shares 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.

16. 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 Common Shares 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.

17. 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 Common Shares during the Prohibition Period.

18. 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.

19. 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.

20. The 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.

21. 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 Common Shares 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 the Dealer Manager and its Dealer Managed Funds, the following conditions are satisfied:

I. At the time of each purchase (the **Purchase**) of Common Shares 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 Common Shares 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 Common Shares 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 applicable 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 Common Shares 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 Common Shares;

(iv) if the Common Shares 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 Common Shares 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 Common Shares 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 Common Shares 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 Common Shares 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 Common Shares during the Prohibition Period is made on the TSXV; and

XII. For Purchases of Common Shares during the Prohibition Period, 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

THE MUTUAL FUNDS

Dynamic Funds

Dynamic Focus+ Balanced Fund
Dynamic Focus+ Equity Fund
Dynamic Focus+ Resource Fund
Dynamic Precious Metals Fund
DMP Resource Class

2.1.12 ICMC Group Retirement Services Inc. - MRRS Decision

Headnote

Mutual reliance review system for exemptive relief applications – Applicants exempted from the dealer registration and prospectus requirements in the Legislation in respect of trades in securities of mutual funds to Capital Accumulation Plans, subject to terms and conditions.

Statutes Cited

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

Rules Cited

National Instrument 81-102 – Mutual Funds.
National Instrument 81-106 – Investment Fund Continuous Disclosure.
National Instrument 45-106 – Prospectus and Registration Exemptions.

Published Documents Cited

Amendments to NI 45-106 – Registration and Prospectus Exemption for Certain Capital Accumulation Plans, October 21, 2005 (2005), 25 OSCB 8681.

October 17, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF

ONTARIO, QUEBEC AND
NEWFOUNDLAND AND LABRADOR
(the Jurisdictions)

AND

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

AND
ICMC GROUP RETIREMENT SERVICES INC.
(the Filer), L.V. LOMAS LIMITED,
INTEGRA BOND FUND, INTEGRA EQUITY FUND
AND INTEGRA SHORT TERM INVESTMENT FUND

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority of the regulator (the **Decision Maker**) in each of the Jurisdictions had received an application from the Filer on behalf of the Filer and the officers and employees acting on the Filer's behalf, L.V. Lomas Limited as the plan sponsor of CAPs (as defined below) in the form of a group registered retirement savings plan and a defined contribution pension plan and any other plan sponsors of the CAPs (as defined below)

which use the services of the Filer in respect of their CAPs (collectively, the **Plan Sponsors**) and Integra Bond Fund, Integra Equity Fund and Integra Short Term Investment Fund and any other mutual funds selected for the CAPs sponsored by the Plan Sponsors, whether managed by an affiliate of the Filer or third parties (collectively, the **Funds**), for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from:

(a) the dealer registration requirements of the Legislation in respect of trades in the securities of the Funds, to tax assisted investment or savings plans (**Capital Accumulation Plans** or **CAPs**) or to a member of a CAP as part of the member's participation in the CAP (the Dealer Registration Relief); and

(b) the prospectus requirements of the Legislation in respect of the distribution of securities of the Funds to Capital Accumulation Plans or to a member of a CAP as part of the member's participation in the CAP without a prospectus (the Prospectus Relief);

Under the Mutual Reliance Review System for Exemptive Relief Applications:

(a) the Ontario Securities Commission (the **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 Canadian corporation governed by the laws of Canada. Its head office is located in Oakville, Ontario.

2. The Filer is a newly incorporated, affiliated entity of the Integra Group of companies (**Integra**). Integra provides investment management services primarily to pension and other institutional clients, including capital accumulation plans.

3. Integra Capital Limited, an affiliate of the Filer, is the investment manager of Integra Bond Fund, Integra Equity Fund and Integra Short Term Investment Fund and other mutual funds and is registered as an investment counsel/portfolio manager.

4. Integra Bond Fund, Integra Equity Fund and Integra Short Term Investment Fund and other mutual funds managed by an affiliate of the Filer are distributed under a prospectus pursuant to National Instrument 81-102 and others are distributed under exemptions from the prospectus requirements of the Legislation. Integra may, in the future, be the manager of additional mutual funds.

5. The Filer provides its services to Plan Sponsors where the investment choices for the Members of the CAPs include Integra Funds and/or other funds, whether offered by prospectus or on a private placement basis.

6. The Filer intends to trade in securities of Funds as part of the record keeping services it provides or will provide to L.V. Lomas Limited as the plan sponsor of CAPs and other plan sponsors from time to time. Plan Sponsors for which the Filer provides services may be employers, trustees, trade unions, or associations or a combination of them that establish a Capital Accumulation Plan. Capital Accumulation Plan or CAP is a tax assisted investment or savings plan, including a defined contribution registered pension plan, a group registered retirement savings plan, a group registered education savings plan, or a deferred profit sharing plan, established by a Plan Sponsor that permits an individual to make investment decisions among two or more investment options offered within a plan.

7. The Plan Sponsor establishes the CAP for the benefit of individual Members. Members may be current or former employees, or a person who belongs, or did belong to a trade union or association, or

   (a) his or her spouse;

   (b) a trustee, custodian or administrator who is acting on his or her behalf, or for his or her benefit, or on behalf of, or for the benefit of, his or her spouse; or

   (c) his or her holding entity, or a holding entity of his or her spouse,

   that has assets in a CAP, and includes a person that is eligible to participate in a CAP.

8. The service the Filer will provide for the Plan Sponsor will generally involve record keeping of Member data, including processing of transactions in respect of Member accounts, providing Member statements as required under pension standards legislation and/or the applicable record keeping agreement and dealing with Member accounts in the event of termination, death, retirement or marriage breakdown.

9. The service the Filer will provide for the Members includes direct contact services through its call centre and a variety of self-help tools in order to allow Members to make investment decisions regarding their CAPs. The Filer is not involved in plan design, discretionary decision making with respect to the CAP or Member accounts, selection of investments or the provision of investment advice to Members. Members make initial investment decisions and subsequent changes to those investment decisions, with or without the assistance of an advisor selected by the Member (which is not the Filer). Members transmit these instructions to the Filer and the Filer then transmits Member instructions to the Funds directly. The interest in the securities of the Funds of the Members is registered in the name of the Filer (or other nominee) for the account of the relevant CAP. The Filer establishes and maintains the records of the interest of each Member in each Fund.

10. The Filer, the Plan Sponsors and the Funds intend to trade to CAPs or Members in accordance with the conditions specified in proposed amendments to National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106) related to CAPs which were published by the Canadian Securities Administrators on October 21, 2005 and adopted in the form of a blanket exemption in each of the provinces and territories other than the Principal Jurisdiction and Non-Principal Jurisdictions. Such proposal contemplates both a dealer exemption and prospectus exemptions.

11. As Plan Sponsors typically approach Integra for assistance with respect to such regulatory issues, the Filer is seeking an exemption on behalf of the Filer, the Plan Sponsor and the Funds, as applicable, from the prospectus requirements where the Fund meets the conditions set out in this decision. The Filer will obtain on behalf of the Plan Sponsor a certificate from the manager of each such Fund certifying that such Fund meets the conditions set out in this decision.

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:

1. the Dealer Registration Relief is granted provided that:

   (a) the Plan Sponsor selects the mutual funds that Members will be able to invest in under the CAP;

   (b) the Plan Sponsor establishes a policy, and provides Members with a copy of the policy and any amendments to it, describing what happens if a Member does not make an investment decision;

   (c) in addition to any other information that the Plan Sponsor believes is reasonably necessary for a Member to make an investment decision within the CAP, and unless that information has previously been provided, the Plan Sponsor provides the Member with the following information about each mutual fund the Member may invest in:

      (i) the name of the mutual fund;

      (ii) the name of the manager of the mutual fund and its portfolio advisor;

      (iii) the fundamental investment objective of the mutual fund;

      (iv) the investment strategies of the mutual fund or the types of investments the mutual fund may hold;

      (v) a description of the risks associated with investing in the mutual fund;

      (vi) where a Member can obtain more information about each mutual fund's portfolio holdings; and

      (vii) where a Member can obtain more information generally about each mutual fund, including any continuous disclosure;

   (d) the Plan Sponsor provides Members with a description and amount of any fees, expenses and penalties relating to the CAP that are borne by Members, including:

      (i) any costs that must be paid when the mutual fund is bought or sold;

      (ii) costs associated with accessing or using any of the investment information, decision-making tools or investment advice provided by the Plan Sponsor;

      (iii) mutual fund management fees;

(iv) mutual fund operating expenses;

(v) record keeping fees;

(vi) any costs for transferring among investment options, including penalties, book and market value adjustments and tax consequences;

(vii) account fees; and

(viii) fees for services provided by service providers,

provided that the Plan Sponsor may disclose the fees, penalties and expenses on an aggregate basis, if the Plan Sponsor discloses the nature of the fees, expenses and penalties, and the aggregated fees do not include fees that arise because of a choice that is specific to a particular Member;

(e) the Plan Sponsor has, within the past year, provided the Members with performance information about each mutual fund the Members may invest in, including:

(i) the name of the mutual fund for which the performance is being reported;

(ii) the performance of the mutual fund, including historical performance for one, three, five and ten years if available;

(iii) a performance calculation that is net of investment management fees and mutual fund expenses;

(iv) the method used to calculate the mutual fund's performance return calculation, and information about where a Member could obtain a more detailed explanation of that method;

(v) the name and description of a broad-based securities market index, selected in accordance with National Instrument 81-106 – Investment Fund Continuous Disclosure, for the mutual fund, and corresponding performance information for that index; and

(vi) a statement that past performance of the mutual fund is not necessarily an indication of future performance;

(f) the Plan Sponsor has, within the past year, informed Members if there were any changes in the choice of mutual funds that Members could invest in and where there was a change, provided information about what Members needed to do to change their investment decision, or make a new investment;

(g) the Plan Sponsor provides Members with investment decision-making tools that the Plan Sponsor reasonably believes are sufficient to assist them in making an investment decision within the CAP;

(h) the Plan Sponsor must provide the information required by paragraphs (b), (c), (d) and (g) prior to the Member making an investment decision under the CAP;

(i) if the Plan Sponsor makes investment advice from a registrant available to Members, the Plan Sponsor must provide Members with information about how they can contact the registrant;

2. the Prospectus Relief is granted provided that:

(a) the conditions set forth in paragraph 1 above are met;

(b) the Funds comply with Part 2 of National Instrument 81-102 *Mutual Funds*; and

3. this Decision, as it relates to the jurisdiction of a Decision Maker, will terminate upon the coming into force in NI 45-106 of a registration exemption for trades in a security of a mutual fund to a CAP or a prospectus exemption for the distribution of a security of a mutual fund to a CAP, or 60 days after the Decision Maker publishes in its Bulletin a notice or a statement to the effect that it does not propose to make such a rule.

"Robert W. Davis"
Commissioner
Ontario Securities Commission

"Suresh Thakrar"
Commissioner
Ontario Securities Commission

2.1.13 FRM Americas LLC - s. 7.1(1) of MI 33-109

Headnote

Application pursuant to section 7.1 of MI 33-109 that the Applicant be relieved from the Form 33-109F requirements in respect of certain of its nominal officers. The exempted officers are without significant authority over any part of the Applicant's operations and have no connection with its Ontario operation. The Applicant is still required to submit 33-109 F4's on behalf of its directing minds, who are certain "Executive Officers" and its Registered Individuals which are those officers involved in the Ontario business activities.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 147.

Rules Cited

Multilateral Instrument 33-109 -- Registration Information.

November 3, 2006

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

AND

IN THE MATTER OF
FRM AMERICAS LLC

DECISION
(Subsection 7.1(1) of Multilateral Instrument 33-109)

UPON the application of FRM Americas LLC (the **Applicant**) to the Ontario Securities Commission (the **Commission**) pursuant to section 7.1 of Multilateral Instrument 33-109 *Registration Information* (**MI 33-109**) for an exemption from the requirement in subsection 2.1(c) of MI 33-109 that the Applicant submit a completed Form 33-109F4 for all Non- Registered Individuals of the Applicant in connection with the Applicant's registration as a dealer in the category of a limited market dealer (**LMD**);

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

AND UPON the Applicant having represented to the Director that:

1. The Applicant is a limited liability company organized under the laws of the State of Delaware. The head office of the Applicant is located in New York, New York.

2. The Applicant is not presently registered in any capacity under the Act. The Applicant has applied to the Commission for registration under the Act as a non-resident limited market dealer.

3. The primary focus of the Applicant's activities is on the marketing, sale and management of specialized alternative investments, including funds of hedge funds and related private offerings to institutions, accredited investors and other exempt purchasers.

4. All individuals who intend to trade in securities in Ontario on behalf of the Applicant will register as Registered Individuals in accordance with the registration requirement under section 25(1) of the Act and the requirements of Multilateral. Instrument 31-102 - *National Registration Database* (**MI 31-102**), by submitting a Form 33-109F4 completed with all the information required for a Registered Individual.

5. The Applicant has six (6) directors and approximately 27 officers. It is currently anticipated that of the Applicant's approximately 27 officers, no more than 2 will be involved in the Applicant's trading activity in Ontario and will therefore seek registration as Registered Individuals.

6. The Applicants remaining directors and officers will be considered Non-Registered Individuals, as defined in MI 33-109. Of these Non-Registered Individuals many would not reasonably be considered to be directors or officers from a functional point of view. These individuals have the title "vice president" or similar title, but are not in charge of a principal business unit, division or function of the Applicant and, in any event, will not be involved in or have oversight of the Applicant's dealer activities in Ontario (the **Nominal Officers**). For purposes of reporting to securities regulatory authorities the Applicant considered only the holders of its most senior managing director positions to be officers (the **Executive Officers**) which would include a total of seven (7) people, five (5) of whom are also directors.

7. The Applicant seeks relief from the requirement to submit Form 33-109F4s for its Nominal Officers. The Applicant proposes to submit Form 33-109F4s on behalf of each director and its Executive Officers completed with all the information required for a Non-Registered Individual. The Applicant also proposes to submit a Form 33-109F4 for the designated compliance officer under the Applicant's proposed non-resident LMD registration (the **Designated Compliance Officer**). The Designated Compliance Officer will monitor and supervise the Ontario trading activities of the Applicant with respect to compliance with Ontario securities laws and any conditions of the Applicant's registration as a LMD in Ontario.

8. In the absence of the requested relief, subsection 2.1(c) of MI 33-109 would require that in conjunction with its LMD registration, the Applicant

submit a completed Form 33-109F4 for each of its Non-Registered Individuals which would include its Nominal Officers and any new Nominal Officers, rather than limiting this filing requirement to the much smaller number of directors, the Executive Officers and the Designated Compliance Officer. The information contained in the filed Form 33-109F4 would also need to be monitored on a constant basis to ensure that notices of change were submitted in accordance with the requirements of section 5.1 of MI 33-109.

9. Given the limited scope of the Applicant's proposed activities in Ontario and the number of Nominal Officers, none of whom will have any involvement in the Applicant's Ontario activities, the preparation and filing of Form 33-109F4s on behalf of each Nominal Officer would achieve no regulatory purpose, while imposing an unwarranted administrative and compliance burden on the Applicant.

AND WHEREAS the Director is satisfied that it would not be prejudicial to the public interest to make the requested Order on the basis of the terms and conditions proposed,

IT IS ORDERED pursuant to section 7.1 of MI 33-109 that the Applicant is exempt from the requirement in subsection 2.1(c) of MI 33-109 and section 3.3 of MI 33-109 to submit a completed Form 33-109F4 for each of its Non-Registered Individuals who are Nominal Officers not involved in limited market dealer business in Ontario business, provided that at no time will the Nominal Officers include any director, Executive Officer or Designated Compliance Officer, or other officer who will be involved in, or have oversight of, the Applicant's limited market dealer activities in Ontario in any capacity.

"David M. Gilkes"

2.1.14 Wachovia Corporation and Congress Financial Capital Company - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Applications – relief from eligibility requirements in National Instrument 44-101 ("44-101") - relief from requirement that the guarantor of debt be a reporting issuer in a Canadian jurisdiction with a 12 month reporting history and to have a current AIF, and relief from National Instrument 51-102 - Continuous Disclosure Obligations.

This decision was made *nunc pro tunc* with effect from an earlier date in order to remedy an administrative error. This decision should not be viewed as a general precedent for retroactive relief as securities regulatory authorities are generally reluctant to grant retroactive relief out of a concern for intervening rights.

October 19, 2006

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

AND

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

AND

IN THE MATTER OF
WACHOVIA CORPORATION
AND
CONGRESS FINANCIAL CAPITAL COMPANY

MRRS DECISION DOCUMENT

Background

The securities regulatory authority or regulator (the "Decision Makers" or the "Commissions") in each of the Jurisdictions has received an application (the "Application") from Wachovia Corporation ("Wachovia") on its own behalf and on behalf of its wholly-owned subsidiary, Congress Financial Capital Company ("FinanceCo", and together with Wachovia, the "Applicants") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that:

A. the Applicants be exempted from the following requirements contained in the Legislation:

(i) the requirements that a person or company guaranteeing non-convertible debt issued by an issuer be a reporting issuer with a 12-month reporting history in a Canadian province or territory and have a current annual information form (an "AIF") (the "Eligibility Requirement"), in order to permit FinanceCo to issue (the "Offering") non-convertible debt securities, in particular medium term notes (the "Notes"), with an approved rating (as such term is defined in NI 44-101) which will be fully and unconditionally guaranteed by Wachovia (as set out in section 2.5(1) of National Instrument 44-101 ("NI 44-101")); and

(ii) the application of National Instrument 51-102 Continuous Disclosure Obliga-tions ("51-102") pursuant to section 13.4 of NI 51-102.

B. the Application and the Decision, as defined below, be held in confidence by the Decision Makers subject to certain conditions.

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

(a) the Nova Scotia 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 Applicants:

1. Wachovia was incorporated under the laws of North Carolina in 1967.

2. Wachovia was formed by the merger of First Union Corporation and Former Wachovia on September 1, 2001. The surviving corporation of the merger is First Union Corporation, although the name of the surviving corporation has been changed to Wachovia Corporation. References herein to "Wachovia" refer to the merged entity.

3. Wachovia is registered as a financial holding company and a bank holding company under the U.S. *Bank Holding Company Act of 1956,* as amended. Wachovia provides a wide range of commercial and retail banking and trust services through full-service banking offices located throughout the United States. It also provides various other financial services in the United States, including mortgage banking, credit card, investment banking, investment advisory, home equity lending, asset-based lending, leasing, insurance, and international securities brokerage services through its subsidiaries.

4. Wachovia is not (nor has it ever been) a reporting issuer in any of the provinces or territories of Canada.

5. Wachovia has been a reporting company under the United States *Securities Exchange Act of 1934,* as amended (the "1934 Act") since 1967. More recently, Wachovia has filed with the United States Securities and Exchange Commission (the "SEC") an annual report on Form 10-K for the fiscal year ended December 31, 2003 quarterly reports under Form l0-Q for the quarterly periods ended March 31, 2004, June 30, 2004, and September 30, 2004, and reports on Form 8-K in respect of the financial year following the year that is the subject of the Wachovia Form 10-K in accordance with the filing obligations set out in sections 13 and 15(d) of the 1934 Act (collectively, the "Wachovia Disclosure Documents").

6. The aggregate market value of Wachovia's equity securities (which are listed and posted for trading over the facilities of the New York Stock Exchange (the "NYSE")), calculated in accordance with NI 44-101, on November 30, 2004 was approximately US$82.5 billion.

7. Wachovia's senior long-term debt is rated A by Standard & Poor's; Aa3 by Moody's; and A+ by Fitch. Wachovia's subordinated debt is rated A- by Standard & Poor's, A1 by Moody; and A by Fitch and its short-term obligations are rated A-1 by Standard & Poor's; P-1 by Moody's; and F1 by Fitch.

8. FinanceCo is incorporated under the laws of Nova Scotia and is an indirect wholly-owned subsidiary of Wachovia.

9. FinanceCo became a reporting issuer or its equivalent in each of the Jurisdictions by virtue of it filing a short form prospectus dated February 4, 2002 (the "2002 Prospectus") in each of the Jurisdictions in connection with the offering of $300,000,000 aggregate principal amount of medium term notes due January 31, 2005 (the "2002 Offering").

10. FinanceCo is not in default of any of its obligations under the Legislation.

11. FinanceCo's primary business is to access Canadian capital markets to raise funds on behalf of the Canadian subsidiary companies of Wachovia, and has no other operations.

12. In connection with the 2002 Offering, the Applicants obtained a decision document entitled *In the Matter of Wachovia Corporation and Congress Financial Capital Company* dated November 15, 2001 (the "Previous Decision"), in which the Decision Makers granted relief, substantially similar to that granted herein, from the Eligibility Requirements and the Reconciliation Requirements, as well as certain continuous disclosure requirements (including the requirement that FinanceCo have a current AIF and file renewal AIFs, the requirement that FinanceCo file with the Commissions and send, where applicable, to its security holders audited annual financial statements or annual reports, where applicable, including without limitation management's discussion and analysis thereon, the requirement the FinanceCo file with the Commissions and send, where applicable, to its securityholders unaudited interim financial statements, including, without limitation, management's discussion and analysis thereon, the requirement that FinanceCo issue and file with the Commissions press releases and file material change reports, the requirement that insiders of FinanceCo file with the Commissions insider reports and the requirement that FinanceCo comply with the proxy and proxy solicitation requirements, including filing an information circular or report in lieu thereof).

13. In reliance on the Previous Decision, FinanceCo filed and received a receipt for the 2002 Prospectus in each of the Jurisdictions for 4.55% medium term notes due January 31, 2005 in the aggregate principal amount of $300,000,000.

14. Pursuant to the Previous Decision, FinanceCo has filed under its SEDAR profile, the Wachovia Disclosure Documents.

15. Wachovia is in compliance with the requirements and conditions of section 13.4 of NI 51-102 other than the requirement in subsection 13.4(2)(d) as, pursuant to the provisions of the Previous Decision, FinanceCo is required to file only reports made by Wachovia pursuant to Sections 13 (other than Section 13(d), (f) and (g) in respect of its investments in other public companies), 14 and Section 15(d) of the 1934 Act.

16. FinanceCo proposes to issue additional Notes in the Jurisdictions by way of short form prospectus.

17. Wachovia satisfies the criteria set forth in paragraph 3.1(a) of National Instrument 71-101 ("NI 71-101") and is eligible to use the multi-jurisdictional disclosure system ("MJDS"), as set out in NI 71-101, for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure.

18. Except for the fact that FinanceCo is not incorporated under United States law, the Offering would comply with the alternative eligibility criteria for offerings of non-convertible debt having an approved rating under the MJDS as set forth in Section 3.2 of NI 71-101.

19. FinanceCo is ineligible to issue the Notes by way of a prospectus in the form of a short form prospectus under NI 44-101 as Wachovia, as credit supporter for the payments to be made by FinanceCo under the Notes, is not a reporting issuer in any province or territory of Canada, Wachovia does not itself have a current AIF or meet the criteria set out in clause 2.5(1)2 of NI 44-101 and FinanceCo does not itself have a current AIF and has not filed audited financial statements for its most recently completed financial year in accordance with the terms of the Previous Decision.

20. In connection with the Offering:

    (i) the prospectus will be prepared pursuant to the short form prospectus requirements contained in NI 44-101 and will comply with the requirements set out in Form 44-101F3 of NI 44-101 with the disclosure required by item 12 of Form 44-101F3 of NI 44-101 being addressed by incorporating by reference Wachovia's public disclosure documents, including the annual report on Form 10-K for the year ended December 31, 2003 (the "Wachovia Form 10-K") and with the disclosure required by item 7 of Form 44-101F3 of NI 44-101 being addressed by disclosure with respect to Wachovia in accordance with requirements of the 1934 Act;

    (ii) the prospectus will include or incorporate by reference all material disclosure concerning FinanceCo;

    (iii) the prospectus will incorporate by reference the Wachovia Form 10-K (as filed under the 1934 Act) together with the quarterly reports on Form 10-Qs for the periods ended March 31, 2004, June 30, 2004 and September 30, 2004 and reports on Form 8-Ks of Wachovia filed under the 1934 Act in respect of the financial year following the year that is the subject of the Wachovia Form 10-K, as would be required were Wachovia to file a registration statement on Form S-4 in the United States, and will incorporate by reference any documents of the foregoing type filed after the date of the prospectus and prior to termination of the Offering and will state that purchasers of the Notes will not receive separate

continuous disclosure information regarding FinanceCo;

(iv) the consolidated annual and interim financial statements of Wachovia and its subsidiaries that will be included in or incorporated by reference into the short form prospectus are prepared in accordance with U.S. GAAP and otherwise comply with the requirements of U.S. law, and in the case of audited annual financial statements, such financial statements are audited in accordance with U.S. GAAS;

(v) Wachovia will fully and unconditionally guarantee the payments to be made by FinanceCo as stipulated in the terms of the Notes or in an agreement governing the rights of holders of Notes (the "Noteholders") such that the Noteholders shall be entitled to receive payment from Wachovia within 15 days of any failure by FinanceCo to make a payment as stipulated;

(vi) the Notes will have an approved rating;

(vii) Wachovia will sign the prospectus as credit supporter and promoter; and

(viii) Wachovia will undertake to file with the Commissions, in electronic format under FinanceCo's SEDAR profile, all documents that it files under Sections 13 (other than sections 13(d), (f) and (g) which relate, inter alia, to holdings by Wachovia of securities of other public companies), 14 and 15(d) of the 1934 Act, together with the appropriate filing fees, until such time as the Notes are no longer outstanding;

Decision

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

THE DECISION of the Decision Makers pursuant to the Legislation *nunc pro tunc* with effect from January 10, 2005, is that the Applicants be exempted from the Eligibility Requirement in connection with the Offering provided that:

(i) each of FinanceCo and Wachovia complies with paragraph 20 above;

(ii) FinanceCo complies with all of the filing requirements and procedures set out in NI 44-101 except as varied by the Decision;

(iii) Wachovia remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of FinanceCo; and

(iv) Wachovia continues to satisfy the criteria set forth in paragraph 3.1 of NI 71-101 (or any successor provision) and remains eligible to use MJDS (or any successor instrument) for the purposes of distributing approved rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure.

THE FURTHER DECISION of the Decision Makers pursuant to the Legislation *nunc pro tunc* with effect from January 10, 2005, is that, in connection with the Offering, the AIF Requirement shall not apply to FinanceCo, provided that (i) Wachovia complies with the AIF requirements of NI 44-101 as if it is the issuer; and (ii) the Applicants comply with all of the conditions in the Decisions above and below.

"J. William Slattery"
Deputy Director
Nova Scotia Securities Commission

THE FURTHER DECISION of the Decision Makers pursuant to the Legislation *nunc pro tunc* with effect from January 10, 2005, is that the requirements of NI 51-102 shall not apply to FinanceCo provided that:

A. FinanceCo is in compliance with the requirements and conditions of section 13.4 of NI 51-102 other than subsection 13.4(2)(d), and

B. Wachovia files copies of all documents it is required to file with the SEC under Section 13 (other than reports filed pursuant to Section 13(d), 13(f) and 13(g) of the 1934 Act), 14 and 15(d) of the 1934 Act, at the same time as or as soon as practicable after the filing by Wachovia of those documents with the SEC.

THE FURTHER DECISION of the Decision Makers pursuant to the Legislation *nunc pro* tune with effect from January 10, 2005, is that the Application and the Decision shall be held in confidence by the Decision Makers until the earlier of the date that the preliminary prospectus is filed in connection with the Offering and January 31, 2005.

"J. William Slattery"
Deputy Director
Nova Scotia Securities Commission

2.2 Orders

2.2.1 Pendo Acquisition ULC - s. 104(2)(c)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer acquires all outstanding common shares of target through compulsory acquisition – target remains reporting issuer – issuer desires to transfer outstanding common shares to other direct or indirect wholly-owned subsidiaries – no change in beneficial ownership of common shares – issuer exempt from take-over bid requirements in connection with share transfers

Applicable Legislative Provisions

Securities Act R.S.O. 1990, c. S.5, as am., ss. 95-100, 104(2)(c).

November 1, 2006

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

AND

IN THE MATTER OF
PENDO ACQUISITION ULC

ORDER
(Subsection 104(2)(c) of the Act)

UPON the application of Pendo Acquisition ULC (the "Applicant") to the Ontario Securities Commission (the "Commission") for an order pursuant to clause 104(2)(c) of the Act exempting the Applicant from the requirements of sections 95 through 100 of the Act, and the related provisions of the regulations set out in the Act (collectively, the "Take-over Bid Rules"), in connection with the Applicant's acquisition (the "Acquisition") from ACS Media Income Fund (the "Fund") of (i) all of the outstanding common shares ("ACS Shares") of ACS Media Canada Inc. and (ii) all the 14% unsecured subordinated promissory notes of ACS (the "ACS Notes") and certain other indebtedness owed by ACS to the Fund (together with the ACS Notes, the "Purchased Notes");

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

AND UPON the Applicant having represented as follows:

1. The Applicant is an unlimited liability company incorporated under the laws of the Province of Alberta.

2. The Applicant's registered office is at Suite 3300, 421-7th Avenue SW, Calgary, Alberta T2P 4K9.

3. The Applicant is not a reporting issuer or the equivalent in any of the provinces or territories of Canada that recognize such a concept. The Applicant's securities are not listed or quoted for trading on any Canadian stock exchange or market.

4. ACS is a corporation incorporated on February 10, 2003 under the laws of the Province of Ontario. ACS's registered office is located in Toronto, Ontario.

5. ACS's authorized capital consists of an unlimited number of common shares and an unlimited number of preferred shares. As at September 25, 2006 there were 91,876,582 common shares issued and outstanding and no preferred shares issued and outstanding.

6. All of the ACS Shares are owned by the Fund. ACS carries on no independent operations. It acts solely as a funding conduit between the Fund and its operating subsidiary, ACS Media LLC (the "Company"), an Alaska limited liability company whose business consists primarily of the design, publication and distribution of print and electronic advertising directories in Alaska. ACS owns a 99.9% membership interest in the Company.

7. ACS is a reporting issuer in all of the provinces and territories of Canada that recognize such a concept (the "Jurisdictions") and, to the best of our knowledge, information and belief, is not in default of any requirements of securities legislation in any of the jurisdictions in Canada.

8. The ACS Shares are listed, but not posted for trading, on the Toronto Stock Exchange (the "TSX") under the symbol "AYC". There is no published market in respect of the ACS Shares.

9. The Fund is an unincorporated, open-ended, limited purpose trust formed under the laws of the Province of Ontario. The Fund's registered office is located in Toronto, Ontario.

10. The authorized capital of the Fund consists of an unlimited number of units. The initial public offering of 17,500,000 units was made pursuant to a prospectus dated April 29, 2003. As at September 25, 2006 there were 20,000,000 units issued and outstanding (the "Units").

11. The Fund is a reporting issuer or the equivalent in all the Jurisdictions and, to the best of our knowledge, information and belief, is not in default of any requirements of securities legislation in any of the jurisdictions in Canada.

12. The Units are listed and posted for trading on the TSX under the symbol "AYP.UN".

13. The Fund's assets principally consist of the ACS Shares and the Purchased Notes.

14. Through its ownership of the ACS Shares, the Fund indirectly owns a 99.9% economic interest in the Company.

15. The declaration of trust of the Fund (the "Declaration of Trust") contains a redemption *in specie f*eature whereby the holders of the Units (the "Unitholders") have the right to tender their Units to the Fund for redemption, with the redemption price paid by a distribution of a proportionate share of the Fund's assets (the "Redemption Right"), being a proportionate number of ACS Shares and ACS Notes and a *pro rata* share of any other property held by the Fund (less a *pro rata* share of any accrued liabilities of the Fund).

16. The Fund, having determined that it was desirable to ensure that there are no significant trading or other restrictions that would be imposed on a Unitholder that exercised its redemption right to obtain ACS Shares, obtained a listing of the ACS Shares on the TSX and received orders from the securities commissions and equivalent regulatory authorities of the Jurisdictions deeming ACS to be a reporting issuer.

17. To date, no Unitholder has exercised the Redemption Right.

18. On September 25, 2006, the Applicant and the Fund entered into a share purchase agreement (the "Share Purchase Agreement") pursuant to which the Applicant agreed to purchase all the ACS Shares and all the Purchased Notes for an aggregate purchase price of CDN $188 million. Pursuant to the Share Purchase Agreement, the Purchaser has also agreed to fund the repayment of approximately US$35 million of the Company's debt upon closing of the Acquisition, and in relation thereto the Purchaser agreed to subscribe for five additional common shares of ACS. On September 25, 2006, the Applicant publicly announced that it had entered into the Share Purchase Agreement.

19. In accordance with its Declaration of Trust, a sale of Trust Assets (as defined in the Declaration of Trust), which would include the ACS Shares and the Purchased Notes, must be approved by the Unitholders. In conjunction with obtaining such approval, the Fund will call a special meeting of Unitholders and prepare an information circular in connection with such meeting in accordance with applicable securities laws. The resolution to approve the sale of the ACS Shares must be approved by Unitholders representing more than 66?% of the Units represented at the meeting. At the meeting of Unitholders, the Fund also intends to conduct other business, including approving amendments to the Declaration of Trust permitting the redemption of Units at the option of the Fund and the dissolution of the Fund following the completion of the Acquisition.

20. The Fund expects to mail the notice of meeting and the accompanying information circular to all Unitholders by approximately October 30, 2006.

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

IT IS ORDERED pursuant to clause 104(2)(c) that the Take-Over Bid Rules do not apply to the Acquisition.

"Paul Moore"
Ontario Securities Commission

"Robert L. Shirriff"
Ontario Securities Commission

2.2.2 Silvio Ventures Inc. - s. 144

Headnote

Section 144 - Revocation of cease trade order - Issuer subject to cease trade order as a result of its failure to file annual and interim financial statements and related material disclosure and analysis - partial revocation of cease trade order previously granted to permit private placement and share consolidation - Issuer has brought filings up to date and, except as set out in the order, is otherwise not in default of Ontario securities law.

Statutes Cited

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

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

AND

IN THE MATTER OF
SILVIO VENTURES INC.

ORDER
(Section 144)

WHEREAS Silvio Ventures Inc. (formerly PanGeo Pharma Inc.) (the "Applicant") has made an application to the Director for an order under section 144 of the *Securities Act* (Ontario) (the "Act") revoking a cease trade order made by the Director dated July 4, 2003 under paragraph 2 of section 127(1) of the Act that trading in the shares of the Applicant cease (the "Cease Trade Order").

AND WHEREAS the Applicant has applied to the Ontario Securities Commission Commission (the "Commission") for a revocation of the Cease Trade Order pursuant to section 144 of the Act (the "Application");

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was formed on August 17, 1987 under the *Companies Act* (British Columbia). On September 12, 2000, the Applicant was continued as a federal company under the *Canada Business Corporations Act* ("CBCA").

2. The Applicant is a reporting issuer under the securities legislation (the "Legislation") of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland & Labrador.

3. The authorized share capital of the Applicant consists of an unlimited number of common shares with no par value, of which 6,056,438 common shares are issued and outstanding.

4. The Cease Trade Order was issued as a result of the Applicant's failure to file its audited annual financial statements and related management disclosure and analysis ("MD&A") for the year ended January 31, 2003. Subsequently, the Applicant failed to file its audited annual financial statements and related MD&A for the years ended January 31, 2004, 2005 and 2006 and all interim financial statements and related MD&A since January 31, 2003.

5. The Applicant is also subject to cease trade orders issued by the Autorité des Marchés Financiers (the "AMF") dated June 23, 2003, the British Columbia Securities Commission ("BCSC") dated July 10, 2003, and the Manitoba Securities Commission (the "MSC") dated June 25, 2003 for failure to file its audited annual financial statements for the year ended January 31, 2003. The Applicant has concurrently applied for a revocation of these cease trade orders.

6. On July 10, 2003, the Applicant filed a petition under the *Companies' Creditors Arrangement Act* ("CCAA") and on October 21, 2003, the creditors of the Applicant approved a Plan of Arrangement whereby all the assets of the Applicant would be liquidated and the proceeds distributed to creditors. The monitor of the Applicant's CCAA proceedings, Ernst & Young ("E&Y"), informed the Applicant that all assets were liquidated by the end of 2003 and one cash distribution to the unsecured creditors was remaining and should be completed by the fall of 2006. Upon the final cash distribution to unsecured creditors, E&Y will be discharged as monitor and the CCAA proceedings will be terminated.

7. An extraordinary general meeting of the shareholders of the Applicant was held on September 29, 2005. At the meeting, the Applicant's shareholders approved, among other things, a stock consolidation on a basis of one new share for every twenty-five old shares (the "Stock Consolidation") and a change of name from "PanGeo Pharma Inc." to "Silvio Ventures Inc.".

8. On November 28, 2005, the Applicant's shares were accepted for listing on the NEX board of the TSX Venture Exchange and delisted from the TSX. The Applicant's common shares are not listed or quoted on any other exchange or market in Canada or elsewhere.

9. In December 2005, the Applicant applied for and received partial revocations of cease trade orders in British Columbia, Ontario, Manitoba and Quebec to proceed with the Stock Consolidation and to proceed with a private placement of equity securities to raise gross proceeds of $150,000

(the "Private Placement") by issuing 3,000,000 post-consolidated common shares at a price per share of $0.05. The Stock Consolidation and name change were completed in December 2005 and the private placement closed in January 2006.

10. The Applicant has been unable to prepare audited financial statements for the year ended January 31, 2003, the audited statement of operations and cash flows for the year ended January 31, 2004 and the interim financials for the periods ended April 30, 2003, July 31, 2003 and October 31, 2003 because:

10.1 The financial records for the year ended January 31, 2003 and the first half of the year ended January 31, 2004 are in the possession of a third party. The third party purchased all the operating subsidiaries and assets of the Applicant in late 2003 pursuant to the CCAA proceedings. The third party took possession of all the financial records of the Applicant and its subsidiaries when they purchased the subsidiaries and assets under the resulting Plan of Arrangement of the CCAA proceedings. The third party refuses to cooperate with the Applicant for the preparation and audit of the delinquent financial statements, despite numerous discussions and requests.

10.2 In addition to the missing financial records, the Applicant no longer employs the accounting personnel who assisted in the preparation of the Applicant's 2003 financial statements.

11. Current management of the Applicant has therefore been denied access to the historical accounting records necessary to audit the financial statements described in paragraph 10 hereto. As of the date of this order, the Applicant has made every reasonable effort to obtain access to, or copies of, the historical accounting records necessary to audit the financial statements described at paragraph 10, but such efforts were unsuccessful.

12. Except for the deficiencies set out in paragraphs 4 and 10 herein, the Applicant is not, to its knowledge, in default of any of the requirements of the Act, or the rules and regulations made pursuant thereto.

13. On October 19, 2006, the Applicant filed the following with the Commission via SEDAR:

(i) Audited annual financial statements and related MD&A for the years ended January 31, 2005 and 2006;

(ii) An audited balance sheet dated as of January 31, 2004 and related MD&A;

(iii) Unaudited financial statements and related MD&A for:

- The three months ended April 30, 2005
- The six months ended July 31, 2005
- The nine months ended October 31, 2005
- The three months ended April 30, 2006
- The six months ended July 31, 2006;

(iv) CEO and CFO certifications for the financial statements set out at subsections (i) and (iii) above pursuant to Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*; and

(v) All Form 13-502F1s for the 2003, 2004, 2005 and 2006 financial years.

14. Except for the deficiencies set out at paragraphs 4 and 10 herein, the Applicant is up-to-date with all its other continuous disclosure obligations, has paid all filing fees associated with those obligations, and has complied with National Instrument 51-102 *Continuous Disclosure Obligations* regarding delivery of financial statements.

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

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

IT IS ORDERED, pursuant to section 144 of the Act, the Cease Trade Order is revoked.

DATED October 27, 2006.

"Jo-Anne Matear"
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.2.3 Robert Patrick Zuk et al.

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

AND

**ROBERT PATRICK ZUK, DANE ALAN WALTON
DEREK REID, IVAN DJORDJEVIC,
DANIEL DAVID DANZIG,
and MATTHEW NOAH COLEMAN**

ORDER

WHEREAS at a pre-hearing conference on February 2, 2006, a hearing on the merits was scheduled to commence on November 6, 2006;

AND WHEREAS by notice dated October 3, 2006, Staff of the Commission withdrew their allegations against Daniel Danzig;

AND WHEREAS Robert Zuk served a Notice of Election to Act in Person on October 18, 2006;

AND WHEREAS by Order dated October 26, 2006, the Commission granted counsel for Derek Reid leave to withdraw as counsel of record;

AND WHEREAS on October 30, 2006, Derek Reid requested an adjournment of the hearing for a period of six months;

AND WHEREAS, on consent of all parties on November 1, 2006, the hearing was adjourned from November 6, 2006 to November 7, 2006 due to Robert Zuk's unavailability on November 6, 2006;

AND WHEREAS Dane Walton served a Notice of Election to Act in Person on November 2, 2006;

AND WHEREAS Ivan Djordjevic has advised that he intends to act in person;

AND WHEREAS the respondents have advised that they do not oppose Derek Reid's adjournment request;

AND WHEREAS Staff of the Commission ("Staff") have advised that Staff do not oppose the adjournment request because the respondents have made certain representations, which the respondents have confirmed, as follows:

1. that the respondents will not allege that they have been prejudiced by the adjournment;

2. that the respondents will attend monthly pre-hearing conferences to be scheduled through the Office of the Secretary to the Commission commencing in January 2007;

3. that the respondents Robert Zuk, Dane Walton, Derek Reid and Ivan Djordjevic will, during the period of the adjournment, provide Staff with monthly brokerage account statements for all accounts in their own name or for accounts over which they hold trading authority;

AND WHEREAS Staff have advised that Staff will take steps to obtain similar monthly brokerage account statements for the respondent Matthew Coleman during the adjournment period;

AND WHEREAS Staff have advised that Staff have obtained and served summonses to witness, requiring witnesses to attend the hearing on November 6, 2006;

AND WHEREAS Rule 2 of the Rules of Practice of the Ontario Securities Commission permits a pre-hearing Commissioner to make Orders with respect to the conduct of the proceeding;

IT IS HEREBY ORDERED THAT:

1. The hearing of this matter on the merits is hereby adjourned on a peremptory basis to be heard between March 26 and May 18, 2007, with the exception of the following dates: April 3, 6, 17, May 1, 15 and the week of May 7, 2007.

2. Witnesses who have been summoned to attend the hearing on November 6, 2006 are no longer required to attend on that date, but are now required to attend on March 26, 2007. All other terms of the summonses to witness, as served, remain in full force and effect.

3. Staff shall notify each witness under summons of the change in the effective date of the summons by providing a copy of this Order and an explanatory letter to the witness by courier to the witness at the address where the witness was served with the summons.

Dated at Toronto this 3rd day of November, 2006.

"Robert W. Davis"

2.2.4 Canetic Resources Trust et al. - s. 74

Headnote

Order that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 Short Form Prospectus Distributions for securities to be issued pursuant to an over-allotment option, exercisable after the closing of the offering, granted by the issuer to the underwriters to purchase up to 15% of the securities offered under the offering.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 74, 53.
National Instrument 44-101 Short Form Prospectus Distributions.

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

AND

IN THE MATTER OF
CANETIC RESOURCES TRUST

AND

BMO CAPITAL MARKETS, TD SECURITIES INC.,
CIBC WORLD MARKETS INC.,
NATIONAL BANK FINANCIAL INC.,
RBC CAPITAL MARKETS, SCOTIA CAPITAL INC.,
CANACCORD CAPITAL CORPORATION,
FIRSTENERGY CAPITAL CORP.,
RAYMOND JAMES LTD., TRISTONE CAPITAL INC.
AND HSBC SECURITIES (CANADA) INC.

ORDER
(Section 74)

Background

The Ontario Securities Commission (the Commission) has received an application (the Application) from Canetic Resources Trust (the "Issuer") and BMO Capital Markets, TD Securities Inc., CIBC World Markets Inc., National Bank Financial Inc., RBC Capital Markets, Scotia Capital Inc., Canaccord Capital Corporation, FirstEnergy Capital Corp., Raymond James Ltd., Tristone Capital Inc. and HSBC Securities (Canada) Inc. (collectively, the "Underwriters") for an order pursuant to section 74 of the *Securities Act* (Ontario) (the Act) that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 *Short Form Prospectus Distributions* (NI 44-101) for securities to be issued pursuant to an over-allotment option, as defined below (the Requested Relief).

Interpretation

In this order,

"over-allotment option" means a right granted to the underwriters by an issuer or a selling security holder of the issuer in connection with the distribution of securities under a short form prospectus to acquire, for the purposes of covering the underwriters' over-allocation position, a security of an issuer that has the same designation and attributes as a security that is distributed under such short form prospectus, and that

(i) expires not later than the 60th day after the date of the closing of the distribution, and

(ii) is limited to the lesser of

A the over-allocation position determined as at the closing of the distribution, and

B 15% of the number or principal amount of the securities qualified for the distribution, without taking into account the securities issuable on the exercise of the over-allotment option; and

"over-allocation position" means the amount by which the aggregate number or principal amount of securities that are the subject of offers to purchase received by all underwriters of a distribution exceeds the aggregate number or principal amount of securities distributed by an issuer or selling securityholder under the prospectus, without taking into account the securities issuable on the exercise of an over-allotment option.

Representations

This order is based on the following facts represented by the Issuer and the Underwriters:

1. the purpose of an over-allotment option is to allow underwriters to conduct market stabilization activities in circumstances where the risk in so doing is protected by the existence of an over-allotment option;

2. over-allotment options are not designed to allow underwriters to sell additional securities after a prospectus has been filed or an underwriting agreement has been signed; and

3. underwriters would not accept the market risk in conducting market stabilization activities without having an over-allotment option.

Order

The Commission is satisfied that the test contained in the Act that provides the Commission with the jurisdiction to make the order has been met;

The decision of the Commission pursuant to section 74 of the Act is that the Requested Relief is granted provided that:

(a) the Issuer has entered into an enforceable agreement with the Underwriters, who have agreed to purchase the securities offered under a short form prospectus, other than the securities issuable on the exercise of an over-allotment option,

(b) the agreement referred to in paragraph (a) has fixed the terms of the distribution and requires that the Issuer file a preliminary short form prospectus for the securities and obtain from the regulator a receipt, dated as of a date that is not more than four business days after the date that the agreement is entered into, for the preliminary short form prospectus,

(c) the Issuer has issued and filed a news release announcing the agreement immediately upon entering into the agreement,

(d) upon issuance of a receipt for the preliminary short form prospectus, a copy of the preliminary short form prospectus is sent to each person or company who has expressed an interest in acquiring the securities,

(e) except as provided in paragraph (a), no agreement of purchase and sale for the securities is entered into until the short form prospectus has been filed and a receipt obtained, and

(f) the relief granted will cease to be effective on the date when NI 44-101 is amended to permit solicitations of expressions of interest before the filing of a preliminary short form prospectus for securities to be issued pursuant to over-allotment options.

Confidentiality

The further decision of the Commission under the Act is that the Application and this decision shall be held in confidence by the Commission until the occurrence of the earliest of the following:

(a) the date on which a news release is issued by the Issuer announcing that the Issuer has entered into an enforceable agreement with the Underwriters with respect to the purchase of securities to be offered under a short form prospectus, and

(b) the date that is thirty days from the date of this decision.

Dated August 2, 2006

"Cameron McInnis"
Manager, Corporate Finance

2.2.5 Barometer Capital Management Corp. - s. 213(3)(b) of the LTCA

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager, with no prior track record acting as trustee, for approval to act as trustee of pooled funds to be established and managed by the applicant and offered pursuant to a prospectus exemption.

Statutes Cited

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

November 3, 2006

Fasken Martineau
66 Wellington St. W.
Box 20, Toronto Dominion Centre
Toronto, ON
M5K 1N6

Attention: Munier Saloojee

Dear Sirs:

RE: Barometer Capital Management Corp. (the Applicant)
Application pursuant to clause 213(3)(b) of the Loan and Trust Corporations Act (Ontario) for approval to act as trustee
Application #2006/0766

Further to your application dated October 4, 2006, filed on behalf of the Applicant, and based on the facts set out in the Application and the representations by the Applicant that the assets of the unit trusts established under the laws of Ontario and managed by the Applicant from time to time (the Pools) will be held in the custody of a bank listed in Schedule I, II or III of the Bank Act (Canada) or an affiliate of such bank, the Ontario Securities Commission (the Commission) makes the following order:

Pursuant to the authority conferred on the Commission in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of the Pools, the securities of which will be offered pursuant to a prospectus exemption.

Yours truly,

"Robert Davis"

"Robert L. Shirriff"

2.2.6 Research in Motion Limited - ss. 127(1)2 and 2.1

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 OTHER INSIDERS OF
RESEARCH IN MOTION LIMITED
(BEING THE PERSONS AND COMPANIES LISTED
IN SCHEDULE "A" HERETO)

ORDER
(Paragraphs 127(1)2 and 2.1)

WHEREAS on October 24, 2006, each of the persons and companies listed in Schedule "A" (individually, a "Respondent" and collectively, the "Respondents") was notified that the Director made an order (the "Temporary Order") that day under paragraphs 2 and 2.1 of subsection 127(1) and subsection 127(5) of the Act that all trading in and all acquisitions of securities of Research in Motion Limited ("RIM"), whether direct or indirect, by any of the Respondents cease for a period of 15 days from the date of Temporary Order;

AND WHEREAS the Respondents were notified that a hearing would be held to determine if it would be in the public interest to make an order under paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act that all trading in and acquisitions of securities of RIM, whether direct or indirect, by any of the Respondents cease permanently or for such period as is specified in the order;

AND WHEREAS the hearing was held on the 7th day of November, 2006;

AND UPON hearing the following evidence:

1. RIM is incorporated under the Business Corporations Act (Ontario) and is a reporting issuer in the Province of Ontario.

2. Each of the Respondents is, or was, at some time since the end of the period covered by the last financial statements filed by RIM, namely June 3, 2006, a director, officer or other insider of RIM and during that time had, or may have had, in the ordinary course access to or received material information with respect to RIM that has not been generally disclosed.

3. On October 13, 2006, RIM issued and subsequently filed on SEDAR a press release disclosing that it would delay the release of its interim financial statements for the 3 months ended September 2, 2006 and management's discussion and analysis relating to those interim

financial statements (collectively, the "Second Quarter Disclosure Documents").

4. RIM did not file the Second Quarter Disclosure Documents by the prescribed deadline under Ontario securities law, namely October 17, 2006.

5. As of the date of this order, RIM has not filed the Second Quarter Disclosure Documents.

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 and paragraph 2.1 of subsection 127(1) of the Act that all trading in and acquisitions of securities of RIM, whether direct or indirect, by any of the Respondents cease until two business days following the receipt by the Commission of all filings RIM is required to make pursuant to Ontario securities laws.

IT IS ORDERED that if the Commission has not received by December 18, 2006 all filings RIM is required to make pursuant to Ontario securities laws, RIM will appear before the Commission with a report on the status of its continuous disclosure obligations.

DATED at Toronto, this 7th day of November, 2006.

Ontario Securities Commission

"Wendell S. Wigle"

"Carol S. Perry"

Schedule "A"

Asthana, Atul
Balsillie, James Laurence
Bawa, Frenny
Bawa, Karima
Bidulka, Brian
Bose, Robert
Boudreau, Jesse Joseph
Broughall, Peter
Brown, Wade
Caci, Joe
Castell, William David
Conlee, Larry
Cork, Edwin Kendall
Cort, Gary
Costanzo, Rito Natale
Crow, Robert Eric
Davies, William Aubrey
Devenyi, Peter John
Dikun, Raymond Michael
Donald, Paul David
Ebbs, Edel Bridget Anne
Efstathiou Jr., Chris
Eggberry, Charmaine
Estill, James
Fregin, Douglas Edgar
Gagne, Alain
Gould, Peter James
Guibert, Mark
Hind, Hugh Robert Faulkner
Hoddle, Ian James
Jarmuszewski, Perry
Kavelman, Dennis
Kempf, Paul Hans
Labrador, Christopher
Landry, Richard
Lazaridis, Michael
LeBlanc, Anthony Dale
Lewis, Allan
Lo, Norm Wai Keung
Loberto, Angelo
Maybee, Bradley Warren
McAndrews, Mike Patrick
McDowell, Jeffrey Wayne
McLennan, Craig Arthur
Miller, Deborah Glee
Morrison, Donald
Morrissey, Michael Paul
Neumann, Ronald Scott
Pacey, Dean Leslie
Panezic, Alan Tom
Payne, Susan
Pecen, Mark Edward
Periyalwar, Suresh
Pillar, Catherine Jean
Richardson, John
Rivers, Brian Thomas
Robinson, Clint
Roe Pfeifer, Mary Elizabeth Anne
Rooks, Michael
Sanchez, Tom Carl
Spence, Patrick Alexander

Tendler, Benson
Werezak, David
Witteveen, Roger
Wright, Dr. Douglas
Yach, David
1258700 Ontario Limited
1258701 Ontario Limited
1258702 Ontario Limited

2.2.7 Juniper Fund Management Corporation et al. - s. 127(7)

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

AND

IN THE MATTER OF
THE JUNIPER FUND MANAGEMENT CORPORATION,
JUNIPER INCOME FUND,
JUNIPER EQUITY GROWTH FUND and ROY BROWN
(a.k.a. ROY BROWN-RODRIGUES)

ORDER
Section 127(7)

WHEREAS on March 8, 2006, the Ontario Securities Commission (the "Commission") ordered pursuant to section 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that all trading in the securities of the Juniper Income Fund and the Juniper Equity Growth Fund (the "Funds") shall cease forthwith for a period of 15 days from the date thereof (the "Temporary Order");

AND WHEREAS pursuant to sections 127(1) and 127(5) of the Act, a hearing was scheduled for March 23, 2006 at 10:00 a.m. (the "Hearing");

AND WHEREAS the Respondents were served with the Temporary Order, the Notice of Hearing dated March 21, 2006, the Statement of Allegations dated March 21, 2006 and the Affidavit of Trevor Walz sworn March 17, 2006;

AND WHEREAS on March 23, 2006 the Respondents and Staff consented to an extension of the Temporary Order and to an adjournment of the Hearing to May 4, 2006:

AND WHEREAS Staff have advised that the Commission issued two Directions dated May 4, 2006 under section 126(1) of the Act freezing bank accounts of The Juniper Fund Management Corporation ("JFM"), the Funds and Roy Brown without notice to any of the Respondents;

AND WHEREAS on May 4, 2006, the Commission ordered: (i) the Hearing adjourned to May 23, 2006; (ii) the Temporary Order extended to May 23, 2006; (iii) JFM not to be paid any monthly management fees; (iv) JFM's requests for funds to pay expenses incurred by the Funds to continue to be subject to approval by NBCN Inc.; (v) weekly lists of expenses by the Funds to continue to be provided to and reviewed by Staff; and (vi) neither JFM nor Roy Brown to deal in any way with the assets or investments of the Funds;

AND WHEREAS Staff have advised that on May 11, 2006 and June 30, 2006, the Ontario Superior Court of Justice (the "Superior Court") ordered that the two

Directions dated May 4, 2006 freezing bank accounts of JFM, the Funds and Roy Brown be extended with the exception of the personal accounts and one JFM account as defined in the Superior Court orders dated May 11, 2006 and June 30, 2006;

AND WHEREAS the two Directions expired on September 30, 2006;

AND WHEREAS Staff have advised that on May 18, 2006, the Superior Court issued an ex parte order appointing Grant Thornton Limited as Receiver over the assets, undertakings and properties of JFM and the Funds (the "Receivership Order");

AND WHEREAS on May 18, 2006, the Commission granted leave to McMillan Binch Mendelsohn LLP to withdraw as counsel for the Respondents;

AND WHEREAS on May 23, 2006, the Commission ordered: (i) the Hearing adjourned to September 21, 2006; and (ii) the Temporary Order extended to September 21, 2006;

AND WHEREAS on June 2, 2006, the Receivership Order was confirmed and extended by the Superior Court and the First Report of the Receiver dated May 30, 2006 was filed with the Superior Court;

AND WHEREAS on September 21, 2006, the Commission ordered: (i) the Hearing adjourned to November 8, 2006; and (ii) the Temporary Order extended to November 8, 2006;

AND WHEREAS the Second Report of the Receiver was filed with the Superior Court on October 10, 2006;

AND WHEREAS NBCN Inc. ("NBCN") and National Bank Financial Ltd. ("NBFL") have brought a motion for intervenor status in these proceedings (the "Intervenor Motion");

AND WHEREAS counsel for the Receiver has advised that a Supplemental Receiver's Report will be delivered during the week of November 6, 2006 and the actions and conduct of the Receiver and its counsel are scheduled to be reviewed by the Superior Court on November 16, 2006;

AND WHEREAS the First and Second Reports of the Receiver have been filed with the Secretary's Office of the Commission and the Supplemental Receiver's Report will be filed with the Secretary's Office on November 16, 2006;

AND WHEREAS counsel for Roy Brown, counsel for the Receiver, counsel for NBCN Inc. and NBFL and Staff of the Commission have consented to: (i) an adjournment of the Hearing and to an extension of the Temporary Order to December 13, 2006; and (ii) an adjournment of the Intervenor Motion to December 13, 2006;

IT IS ORDERED pursuant to subsections 127(2) and (7) of the Act that:

(a) the Hearing is adjourned to December 13, 2006 at 10:00 a.m.;

(b) the Intervenor Motion is adjourned to December 13, 2006; and

(b) the Temporary Order is extended until December 13, 2006.

DATED at Toronto this "7th" day of November, 2006

"Susan Wolburgh Jenah"

"Suresh Thakrar"

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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
Gallery Resources Limited	02 Nov 06	14 Nov 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
Cybersurf Corp.	06 Nov 06	17 Nov 06			
Diamond Fields International Ltd.	03 Oct 06	16 Oct 06	16 Oct 06	02 Nov 06	
Energy Conversion Technologies Inc.	06 Nov 06	17 Nov 06			
Garrison International Ltd.	02 Nov 06	15 Nov 06			
Research In Motion Limited	24 Oct 06	07 Nov 06			
Straight Forward Marketing Corporation	02 Nov 06	15 Nov 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
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
Diamond Fields International Ltd.	03 Oct 06	16 Oct 06	16 Oct 06	02 Nov 06	
ESI Entertainment Systems Inc.	18 Oct 06	01 Nov 06	01 Nov 06		
Fareport Capital Inc.	13 Sep 05	26 Sep 05	26 Sep 05		
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		
HMZ Metals Inc.	03 Apr 06	14 Apr 06	17 Apr 06		
Garrison International Ltd.	02 Nov 06	15 Nov 06			
Hollinger Inc.	18 May 04	01 Jun 04	01 Jun 04		
Neotel International Inc.	02 Jun 06	15 Jun 06	15 Jun 06		
Pacrim International Capital Inc.	29 Sept 06	12 Oct 06	12 Oct 06		
Research In Motion Limited	24 Oct 06	07 Nov 06			

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Straight Forward Marketing Corporation	02 Nov 06	15 Nov 06			

Chapter 5

Rules and Policies

5.1.1 NI 81-107 Independent Review Committee for Investment Funds and Related Amendments

NATIONAL INSTRUMENT 81-107
INDEPENDENT REVIEW COMMITTEE FOR INVESTMENT FUNDS

Table of Contents

Introduction

This National Instrument (the Instrument) contains both rules and accompanying commentary on those rules. The Canadian Securities Administrators (the CSA or we), have made these rules under authority granted by the securities legislation of their jurisdiction.

The commentary may explain the implications of a rule, offer examples or indicate different ways to comply with a rule. It may expand on a particular subject without being exhaustive. The commentary is not legally binding, but it does reflect the views of the CSA. Commentary always appears in italic type and, outside of this introduction, is titled "Commentary".

Part 1 Definitions and application

1.1 Investment funds subject to Instrument

(1) This Instrument applies to an investment fund that is a reporting issuer.

(2) In Québec, this Instrument does not apply to a reporting issuer organized under

(a) an Act to establish the Fonds de solidarité des travailleurs du Québec (F.T.Q.) R.S.Q., chapter F-3.2.1;

(b) an Act to establish Fondaction, le Fonds de dévelopement de la Confédération des syndicats nationaux pour la coopération et l'emploi (R.S.Q., chapter F-3.1.2); and

(c) an Act constituting Capital régional et coopératif Desjardins (R.S.Q., chapter C-6.1).

Commentary

1. This Instrument applies to all publicly offered mutual funds and non-redeemable investment funds. Investment funds subject to this Instrument include:

- *labour sponsored or venture capital funds;*
- *scholarship plans;*
- *mutual funds and closed-end funds listed and posted for trading on a stock exchange or quoted on an over-the-counter market; and*
- *investment funds not governed by National Instrument 81-102* Mutual Funds *(NI 81-102)*.

2. This Instrument does not regulate mutual funds that are not reporting issuers (commonly referred to as pooled funds), for example, mutual funds that sell securities to the public only under capital raising exemptions in securities legislation.

1.2 Definition of "conflict of interest matter"

In this Instrument, "a conflict of interest matter" means

(a) a situation where a reasonable person would consider a manager, or an entity related to the manager, to have an interest that may conflict with the manager's ability to act in good faith and in the best interests of the investment fund; or

(b) a conflict of interest or self-dealing provision listed in Appendix A that restricts or prohibits an investment fund, a manager or an entity related to the manager from proceeding with a proposed action.

Commentary

1. Section 5.1 of this Instrument requires that a manager refer all conflict of interest matters to the independent review committee (IRC).

2. The CSA do not consider the 'reasonable person' test described in paragraph (a) to capture inconsequential matters. It is expected that, among the factors the manager will look to for guidance to identify conflict of interest matters caught by this Instrument, will be industry best practices. The CSA expect, however, each manager to consider the nature of its investment fund operations when making its decisions about which conflict of interest matters it faces for the funds it manages.

3. The types of conflicts of interest faced by the portfolio manager or portfolio adviser (or sub-adviser) or any other entity related to the manager this Instrument captures relate to the decisions made on behalf of the investment fund that may affect or influence the manager's ability to make decisions in good faith and in the best interests of the investment fund. This Instrument is not intended to capture the conflicts of interest at the service provider level generally.

The CSA expect the manager to consider whether a particular portfolio manager or portfolio adviser or any other 'entity related to the manager' would have any conflicts of interest falling within the definition.

For example, paragraph (a) might, depending on the circumstances, capture these conflicts of the portfolio manager or portfolio adviser:

- *portfolio management processes for the investment fund, including allocation of investments among a family of investment funds; and*
- *trading practices for the investment fund, including negotiating soft dollar arrangements with dealers with whom the adviser places portfolio transactions for the investment fund.*

4. The CSA contemplate that an 'entity related to the manager' will have its own policies and procedures to address any conflicts of interest in its operations. It is expected the manager will make reasonable inquiries of these policies and procedures. The conflicts of interest facing these entities, including any third party portfolio manager or portfolio adviser, may affect, or be perceived to affect, the manager's ability to make decisions in the best interests of the investment fund. The manager is expected to refer such conflicts to the IRC under this Instrument.

5. For greater certainty, paragraph (b) requires that a 'conflict of interest matter' includes any course of action that the investment fund, the manager or an entity related to the manager would otherwise be restricted or prohibited from proceeding with because of a conflict of interest or self-dealing prohibition in securities legislation. These include the types of transactions described under subsection 5.2(1) of this Instrument.

1.3 Definition of "entity related to the manager"

In this Instrument, "entity related to the manager" means

(a) a person or company that can direct or materially affect the direction of the management and policies of the manager or the investment fund, other than as a member of the independent review committee; or

(b) an associate, affiliate, partner, director, officer or subsidiary of the manager or of a person or company referred to in paragraph (a).

Commentary

1. The CSA consider an 'entity related to the manager' in paragraph (a) to include:

- *the portfolio manager or portfolio adviser (or sub-adviser) of the investment fund, including any third party portfolio manager or portfolio adviser;*
- *the administrator of a scholarship plan; and*
- *any person or company that can materially direct or affect the manager's management or policies, including through contractual agreements or ownership of voting securities.*

1.4 Definition of "independent"

(1) In this Instrument, a member of the independent review committee is "independent" if the member has no material relationship with the manager, the investment fund, or an entity related to the manager.

(2) For the purposes of subsection (1), a material relationship means a relationship which could reasonably be perceived to interfere with the member's judgment regarding a conflict of interest matter.

Commentary

1. Under subsection 3.7(3), all members of the IRC must be independent of the manager, the investment fund and entities related to the manager. The CSA believe that all members must be independent because the principal function of the IRC is to review activities and transactions that involve inherent conflicts of interest between an investment fund and its manager. Given this role, it is important that the members of the IRC are free from conflicting loyalties.

2. While the members of the IRC should not themselves be subject to inherent conflicts or divided loyalties, the CSA recognize that there may be inherent conflicts relating to inter-fund issues where a single IRC acts for a family of investment funds. In those cases, this Instrument requires members to conduct themselves in accordance with their written charter and in accordance with the standard of care set out in this Instrument.

The CSA do not consider the IRC's ability to set its own reasonable compensation to be a material relationship with the manager or investment fund under subsection 1.4(1).

3. A material relationship referred to in subsection 1.4(1) may include an ownership, commercial, charitable, industrial, banking, consulting, legal, accounting or familial relationship. The CSA expect managers and IRC members to consider both past and current relationships when determining whether a material relationship exists.

For example, depending on the circumstances, the following individuals may be independent under section 1.4:

- *an independent member of an existing advisory board or IRC of an investment fund;*
- *an independent member or former independent member of the board of directors, or of a special committee of the board of directors, of an investment fund;*
- *a former independent member of the board of directors, or special committee of the board of directors, of the manager;*
- *an individual appointed as a trustee for an investment fund; and*
- *an independent member of the board of directors, or of a special committee of the board of directors, of a registered trust company that acts as trustee for an investment fund.*

By way of further example, the CSA consider it unlikely that the following individuals would be independent under section 1.4:

- *a person who is or has recently been an employee or executive officer of the manager or investment fund; and*

- *a person whose immediate family member is or has recently been an executive officer of the manager or investment fund.*

The CSA also consider that it would be rare that a member of the board of directors, or special committee of the board of directors, of a manager could be 'independent' within the meaning of this Instrument. One such example of when a member of the board of directors of a manager could be 'independent' may be "owner-operated" investment funds, sold exclusively to defined groups of investors, such as members of a trade or professional association or co-operative organization, who directly or indirectly, own the manager. In the case of these investment funds, the CSA view the interests of the independent members of the board of directors of the manager and investors as aligned.

1.5 Definition of "inter-fund self-dealing investment prohibitions"

In this Instrument, "inter-fund self-dealing investment prohibitions" means the provisions listed in Appendix B that prohibit

(a) a portfolio manager from knowingly causing any investment portfolio managed by it to purchase or sell, or

(b) an investment fund from purchasing or selling,

the securities of an issuer from or to the account of a responsible person, an associate of a responsible person or the portfolio manager.

1.6 Definition of "manager"

In this Instrument, "manager" means a person or company that directs the business, operations and affairs of an investment fund.

Commentary

1. The CSA are of the view that the term 'manager' should be interpreted broadly.

The term "manager" is intended to include a group of members on the board of an investment fund or the general partner of an investment fund organized as a limited partnership, where it acts in the capacity of 'manager'/decision-maker.

2. The CSA have, in connection with prospectus reviews, on occasion encountered investment funds structured in unusual ways. The CSA may examine an investment fund if it seems that it was structured to avoid the operation of this Instrument.

1.7 Definition of "standing instruction"

In this Instrument, "standing instruction" means a written approval or recommendation from the independent review committee that permits the manager to proceed with a proposed action under section 5.2 or 5.3 on an ongoing basis.

Part 2 Functions of the manager

2.1 Manager standard of care

A manager in exercising its powers and discharging its duties related to the management of the investment fund must

(a) act honestly and in good faith, and in the best interests of the investment fund; and

(b) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

Commentary

1. This section introduces a required standard of care for managers in certain jurisdictions and is intended to create a uniform standard of care provision for managers of investment funds subject to this Instrument.

2.2 Manager to have written policies and procedures

(1) Before proceeding with a conflict of interest matter or any other matter that securities legislation requires the manager to refer to the independent review committee, the manager must

(a) establish written policies and procedures that it must follow on that matter or on that type of matter, having regard to its duties under securities legislation; and

(b) refer the policies and procedures to the independent review committee for its review and input.

(2) In establishing the written policies and procedures described in subsection (1), the manager must consider the input of the independent review committee, if any.

(3) The manager may revise its policies and procedures if it provides the independent review committee with a written description of any significant changes for the independent review committee's review and input before implementing the revisions.

Commentary

1. Section 2.2 contemplates that a manager should identify for each investment fund the conflict of interest matters it expects will arise and that will be required to be referred to the IRC under section 5.1, and review its policies and procedures for those matters with the IRC.

Section 2.2 further requires the manager to establish policies and procedures for other matters it expects will arise and that will be required by securities legislation to be referred to the IRC, for example, certain reorganizations and transfers of assets between related mutual funds under Part 5 of NI 81-102.

2. A manager is expected to establish policies and procedures that are consistent with its obligations to the investment fund under securities legislation to make decisions in the best interests of the fund. Paragraph (1)(a) is intended to reinforce this obligation.

A manager that manages more than one investment fund may establish policies and procedures for an action or category of actions for all of the investment funds it manages. Alternatively, the manager may establish separate policies and procedures for the action or category of actions for each of its investment funds, or groups of its investment funds.

However structured, the CSA expect the written policies and procedures the manager establishes to be designed to prevent any violations by the manager and the investment fund of securities legislation in the areas that this Instrument addresses, and to detect and promptly correct any violations that occur.

3. A manager is expected to follow the policies and procedures established under this section. In referring a matter to the IRC under section 5.1, the CSA expect the manager to inform the IRC whether its proposed action follows its written policies and procedures on the matter.

If an unanticipated conflict of interest matter arises for which the manager does not have a policy and procedure, the CSA expect the manager to bring the matter and its proposed action to the IRC for its review and input at the time the matter is referred to the IRC.

4. Small investment fund families may require fewer written policies and procedures than large fund complexes that, for example, have conflicts of interest as a result of affiliations with other financial service firms.

2.3 Manager to maintain records

A manager must maintain a record of any activity that is subject to the review of the independent review committee, including

(a) a copy of the policies and procedures that address the matter;

(b) minutes of its meetings, if any; and

(c) copies of materials, including any written reports, provided to the independent review committee.

Commentary

1. This section is intended to assist the CSA in determining whether the manager is adhering to this Instrument, and in identifying weaknesses in the manager's policies and procedures if violations do occur. The CSA expect managers to keep records in accordance with existing best practices.

2. A manager is expected under this section to keep minutes only of any material discussions it has at meetings with the IRC or internally on matters subject to the review of the IRC.

The CSA do not view this section or this Instrument as preventing the IRC and manager from sharing record keeping and maintaining joint records of IRC and manager meetings.

3. The CSA expect a manager to keep records of the actions it takes in respect of a matter referred to the IRC. This includes any otherwise restricted or prohibited transactions described in subsection 5.2(1) for which the manager requires the IRC's approval under Part 6 of this Instrument or under Part 4 of NI 81-102.

2.4 Manager to provide assistance

(1) When a manager refers to the independent review committee a conflict of interest matter or any other matter that securities legislation requires it to refer, or refers its policies and procedures related to such matters, the manager must

(a) provide the independent review committee with information sufficient for the independent review committee to properly carry out its responsibilities, including

(i) a description of the facts and circumstances giving rise to the matter;

(ii) the manager's policies and procedures;

(iii) the manager's proposed course of action, if applicable; and

(iv) all further information the independent review committee reasonably requests;

(b) make its officers who are knowledgeable about the matter available to attend meetings of the independent review committee or respond to inquiries of the independent review committee about the matter; and

(c) provide the independent review committee with any other assistance it reasonably requests in its review of the matter.

(2) A manager must not prevent or attempt to prevent the independent review committee, or a member of the independent review committee, from communicating with the securities regulatory authority or regulator.

Part 3 Independent review committee

3.1 Independent review committee for an investment fund

An investment fund must have an independent review committee.

Commentary

1. A manager is expected to establish an IRC using a structure that is appropriate for the investment funds it manages, having regard to the expected workload of that committee. For example, a manager may establish one IRC for each of the investment funds it manages, for several of its investment funds, or for all of its investment funds.

2. This Instrument does not prevent investment funds from sharing an IRC with investment funds managed by another manager. This Instrument also does not prevent a third party from offering IRCs for investment funds. Managers of smaller families of investment funds may find these to be cost-effective ways to establish IRCs for their investment funds.

3.2 Initial appointments

The manager must appoint each member of an investment fund's first independent review committee.

3.3 Vacancies and reappointments

(1) An independent review committee must fill a vacancy on the independent review committee as soon as practicable.

(2) A member whose term has expired, or will soon expire, may be reappointed by the other members of the independent review committee.

(3) In filling a vacancy on the independent review committee or reappointing a member of the independent review committee, the independent review committee must consider the manager's recommendations, if any.

(4) A member may not be reappointed for a term or terms of office that, if served, would result in the member serving on the independent review committee for longer than 6 years, unless the manager agrees to the reappointment.

(5) If, for any reason, an independent review committee has no members, the manager must appoint a member to fill each vacancy as soon as practicable.

Commentary

1. Consistent with the manager's role to appoint the first members of an IRC, if at any time the IRC has no members, the manager will also appoint the replacement members. The CSA anticipate that the circumstances contemplated in subsection (5) will occur rarely, such as in the event of a change of manager or change in control of the manager. In these circumstances, managers should consider their timely disclosure obligations under securities legislation.

2. The manager may suggest candidates and may provide assistance to the IRC in the selection and recruitment process when a vacancy arises. Subsection (3) requires the IRC to consider the manager's recommendation, if any, when filling a vacancy or reappointing a member of the IRC.

The CSA believe that allowing the IRC to select its own members and decide the term a member can serve will foster independent-minded committees that will be focussed on the best interests of the investment fund. The CSA also consider the members of the IRC to be best-positioned to judge the manner in which a prospective member can contribute to the effectiveness of the IRC.

3. The maximum term limit of 6 years specified in subsection (4) for a member to serve on an investment fund's IRC is intended to enhance the independence and effectiveness of the IRC. An IRC may reappoint a member beyond the maximum term, but only with the agreement of the manager.

3.4 Term of office

The term of office of a member of an independent review committee must be not less than 1 year and not more than 3 years, and must be set by the manager or the independent review committee, as the case may be, at the time the member is appointed.

Commentary

1. To ensure continuity and continued independence from the manager, the CSA recommend that the terms of all IRC members be staggered.

3.5 Nominating criteria

Before a member of the independent review committee is appointed, the manager or the independent review committee, as the case may be, must consider

(a) the competencies and skills the independent review committee, as a whole, should possess;

(b) the competencies and skills of each other member of the independent review committee; and

(c) the competencies and skills the prospective member would bring to the independent review committee.

Commentary

1. Section 3.5 sets out the criteria the manager and the IRC must consider before appointing a member of the IRC. Subject to these requirements, the manager and the IRC may establish nominating criteria in addition to those set out in this section.

3.6 Written charter

(1) The independent review committee must adopt a written charter that includes its mandate, responsibilities and functions, and the policies and procedures it will follow when performing its functions.

(2) If the independent review committee and the manager agree in writing that the independent review committee will perform functions other than those prescribed by securities legislation, the charter must include a description of the functions that are the subject of the agreement.

(3) In adopting the charter, the independent review committee must consider the manager's recommendations, if any.

Commentary

1. The CSA expect the written charter to set out the necessary policies and procedures to ensure the IRC performs its role adequately and effectively and in compliance with this Instrument. An IRC acting for more than one investment fund may choose to establish a separate charter for each fund. Alternatively, an IRC may choose to establish one charter for all of the investment funds it oversees or groups of investment funds.

2. The IRC should consider the specific matters subject to its review when developing the policies and procedures to be set out in its charter.

3. Without discussing all of the policies and procedures that may be set out in the written charter, the CSA expect that the written charter will include the following:

- *policies and procedures the IRC must follow when reviewing conflict of interest matters,*
- *criteria for the IRC to consider in setting its compensation and expenses and the compensation and expenses of any advisors employed by the IRC,*
- *a policy relating to IRC member ownership of securities of the investment fund, manager or in any person or company that provides services to the investment fund or the manager,*
- *policies and procedures that describe how a member of the IRC is to conduct himself or herself when he or she faces a conflict of interest, or could be perceived to face a conflict of interest, with respect to a matter being considered or to be considered by the IRC,*
- *policies and procedures that describe how the IRC is to interact with any existing advisory board or board of directors of the investment fund and the manager, and*

- *policies and procedures that describe how any subcommittee of the IRC to which has been delegated any of the functions of the IRC, is to report to the IRC.*

4. The manager and the IRC may agree that the IRC will perform functions in addition to those prescribed by this Instrument and elsewhere in securities legislation. This Instrument does not preclude those arrangements, nor does this Instrument regulate those arrangements.

3.7 Composition

(1) An independent review committee must have at least three members.

(2) The size of the independent review committee is to be determined by the manager, with a view to facilitating effective decision-making, and may only be changed by the manager.

(3) Every independent review committee member must be independent.

(4) An independent review committee must appoint a member as Chair.

(5) The Chair of an independent review committee is responsible for managing the mandate, and responsibilities and functions, of the independent review committee.

Commentary

1. To ensure its effectiveness, a manager should consider the workload of the IRC when determining its size. The CSA expect that the manager will seek the input of the IRC prior to changing the size of the IRC.

2. The CSA anticipate that the Chair of the IRC will lead IRC meetings, foster communication among IRC members, and ensure the IRC carries out its responsibilities in a timely and effective manner.

The CSA expect the IRC Chair will be the primary person to interact with the manager on issues relating to the investment fund. An IRC Chair and the manager may agree to have regular communication as a way for the IRC Chair to keep informed of the operations of the investment fund between meetings, and of any significant events relating to the investment fund.

3. The requirement that all members of the IRC be independent does not preclude the IRC from consulting with others who can help the members understand matters that are beyond their specific expertise, or help them understand industry practices or trends, for example.

3.8 Compensation

(1) The manager may set the initial compensation and expenses of an independent review committee that is appointed under section 3.2 or subsection 3.3(5).

(2) Subject to subsection (1), the independent review committee must set reasonable compensation and proper expenses for its members.

(3) When setting its compensation and expenses under subsection (2), the independent review committee must consider

(a) the independent review committee's most recent assessment of its compensation under paragraph 4.2(2)(b); and

(b) the manager's recommendations, if any.

Commentary

1. This section permits the manager to determine the amount and type of compensation and expenses the IRC members will initially receive. To avoid undue influence from the manager, subsection (2) requires that, subsequent to the initial setting of compensation and other than in the unusual circumstance described in subsection 3.3(5), members of the IRC have the sole authority for determining their compensation. The Instrument permits the manager to recommend to the members

of the IRC the amount and type of compensation to be paid, and requires the IRC to consider that recommendation.

2. *The CSA expect the IRC and the manager to decide the IRC's compensation in a manner consistent with good governance practices. Among the factors the IRC and manager should consider when determining the appropriate level of compensation are the following:*

   - *the number, nature and complexity of the investment funds and the fund families for which the IRC acts;*
   - *the nature and extent of the workload of each member of the IRC, including the commitment of time and energy that is expected from each member;*
   - *industry best practices, including industry averages and surveys on IRC compensation; and*
   - *the best interests of the investment fund.*

3. *The CSA expect that the IRC and the manager will discuss any instance where the IRC disagrees with the manager's recommendations under paragraph (3)(b), in an attempt to reach an agreement that is satisfactory to both the IRC and the manager.*

3.9 Standard of care

(1) Every member of an independent review committee, in exercising his or her powers and discharging his or her duties related to the investment fund, and, for greater certainty, not to any other person, as a member of the independent review committee must

(a) act honestly and in good faith, with a view to the best interests of the investment fund; and

(b) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

(2) Every member of an independent review committee must comply with this Instrument and the written charter of the independent review committee required under section 3.6.

(3) A member of the independent review committee does not breach paragraph (1)(b), if the member exercised the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, including reliance in good faith on

(a) a report or certification represented as full and true to the independent review committee by the manager or an entity related to the manager; or

(b) a report of a person whose profession lends credibility to a statement made by the person.

(4) A member of the independent review committee has complied with his or her duties under paragraph (1)(a) if the member has relied in good faith on

(a) a report or certification represented as full and true to the independent review committee by the manager or an entity related to the manager; or

(b) a report of a person whose profession lends credibility to a statement made by the person.

Commentary

1. *The standard of care for IRC members under this section is consistent with the special relationship between the IRC and the investment fund.*

   The CSA consider the role of the members of the IRC to be similar to corporate directors, though with a much more limited mandate, and therefore we would expect any defences available to corporate directors to also be available to IRC members.

2. *The CSA consider the best interests of the investment fund referred to in paragraph (1)(a) to generally be consistent with the interests of the securityholders in the investment fund as a whole.*

3. It is not the intention of the CSA to create a duty of care on the part of the IRC to any other person under paragraph (1)(b).

3.10 Ceasing to be a member

(1) An individual ceases to be a member of an independent review committee when

(a) the investment fund terminates;

(b) the manager of the investment fund changes, unless the new manager is an affiliate of the former manager; or

(c) there is a change of control of the manager of the investment fund.

(2) An individual ceases to be a member of an independent review committee if

(a) the individual resigns;

(b) the individual's term of office expires and the member is not reappointed;

(c) a majority of the other members of the independent review committee vote to remove the individual; or

(d) a majority of the securityholders of the investment fund vote to remove the individual at a special meeting called for that purpose by the manager.

(3) An individual ceases to be a member of the independent review committee if the individual is

(a) no longer independent within the meaning of section 1.4 and the cause of the member's non-independence is not temporary for which the member can recuse himself or herself;

(b) of unsound mind and has been so found by a court in Canada or elsewhere;

(c) bankrupt;

(d) prohibited from acting as a director or officer of any issuer in Canada;

(e) subject to any penalties or sanctions made by a court relating to provincial and territorial securities legislation; or

(f) a party to a settlement agreement with a provincial or territorial securities regulatory authority.

(4) If an individual ceases to be a member of the independent review committee due to a circumstance described in subsection (2), the manager must, as soon as practicable, notify the securities regulatory authority or regulator of the date and the reason the individual ceased to be a member.

(5) The notification referred to in subsection (4) is satisfied if it is made to the investment fund's principal regulator.

(6) The notice of a meeting of securityholders of an investment fund called to consider the removal of a member under paragraph (2)(d) must comply with the notice requirements set out in section 5.4 of National Instrument 81-102 *Mutual Funds*.

(7) For any member of the independent review committee who receives notice or otherwise learns of a meeting of securityholders called to consider the removal of the member under paragraph (2)(d),

(a) the member may submit to the manager a written statement giving reasons for opposing the removal; and

(b) the manager must, as soon as practicable, send a copy of the statement referred to in paragraph (a) to every securityholder entitled to receive notice of the meeting and to the member unless the statement is included in or attached to the notice documents required by subsection (6).

Commentary

1. The CSA do not anticipate that the securityholder vote contemplated in paragraph 3.10(2)(d) will be routine. When a manager calls a meeting of securityholders to consider the removal of a member, subsection (7) requires that the member will have an opportunity to respond to the manager's notice.

2. In the circumstances described in paragraphs 3.10(1)(b) and (c), all members of the IRC will cease to be members. This does not preclude the new manager from reappointing the former members of the IRC under subsection 3.3(5).

3. Paragraph 3.10(3)(a) is meant to exclude a situation where a member may face, or be perceived to face, a conflict of interest with respect to a specific conflict of interest matter the IRC is considering.

3.11 Authority

(1) An independent review committee has authority to

(a) request information it determines useful or necessary from the manager and its officers to carry out its duties;

(b) engage independent counsel and other advisors it determines useful or necessary to carry out its duties;

(c) set reasonable compensation and proper expenses for any independent counsel and other advisors engaged by the independent review committee; and

(d) delegate to a subcommittee of at least three members of the independent review committee any of its functions, except the removal of a member under paragraph 3.10(2)(c).

(2) If the independent review committee delegates to a subcommittee under paragraph (1)(d) any of its functions, the subcommittee must report on its activities to the independent review committee at least annually.

(3) Despite any other provision in this Instrument, an independent review committee may communicate directly with the securities regulatory authority or regulator with respect to any matter.

Commentary

1. The CSA recognize that utilizing the manager's staff and industry experts may be important to help the members of the IRC deal with matters that are beyond the level of their expertise, or help them understand different practices among investment funds.

While this Instrument does not require legal counsel or other advisers for the IRC to be independent of the manager or the investment fund, there may be instances when the members of the IRC believe they need access to counsel or advisers who are free from conflicting loyalties. Paragraph (1)(b) gives the IRC the discretion and authority to hire independent legal counsel and other advisers. The CSA expect that the IRC will use independent advisors selectively and only to assist, not replace, IRC decision-making. The CSA do not anticipate that IRCs will routinely use external counsel and other advisers.

2. Paragraph (1)(d) is intended to allow an IRC of more than three members to delegate any of its functions, except the removal of an IRC member, to a subcommittee of at least three members. The CSA expect in such instances that the written charter of the IRC will include a defined mandate and reporting requirements for any subcommittee.

The CSA do not consider delegation by the IRC of a function to a subcommittee to absolve the IRC from its responsibility for the function.

3. Subsection (3) specifies that the IRC may inform the securities regulatory authority or regulator of any concerns or issues that it may not otherwise be required to report. For example, the IRC may be concerned if very few matters have been referred by the manager for review, or it may have found, or have reasonable grounds to suspect, a breach of securities legislation has occurred. However, the IRC has no obligation to report matters other than those prescribed by this Instrument or elsewhere in securities legislation.

4. The CSA do not consider that this section or this Instrument prevents the manager from communicating with the securities regulatory authorities with respect to any matter.

3.12 Decisions

(1) A decision by the independent review committee on a conflict of interest matter or any other matter that securities legislation requires the independent review committee to review requires the agreement of a majority of the independent review committee's members.

(2) If, for any reason, an independent review committee has two members, a decision by the independent review committee must be unanimous.

(3) An independent review committee with one member may not make a decision.

Commentary

1. This section requires a decision of the members of the IRC to represent the majority. Should the IRC find itself with two members, subsection (2) permits the IRC to continue to make decisions on conflict of interest matters provided the remaining two members agree.

3.13 Fees and expenses to be paid by the investment fund

The investment fund must pay from the assets of its fund all reasonable costs and expenses reasonably incurred in the compliance of this Instrument.

Commentary

1. A manager is expected to allocate the costs associated with the IRC on an equitable and reasonable basis amongst the investment funds for which the IRC acts.

This Instrument does not prohibit a manager from reimbursing the investment fund for any of the costs associated with compliance with this Instrument. It is expected that the prospectus will disclose whether or not the manager will reimburse the investment fund.

2. The CSA do not expect costs that the manager or investment fund would ordinarily incur in the operation of the investment fund without the presence of the IRC (for example, rent) to be charged to the investment fund under this section. Among the costs the CSA expect will be charged to the investment fund under this section are the following:

- *the compensation and expenses payable to the members of the IRC and to any independent counsel and other advisers employed by the IRC;*
- *the costs of the orientation and continuing education of the members of the IRC; and*
- *the costs and expenses associated with a special meeting of securityholders called by the manager to remove a member or members of the IRC.*

3.14 Indemnification and insurance

(1) In this section, "member" means:

(a) a member of the independent review committee;

(b) a former member of the independent review committee; and

(c) the heirs, executors, administrators or other legal representatives of the estate of an individual in (a) or (b).

(2) An investment fund and manager may indemnify a member against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by the person in respect of any civil, criminal, administrative, investigative or other proceeding in which the member is involved because of being or having been a member.

(3) An investment fund and manager may advance moneys to a member for the costs, charges and expenses of a proceeding referred to in subsection (2). The member must repay the moneys if the member does not fulfill the conditions of subsection (4).

(4) An investment fund and manager may not indemnify a member under subsection (2) unless

(a) the member acted honestly and in good faith, with a view to the best interests of the investment fund; and

(b) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the member had reasonable grounds for believing that the individual's conduct was lawful.

(5) Despite subsection (2), a member referred to in that subsection is entitled to an indemnity from the investment fund in respect of all costs, charges and expenses reasonably incurred by the member in connection with the defence of any civil, criminal, administrative, investigative or other proceeding to which the member is subject because of the member's association with the investment fund as described in subsection (2), if the member seeking indemnity

(a) was not judged by the court or other competent authority to have committed any fault or omitted to do anything that ought to have been done; and

(b) fulfills the conditions set out in subsection (4).

(6) An investment fund and manager may purchase and maintain insurance for the benefit of any member referred to in subsection (2) against any liability incurred by the member in his or her capacity as a member.

Commentary

1. This Instrument requires that members of an IRC be accountable for their actions. At the same time, this section does not prevent an investment fund or a manager from limiting a member's financial exposure through insurance and indemnification.

2. This section permits an investment fund and the manager to indemnify and purchase insurance coverage for the members of the IRC on terms comparable to those applicable to directors of corporations. The broad goals underlying the indemnity provisions are to allow for reimbursement for reasonable good faith behaviour, thereby discouraging the hindsight application of perfection to the IRC's actions.

Under this section, the investment fund is required to indemnify an IRC member who has been sued and has successfully defended the action, subject to certain conditions. If the IRC member does not defend the action successfully, the investment fund and manager may indemnify the member in certain circumstances. The intention of indemnity is to encourage responsible behaviour yet still permit enough leeway to attract strong candidates.

The two conditions which must be satisfied in either instance under this section for an IRC member to be indemnified are:

- *the IRC member must have acted in a manner consistent with his or her fiduciary duty with respect to the action or matter for which the IRC member is seeking the indemnification; and*
- *the IRC member must have had reasonable grounds for believing that his or her conduct was lawful.*

The CSA expect any such coverage to be on reasonable commercial terms.

3. It is open to members of the IRC to negotiate contractual indemnities with the manager and the investment fund provided the protection is permissible under this section.

3.15 Orientation and continuing education

(1) The manager and independent review committee must provide orientation consisting of educational or informational programs that enable a new independent review committee member to understand

(a) the role of the independent review committee and its members collectively; and

(b) the role of the individual member.

(2) The manager may provide a member of the independent review committee with educational or informational programs, as the manager considers useful or necessary, that enable the member to understand the nature and operation of the manager's and investment fund's businesses.

(3) The independent review committee may reasonably supplement the educational and informational programs provided to its members under this section.

Commentary

1. The CSA expect members of the IRC to regularly participate in educational or informational programs that may be useful to the members in understanding and fulfilling their duties.

Section 3.15 sets out only the minimum educational programs that a manager and IRC are expected to provide for members of the IRC. Educational activities could include presentations, seminars or discussion groups conducted by:

- *personnel of the investment fund or manager,*
- *outside experts,*
- *industry groups,*
- *representatives of the investment fund's various service providers, and*
- *educational organizations and institutions.*

2. The CSA expect a discussion of a member's role referred to in paragraph (1)(b) to include a reference to the commitment of time and energy that is expected from the member.

Part 4 Functions of independent review committee

4.1 Review of matters referred by manager

(1) The independent review committee must review and provide its decision under section 5.2 or under section 5.3 to the manager on a conflict of interest matter that the manager refers to the independent review committee for review.

(2) The independent review committee must perform any other function required by securities legislation.

(3) The independent review committee has the authority to choose whether to deliberate and decide on a matter referred to in subsection (1) and (2) in the absence of the manager, any representative of the manager and any entity related to the manager.

(4) Despite subsection (3), an independent review committee must hold at least one meeting annually at which the manager, any representative of the manager or any entity related to the manager are not in attendance.

(5) The independent review committee has no power, authority or responsibility for the operation of the investment fund or the manager except as provided in this section.

Commentary

1. The Instrument requires the IRC only to consider matters referred to it by the manager that involve or may be perceived to involve a conflict of interest for the manager between its own interests and its duty to manage an investment fund.

Securities legislation also requires the IRC to consider other matters. For example, a change in a mutual fund's auditor and certain reorganizations and transfers of assets between related mutual funds under Part 5 of NI 81-102 require the review and prior approval of the IRC for the manager to proceed.

2. The manager and the IRC may agree that the IRC will perform functions in addition to those prescribed by this Instrument and elsewhere in securities legislation. This Instrument does not preclude those arrangements, nor does this Instrument regulate those arrangements.

3. Subsection (3) permits the IRC to decide who, other than IRC members, may attend any IRC meeting other than the meeting referred to in subsection (4). Subsection (3) also does not preclude the IRC from receiving oral or written submissions from the manager or from holding meetings with representatives of the manager or an entity related to the manager or any other person not independent under this Instrument. The CSA believe utilizing the manager's staff and industry experts may be important to help the members of the IRC understand matters that are beyond their specific expertise, or help them understand different practices among investment funds.

4. The requirement that the IRC hold at least one meeting without anyone else present (including management of the investment fund) is intended to give the members of the IRC an opportunity to speak freely about any sensitive issues, including any concerns about the manager.

The CSA are of the view that subsection (4) is satisfied if the IRC holds a portion of any meeting annually without the presence of the manager, any representative of the manager or any entity related to the manager.

4.2 Regular assessments

(1) At least annually, the independent review committee must review and assess the adequacy and effectiveness of

(a) the manager's written policies and procedures required under section 2.2;

(b) any standing instruction it has provided to the manager under section 5.4;

(c) the manager's and the investment fund's compliance with any conditions imposed by the independent review committee in a recommendation or approval it has provided to the manager; and

(d) any subcommittee to which the independent review committee has delegated, under paragraph 3.11(1)(d), any of its functions.

(2) At least annually, the independent review committee must review and assess

(a) the independence of its members; and

(b) the compensation of its members.

(3) At least annually, the independent review committee must review and assess its effectiveness as a committee, as well as the effectiveness and contribution of each of its members.

(4) The review by the independent review committee required under subsection (3) must include a consideration of

(a) the independent review committee's written charter referred to in section 3.6;

(b) the competencies and knowledge each member is expected to bring to the independent review committee;

(c) the level of complexity of the issues reasonably expected to be raised by members in connection with the matters under review by the independent review committee; and

(d) the ability of each member to contribute the necessary time required to serve effectively on the independent review committee.

Commentary

1. Section 4.2 sets out the minimum assessments the independent review committee must perform. Subject to these requirements, the IRC may establish a process for (and determine the frequency of) additional assessments as it sees fit.

2. The annual self-assessment by the IRC should improve performance by strengthening each member's understanding of his or her role and fostering better communication and greater cohesiveness among members.

3. When evaluating individual performance, it is expected that the IRC consider factors such as the member's attendance and participation in meetings, continuing education activities and industry knowledge. The manager may also provide IRC members with feedback which the IRC may consider.

It is expected the self-assessment should focus on both substantive and procedural aspects of the IRC's operations. When evaluating the IRC's structure and effectiveness, the IRC should consider factors such as the following:

- *the frequency of meetings;*
- *the substance of meeting agendas;*
- *the policies and procedures that the manager has established to refer matters to the IRC;*
- *the usefulness of the materials provided to the members of the IRC;*
- *the collective experience and background of the members of the IRC;*
- *the number of funds the IRC oversees; and*
- *the amount and form of compensation the members receive from an individual investment fund and in aggregate from the fund family.*

4. The CSA expect the members of an IRC to respond appropriately to address any weaknesses found in a self-assessment. For example, it may be necessary to improve the IRC members' continuing education, recommend ways to improve the quality and sufficiency of the information provided to them, or recommend to the manager decreasing the number of investment funds under the IRC's oversight.

In rare circumstances, the IRC may consider removing a member of the IRC as contemplated under paragraph 3.10(2)(c) as a result of the self-assessment.

4.3 Reporting to the manager

The independent review committee must as soon as practicable deliver to the manager a written report of the results of an assessment under subsection 4.2(1) and (2) that includes

(a) a description of each instance of a breach of any of the manager's policies or procedures of which the independent review committee is aware, or that it has reason to believe has occurred;

(b) a description of each instance of a breach of a condition imposed by the independent review committee in a recommendation or approval it has provided to the manager, of which the independent review committee is aware, or that it has reason to believe has occurred; and

(c) recommendations for any changes the independent review committee considers should be made to the manager's policies and procedures.

4.4 Reporting to securityholders

(1) An independent review committee must prepare, for each financial year of the investment fund and no later than the date the investment fund files its annual financial statements, a report to securityholders of the

investment fund that describes the independent review committee and its activities for the financial year and includes

(a) the name of each member of the independent review committee at the date of the report, with

(i) the member's length of service on the independent review committee;

(ii) the name of any other fund family on whose independent review committee the member serves; and

(iii) if applicable, a description of any relationship that may cause a reasonable person to question the member's independence and the basis upon which the independent review committee determined that the member is independent;

(b) the percentage of securities of each class or series of voting or equity securities beneficially owned, directly or indirectly, in aggregate, by all the members of the independent review committee of the investment fund

(i) in the investment fund if the aggregate level of ownership exceeds 10 percent;

(ii) in the manager; or

(iii) in any person or company that provides services to the investment fund or the manager;

(c) the identity of the Chair of the independent review committee;

(d) any changes in the composition or membership of the independent review committee during the period;

(e) the aggregate compensation paid to the independent review committee and any indemnities paid to members of the independent review committee by the investment fund during the period;

(f) a description of the process and criteria used by the independent review committee to determine the appropriate level of compensation of its members and any instance when, in setting the compensation and expenses of its members, the independent review committee did not follow the recommendation of the manager, including

(i) a summary of the manager's recommendation; and

(ii) the independent review committee's reasons for not following the recommendation;

(g) if known, a description of each instance when the manager acted in a conflict of interest matter referred to the independent review committee for which the independent review committee did not give a positive recommendation, including

(i) a summary of the recommendation; and

(ii) if known, the manager's reasons for proceeding without following the recommendation of the independent review committee and the result of proceeding;

(h) if known, a description of each instance when the manager acted in a conflict of interest matter but did not meet a condition imposed by the independent review committee in its recommendation or approval, including

(i) the nature of the condition;

(ii) if known, the manager's reasons for not meeting the condition; and

(iii) whether the independent review committee is of the view that the manager has taken, or proposes to take, appropriate action to deal with the matter; and

(i) a brief summary of any recommendations and approvals the manager relied upon during the period.

(2) The report required under subsection (1) must as soon as practicable

(a) be sent by the investment fund, without charge, to a securityholder of the investment fund, upon the securityholder's request;

(b) be made available and prominently displayed by the manager on the investment fund's, investment fund family's or manager's website, if it has a website;

(c) be filed by the investment fund with the securities regulatory authority or regulator; and

(d) be delivered by the independent review committee to the manager.

Commentary

1. The report to be filed with the securities regulatory authorities should be filed on the SEDAR group profile number of the investment fund as a continuous disclosure document. The CSA expect that the investment fund will pay any reasonable costs associated with the filing of the report.

2. It is expected the report will be displayed in an easily visible location on the home page of the website of the investment fund, the investment fund family or the manager, as applicable. The CSA expect the report to remain on the website at least until the posting of the next report.

3. The disclosure required in subparagraph (1)(a)(iii) is expected to be provided only in instances where a member could reasonably be perceived to not be 'independent' under this Instrument.

4.5 Reporting to securities regulatory authorities

(1) If the independent review committee is aware of an instance where the manager acted in a conflict of interest matter under subsection 5.2(1) but did not comply with a condition or conditions imposed by securities legislation or the independent review committee in its approval, the independent review committee must, as soon as practicable, notify in writing the securities regulatory authority or regulator.

(2) The notification referred to in subsection (1) is satisfied if it is made to the investment fund's principal regulator.

Commentary

1. Subsection (1) captures a breach of a condition imposed for an otherwise prohibited or restricted transaction described in subsection 5.2(1), for which the manager has acted under Part 6 of this Instrument or under Part 4 of NI 81-102. This includes a breach of a condition imposed by the IRC as part of its approval (including a standing instruction), or, for example, any conditions imposed for inter-fund trading under section 6.1 of this Instrument or section 4.3 of NI 81-102, for transactions in securities of related issuers under section 6.2 of this Instrument, and for purchases of securities underwritten by related underwriters under section 4.1 of NI 81-102.

The CSA consider that a breach of a condition imposed by securities legislation (including this Instrument) or by the IRC in a transaction described in subsection 5.2(1) will result in the transaction having been made in contravention of securities legislation. In such instances, the securities regulatory authorities may consider taking various action, including requiring the manager to unwind the transaction and pay any costs associated with doing so.

2. The CSA expect that the IRC will include in its notification the steps the manager proposes to take, or has taken, to remedy the breach, if known.

3. Notification under this section is not intended to be a mechanism to resolve disputes between an IRC and a manager, or to raise inconsequential matters with the securities regulatory authorities.

4. The CSA do not view this section or this Instrument as preventing the manager from communicating with the securities regulatory authorities with respect to any matter.

4.6 Independent review committee to maintain records

An independent review committee must maintain records, including

(a) a copy of its current written charter;

(b) minutes of its meetings;

(c) copies of any materials and written reports provided to it;

(d) copies of materials and written reports prepared by it; and

(e) the decisions it makes.

Commentary

1. Section 4.6 sets out the minimum requirements regarding the record keeping by an IRC. The CSA expect IRCs to keep records in accordance with existing best practices.

2. The IRC is expected under paragraph (b) to keep minutes only of any material discussions it has at meetings with the manager or internally on matters subject to its review.

The CSA do not view this section or this Instrument as preventing the IRC and manager from sharing record keeping and maintaining joint records of IRC and manager meetings.

3. The CSA expect the IRC to keep records of any actions it takes in respect of a matter referred to it, in particular any transaction otherwise prohibited or restricted by securities legislation, as described in subsection 5.2(1), for which the manager has sought the approval of the IRC.

Part 5 Conflict of interest matters

5.1 Manager to refer conflict of interest matters to independent review committee

(1) Subject to section 5.4, when a conflict of interest matter arises, and before taking any action in the matter, the manager must

(a) determine what action it proposes to take in respect of the matter, having regard to

(i) its duties under securities legislation; and

(ii) its written policies and procedures on the matter; and

(b) refer the matter, along with its proposed action, to the independent review committee for its review and decision.

(2) If a manager must hold a meeting of securityholders to obtain securityholder approval before taking an action in a conflict of interest matter, the manager must include a summary of the independent review committee's decision under subsection (1) in the notice of the meeting.

Commentary

1. Section 5.1 recognizes that a manager may not be able to objectively determine whether it is acting in the best interests of the investment fund when it has a conflict of interest. This section requires managers to refer all conflict of interest matters – not just those subject to prohibitions or restrictions under securities legislation - to the IRC so that an independent perspective can be brought to bear on the manager's proposed action.

A decision tree for different types of conflict of interest matters is set out in Appendix A to the Commentary.

While the CSA expect the IRC to bring a high degree of rigour and skeptical objectivity to its review of conflict of interest matters, the CSA do not consider it the role of the IRC to second-guess the investment or business decisions of a manager or an entity related to the manager.

2. Section 5.1 sets out how the manager must proceed when faced with a conflict of interest matter.

Referring proposed actions involving conflict of interest matters to the IRC for its review is not considered by the CSA to detract from the manager's obligations to the investment fund under securities legislation to make decisions in the best interests of the fund. Subparagraph (a)(i) is intended to reinforce this obligation.

3. *In referring a matter to the IRC, a manager is expected to inform the IRC whether its proposed action follows its written policies and procedures on the matter under section 2.2.*

   If an unanticipated conflict of interest matter arises for which the manager does not have an existing written policy and procedure, the CSA expect the manager to bring the matter and its proposed action to the IRC for its review and input at the time the matter is referred to the IRC.

4. *There may be matters that are subject to a securityholder vote that also involve a "conflict of interest matter" under this Instrument. For example, increases in the charges of the manager to the mutual fund will be a conflict of interest matter as well as a matter subject to a securityholder vote under Part 5 of National Instrument 81-102* Mutual Funds*. For these matters, subsection (2) requires a manager to refer the matter first to the IRC before seeking the approval of securityholders, and to include a summary of the IRC's decision in the written notice to securityholders.*

5.2 Matters requiring independent review committee approval

(1) A manager may not proceed with a proposed action under section 5.1 without the approval of the independent review committee if the action is

(a) an inter-fund trade as described in subsection 6.1(2) of this Instrument or a transaction as described in subsection 4.2(1) of National Instrument 81-102 *Mutual Funds*;

(b) a transaction in securities of an issuer as described in subsection 6.2(1) of this Instrument; or

(c) an investment in a class of securities of an issuer underwritten by an entity related to the manager as described in subsection 4.1(1) of National Instrument 81-102 *Mutual Funds*.

(2) An independent review committee must not approve an action unless it has determined, after reasonable inquiry, that the action

(a) is proposed by the manager free from any influence by an entity related to the manager and without taking into account any consideration relevant to an entity related to the manager;

(b) represents the business judgment of the manager uninfluenced by considerations other than the best interests of the investment fund;

(c) is in compliance with the manager's written policies and procedures relating to the action; and

(d) achieves a fair and reasonable result for the investment fund.

Commentary

1. *For the transactions described in subsection (1), provided the manager receives the IRC's approval under this section, and satisfies the additional conditions imposed under the applicable sections of Part 6 of this Instrument or Part 4 of NI 81-102, the manager will be permitted to proceed with the action without obtaining regulatory exemptive relief.*

   The IRC may give its approval for certain actions or categories of actions in the form of a standing instruction as described in section 5.4. If no standing instruction is in effect, the manager is required to seek the IRC's approval prior to proceeding with any action set out in subsection (1). An IRC may consider as guidance any conditions in prior exemptive relief orders, waivers or approvals obtained from the securities regulatory authorities when contemplating the appropriate terms and conditions in its approval.

2. *If the IRC does not approve a proposed action described in subsection (1), the manager is not permitted to proceed without obtaining exemptive relief from the securities regulatory authorities. The CSA consider it in the best interests of the investment fund, and ultimately investors, for the IRC to be able to stop any proposed action which does not meet the test in subsection (2).*

3. *The CSA would usually expect that, before the IRC approves a proposed action described in subsection (1), it will have requested from the manager or others a report or certification to assist in its determination that the test in subsection (2) has been met.*

4. *The CSA expect that the manager will discuss with the IRC any instance where the IRC does not approve a proposed action, so that an alternative action satisfactory to both the manager and the IRC can be found, if possible.*

5. *The CSA consider that the ability of the manager to seek the removal of a member or members of the IRC under paragraph 3.10(2)(d) sufficiently addresses any concern that a manager may have about an IRC's ongoing refusal to approve matters.*

5.3 Matters subject to independent review committee recommendation

(1) Before a manager may proceed with a proposed action under section 5.1 other than those set out in subsection 5.2(1),

(a) the independent review committee must provide a recommendation to the manager as to whether, in the committee's opinion after reasonable inquiry, the proposed action achieves a fair and reasonable result for the investment fund; and

(b) the manager must consider the recommendation of the independent review committee.

(2) If the manager decides to proceed with an action in a conflict of interest matter that, in the opinion of the independent review committee after reasonable inquiry, does not achieve a fair and reasonable result for the investment fund under paragraph (1)(a), the manager must notify in writing the independent review committee before proceeding with the proposed action.

(3) Upon receiving the notification described in subsection (2), the independent review committee may require the manager to notify securityholders of the investment fund of the manager's decision.

(4) A notification to securityholders under subsection (3) must

(a) sufficiently describe the proposed action of the manager, the recommendation of the independent review committee and the manager's reasons for proceeding;

(b) state the date of the proposed implementation of the action; and

(c) be sent by the manager to each securityholder of the investment fund at least thirty days before the effective date of the proposed action.

(5) The investment fund must, as soon as practicable, file the notification referred to in subsection (4) with the securities regulatory authority or regulator upon the notice being sent to securityholders.

Commentary

1. *This section captures all conflict of interest matters a manager encounters other than those listed in subsection 5.2(1). This includes conflict of interest matters prohibited or restricted by securities legislation not specified in subsection 5.2(1), and a manager's business and commercial decisions made on behalf of the investment fund that may be motivated, or be perceived to be motivated, by the manager's own interests rather than the best interests of the investment fund. Examples include:*

- *increasing charges to the investment fund for costs incurred by the manager in operating the fund;*
- *correcting material errors made by the manager in administering the investment fund;*
- *negotiating soft dollar arrangements with dealers with whom the manager places portfolio transactions for the investment fund; and*
- *choosing to bring services in-house over using third-party service providers.*

The CSA expect that, in seeking guidance in identifying conflict of interest matters caught by this Instrument, among the factors the manager will look to for guidance to identify conflict of interest matters will be industry best practices. However, the CSA also acknowledge that each manager will need to consider the nature of its investment fund operations in determining a conflict of interest matter.

2. *The CSA expect the IRC's recommendation to state a positive or negative response as to whether they view the proposed action as achieving a fair and reasonable result for the investment fund.*

3. *For a proposed action in a conflict of interest matter under this section that is prohibited or restricted by securities legislation (but not specified in subsection 5.2(1)), a manager will still need to seek exemptive relief from the securities regulatory authorities.*

4. *Subsection (2) recognizes that, in exceptional circumstances, the manager may decide to proceed with a proposed course of action despite a negative recommendation from the IRC. In such instances, subsection (2) requires the manager to notify the IRC before proceeding with the action. If the IRC determines that the proposed action is sufficiently important to warrant notice to securityholders in the investment fund, the IRC has the authority to require the manager to give such notification before proceeding with the action.*

   The CSA anticipate that the situation of a manager proceeding with a conflict of interest matter, despite a negative recommendation by the IRC, will occur infrequently.

5. *The notification referred to in subsection (5) should be filed on the SEDAR group profile number of the investment fund as a continuous disclosure document.*

5.4 Standing instructions by the independent review committee

(1) Despite section 5.1, the manager is not required to refer a conflict of interest matter nor its proposed action to the independent review committee if the manager complies with the terms of a standing instruction that is in effect.

(2) For any action for which the independent review committee has provided a standing instruction, at the time of the independent review committee's regular assessment described in subsection 4.2(1),

   (a) the manager must provide a written report to the independent review committee describing each instance that it acted in reliance on a standing instruction; and

   (b) the independent review committee must

      (i) review and assess the adequacy and effectiveness of the manager's written policies and procedures on the matter or on that type of matter with respect to all actions permitted by each standing instruction;

      (ii) review and assess the manager's and investment fund's compliance with any conditions imposed by it in each standing instruction;

      (iii) reaffirm or amend each standing instruction;

      (iv) establish new standing instructions, if necessary; and

      (v) advise the manager in writing of all changes to the standing instructions.

(3) A manager may continue to rely on a standing instruction under subsection (1) until such time as the independent review committee notifies the manager that the standing instruction has been amended or is no longer in effect.

Commentary

1. *Section 5.4 recognizes that there are certain actions or categories of actions of the manager for which it may be appropriate for the IRC to choose to provide a standing instruction. For example, this may include a manager's ongoing voting of proxies on securities held by the investment fund when*

the manager has a business relationship with the issuer of the securities, or, a manager's decision to engage in inter-fund trading.

2. The CSA expect that, before providing or continuing a standing instruction to the manager for an action or category of actions, the IRC will have:

- *reviewed the manager's written policies and procedures with respect to the action or category of actions;*
- *requested from the manager or other persons a report or certification to assist in deciding whether to give its approval or recommendation for the action or category of actions under subsection 5.2(1) or 5.3(1), as the case may be;*
- *considered whether a standing instruction for the particular action or category of actions is appropriate for the investment fund; and*
- *established very clear terms and conditions surrounding the standing instruction for the action or category of actions.*

An IRC may consider including in any standing instruction any terms or conditions in prior exemptive relief orders, waivers or approvals obtained from the securities regulatory authorities.

3. As part of the IRC's review under subparagraph (2)(b)(ii), the IRC is expected to be mindful of its reporting obligation under section 4.5 of this Instrument, which includes notifying the securities regulatory authorities of any instance where the manager, in proceeding with an action, did not meet a condition imposed by the IRC in its approval (this includes a standing instruction).

4. This section is intended to improve the flexibility and timeliness of the manager's decisions concerning a proposed course of action in a conflict of interest matter.

Part 6 Exempted transactions

6.1 Inter-fund trades

(1) In this section

(a) "current market price of the security" means,

(i) if the security is an exchange-traded security or a foreign exchange-traded security,

(A) the closing sale price on the day of the transaction as reported on the exchange upon which the security is listed or the quotation trade reporting system upon which the security is quoted, or

(B) if there are no reported transactions for the day of the transaction, the average of the highest current bid and lowest current ask for the security as displayed on the exchange upon which the security is listed or the quotation trade reporting system upon which the security is quoted, or

(C) if the closing sale price on the day of the transaction is outside of the closing bid and closing ask, the average of the highest current bid and lowest current ask for the security as displayed on the exchange upon which the security is listed or the quotation trade reporting system upon which the security is quoted; or

(ii) for all other securities, the average of the highest current bid and lowest current ask determined on the basis of reasonable inquiry; and

(b) "market integrity requirements" means

(i) if the security is an exchange-traded security, the purchase or sale

(A) is printed on a marketplace that executes trades of the security; and

(B) complies with the market conduct and display requirements of the marketplace, its regulation services provider and securities regulatory authorities; or

(ii) if the security is a foreign exchange-traded security, the purchase or sale complies with the requirements that govern transparency and trading of foreign exchange-traded securities on the foreign exchange or foreign quotation and trade reporting system; or

(iii) for all other securities, the purchase or sale is through a dealer, if the purchase or sale is required to be reported by a registered dealer under applicable securities legislation.

(2) The portfolio manager of an investment fund may purchase a security of any issuer from, or sell a security of any issuer to, another investment fund managed by the same manager or an affiliate of the manager, if, at the time of the transaction

(a) the investment fund is purchasing from, or selling to, another investment fund to which this Instrument applies;

(b) the independent review committee has approved the transaction under subsection 5.2(2);

(c) the bid and ask price of the security is readily available;

(d) the investment fund receives no consideration and the only cost for the trade is the nominal cost incurred by the investment fund to print or otherwise display the trade;

(e) the transaction is executed at the current market price of the security;

(f) the transaction is subject to market integrity requirements; and

(g) the investment fund keeps written records, including

(i) a record of each purchase and sale of securities;

(ii) the parties to the trade; and

(iii) the terms of the purchase or sale

for five years after the end of the fiscal year in which the trade occurred, the most recent two years in a reasonably accessible place.

(3) The provisions of National Instrument 21-101 *Marketplace Operation*, and Part 6 and Part 8 of National Instrument 23-101 *Trading Rules*, do not apply to a portfolio manager or portfolio adviser of an investment fund, or an investment fund, with respect to a purchase or sale of a security referred to in subsection (2) if the purchase or sale is made in accordance with that subsection.

(4) The inter-fund self-dealing investment prohibitions do not apply to a portfolio manager or portfolio adviser of an investment fund, or an investment fund, with respect to a purchase or sale of a security referred to in subsection (2) if the purchase or sale is made in accordance with that subsection.

(5) The dealer registration requirement does not apply to a portfolio manager of an investment fund, with respect to a purchase or sale of a security referred to in subsection (2) if the purchase or sale is made in accordance with that subsection.

(6) In subsection (5), “dealer registration requirement” has the meaning ascribed to that term in National Instrument 14-101 *Definitions*.

Commentary

1. The term “inter-fund self-dealing investment prohibitions” is defined in section 1.5 of this Instrument. It is intended to capture the prohibitions in the securities legislation and certain regulations of each securities regulatory authority regarding inter-fund trades.

2. This section is intended to exempt investment funds from the prohibitions in the securities legislation and certain regulations that preclude inter-fund trades. It is not intended to apply to securities issued by an investment fund that are purchased by another fund within the same fund family.

The CSA are of the view that this section applies to inter-fund trades between fund families of the same manager provided the purchase or sale is made in accordance with subsection (2).

3. This section is also intended to provide a portfolio manager with a dealer registration exemption, where necessary, for inter-fund trades made in accordance with this section, but will not apply to any other activities of the portfolio manager. The exemption is based on compliance with this Instrument and the limitation of its application to prospectus-qualified investment funds. The CSA note that the Registration Reform project may re-examine this exemption.

4. This section sets out the minimum conditions for inter-fund trades to proceed without regulatory exemptive relief. An IRC may consider including in any approval any terms or conditions in prior exemptive relief orders, waivers or approvals obtained from the securities regulatory authorities.

5. This section does not specify the policies and procedures that a manager must have to effect inter-fund trades. However, the CSA expect the manager's policies to include factors or criteria for

- *allocating securities purchased for or sold by two or more investment funds managed by the manager; and*
- *ensuring that the terms of purchase or sale will be no less beneficial to the investment fund than those generally available to other market participants in arm's-length transactions.*

6. The CSA expect that the IRC may give its approval in the form of a standing instruction under section 5.4, to give the manager greater flexibility to take advantage of perceived market opportunity.

7. Paragraph (2)(c) requires that the market quotations for the transactions be transparent. The CSA expect that if the price information is publicly available from a marketplace, newspaper or through a data vendor, for example, this will be the price. If the price is not publicly available, the CSA expect the investment fund to obtain at least one quote from an independent, arm's-length purchaser or seller, immediately before the purchase or sale.

8. The CSA consider the requirement in paragraph (2)(f) to be a way to facilitate price discovery and integrity. The CSA believe this is essential to well-functioning and efficient capital markets. Subparagraph (1)(b)(iii) is intended to capture, for corporate debt securities, the requirement, if applicable, to report the trade to CanPx, and for illiquid securities, the requirement, if applicable, to report the trade to the Canadian Unlisted Board (CUB).

9. Paragraph (2)(g) sets out the minimum expectations regarding the records an investment fund must keep of its inter-fund trades made in reliance on this section. The records should be detailed, and sufficient to establish a proper audit trail of the transactions.

6.2 Transactions in securities of related issuers

(1) An investment fund may make or hold an investment in the security of an issuer related to it, its manager, or an entity related to the manager, if

(a) at the time that the investment is made,

(i) the independent review committee has approved the investment under subsection 5.2(2); and

(ii) the purchase is made on an exchange on which the securities of the issuer are listed and traded; and

(b) no later than the time the investment fund files its annual financial statements, the manager of the investment fund files with the securities regulatory authority or regulator the particulars of the investment.

(2) The mutual fund conflict of interest investment restrictions do not apply to a mutual fund with respect to an investment referred to in subsection (1) if the investment is made in accordance with that subsection.

(3) In subsection (2), "mutual fund conflict of interest investment restrictions" has the meaning ascribed to that term in National Instrument 81-102 *Mutual Funds*.

(4) In Quebec, Section 236 of the Securities Regulation does not apply to a portfolio adviser or registered person acting under a management contract with respect to an investment referred to in subsection (1) on behalf of an investment fund, if the investment is made in accordance with that subsection.

Commentary

1. This section is intended to relieve investment funds in Quebec, and mutual funds elsewhere in Canada, from the prohibitions in the securities legislation of each securities regulatory authority that preclude investments in securities of related issuers.

2. This section sets out the minimum conditions for purchases to proceed without regulatory exemptive relief. An IRC may consider including in any approval any terms or conditions in prior exemptive relief orders, waivers or approvals obtained from the securities regulatory authorities.

The CSA expect that the IRC may give its approval in the form of a standing instruction as described in section 5.4 to allow the manager greater flexibility in its decisions.

3. This section contemplates that the manager will comply with the applicable reporting requirements under securities legislation for each purchase. The filing referred to in paragraph (1)(b) should be filed on the SEDAR group profile number of the investment fund, as a continuous disclosure document.

4. If an IRC gives its approval for the investment fund to purchase securities of an issuer described in this section, and then subsequently withdraws its approval for additional purchases, the CSA will not consider the continued holding of the securities to be subject to subsection 1.2(b) of the Instrument. However, we will expect the manager to consider whether continuing to hold those securities is a conflict of interest matter that subsection 1.2(a) of the Instrument would require the manager to refer to the IRC.

Part 7 Exemptions

7.1 Exemptions

(1) The securities regulatory authority or regulator may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(2) Despite subsection (1), in Ontario only the regulator may grant such an exemption.

7.2 Existing exemptions, waivers or approvals

Any exemption, waiver or approval under a provision of securities legislation that was effective before this Instrument came into force and that deals with the matters that this Instrument regulates, will expire one year after this Instrument comes into force.

Commentary

1. The CSA have, in a number of jurisdictions, granted exemptions and waivers from the conflict of interest and self-dealing provisions in securities legislation to permit the manager and/or the investment fund to make investments not otherwise permitted by securities legislation. Some of those exemptions and waivers contained "sunset" provisions that provided for the expiry of the exemption or waiver upon the coming into force of legislation or a CSA policy or rule that effectively provides for fund governance.

For greater certainty, the CSA note that the coming into force of section 7.2 of this Instrument will effectively cause <u>all</u> exemptions and waivers that deal with the matters regulated by this Instrument - not just those exemptions and waivers that deal with the matters under subsection 5.2(1) - to expire one year after its coming into force whether or not they contained a "sunset" provision.

Part 8 Effective date

8.1 Effective date

This Instrument comes into force on November 1, 2006.

8.2 Transition

(1) Despite section 8.1, this Instrument does not apply to an investment fund until the earlier of

(a) the date on which the manager provides to the securities regulatory authority or regulator the notification referred to in subsection (4); and

(b) the date one year after this Instrument comes into force.

(2) Despite subsection (1), six months from the date this Instrument comes into force the manager must appoint the first members of the independent review committee under section 3.2 in compliance with this Instrument.

(3) Despite section 4.4, the independent review committee's first report to securityholders must be completed by the 120th day after the end of the first financial year of the investment fund to which this Instrument applies.

(4) A manager of an investment fund must notify the securities regulatory authority or regulator in writing if it intends to comply with this Instrument prior to the expiration of the transition period under subsection (1).

(5) The notification referred to in subsection (4) is satisfied if the notification is made to the investment fund's principal regulator.

Commentary

1. Section 8.2 is intended to address transitional concerns.

The CSA expect that all investment funds will be compliant with this Instrument following the expiry of the transition period under subsection 8.2(1), twelve months after the Instrument is in force. For an investment fund established after the expiry of the transition period, it is expected that the investment fund will be compliant with this Instrument before any purchase order for securities of the investment fund is accepted.

2. Subsection 8.2(2) allows a manager an extra six months from the date this Instrument is in force to appoint the initial members of the IRC.

While a six month transition period exists for the appointment of IRC members, the CSA strongly encourage a timely appointment of the IRC by the manager so that within the twelve month transitional period there is sufficient time for the IRC to adopt its charter, to review the manager's policies and procedures, and to review (subject to manager referral) any existing conflict of interest matters.

The transition period is also intended to give the manager sufficient time to refer existing and new conflict of interest matters to the IRC for its review and determination.

3. The CSA anticipate a manager or investment fund may wish to rely on the Instrument before the expiry of the transition period so that it may proceed with IRC approval for an otherwise prohibited or restricted transaction in securities legislation described in subsection 5.2(1). This may not occur unless there is complete compliance with the Instrument. Subsection (4) is intended to assist the CSA in knowing which managers of investment funds are proceeding in this manner before the expiry of the transition period.

4. For investment funds established before the expiry of the transition period, the CSA expect the manager to establish policies and procedures on any conflict of interest matters (if they do not already have them), and to refer to the IRC these policies and procedures and any decisions related to such matters prior to the end of the transition period.

5. The CSA do not consider a manager's organization of an investment fund (such as the initial setting of fees or the initial choice of service providers) to be subject to IRC review, unless the manager's

decisions give rise to a conflict of interest concerning the manager's obligations to existing investment funds within the manager's fund family. However, the CSA expect the manager will establish policies and procedures for any conflict of interest matters arising from the investment fund's organization or otherwise, and refer to the IRC these policies and procedures and any decisions related to such matters.

It is anticipated that the manager will wish to engage the IRC early in the establishment of the investment fund to ensure the IRC is adequately informed of potential new conflicts of interest.

6. *An investment fund, whether established before or after the date this Instrument comes into force, has a total transition period of up to twelve months from the date the Instrument comes into force to comply with the Instrument. Only if the manager of an investment fund intends to comply with the Instrument in its entirety before the expiry of the transition period is the notice in subsection (4) required.*

7. *It is expected that investment funds will incorporate any new disclosure obligations arising out of this Instrument as part of their annual prospectus renewal or continuous disclosure filing following the expiry of the transition period.*

8. *The CSA do not consider the expenses incurred by existing investment funds in establishing an IRC under this Instrument to be caught by section 5.1 of NI 81-102. We do not view section 5.1 as intending to capture the costs associated with compliance by an investment fund with new regulatory requirements.*

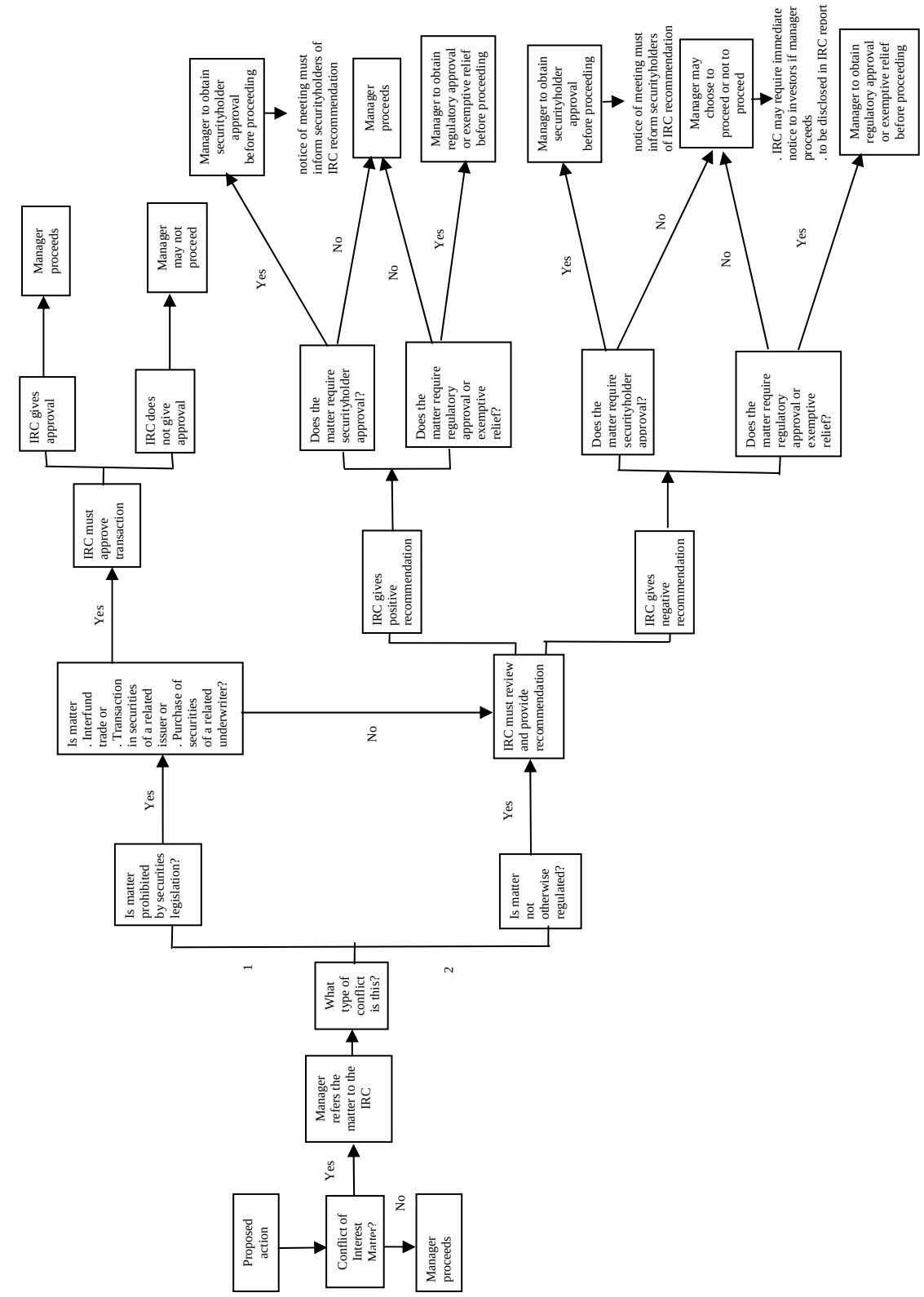
APPENDIX A – CONFLICT OF INTEREST OR SELF-DEALING PROVISIONS

JURISDICTION	SECURITIES LEGISLATION REFERENCE
Alberta	Part 15 – Insider Trading and Self-Dealing of the *Securities Act* (Alberta)
British Columbia	Part 15 – Self-Dealing of the *Securities Act* (British Columbia)
Manitoba	Part XI – Insider Trading of the *Securities Act* (Manitoba)
Newfoundland and Labrador	Part XX – Insider Trading and Self-Dealing of the *Securities Act* (Newfoundland and Labrador)
New Brunswick	Part 10 – Insider Trading and Self-Dealing of the *Securities Act* (New Brunswick)
Nova Scotia	Sections 112 – 128 of the *Securities Act* (Nova Scotia)
Ontario	Part XXI – Insider Trading and Self-Dealing of the *Securities Act* (Ontario)
Quebec	Section 236 of the *Securities Regulation* (Quebec)
Saskatchewan	Part XVII – Insider Trading and Self-Dealing – Mutual Funds of the *Securities Act* (Saskatchewan)
Alberta, British Columbia, Manitoba, Newfoundland and Labrador, New Brunswick, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Quebec, Saskatchewan and Yukon	Part 4 of National Instrument 81-102 *Mutual Funds*

APPENDIX B – INTER-FUND SELF-DEALING CONFLICT OF INTEREST PROVISIONS

JURISDICTION	SECURITIES LEGISLATION REFERENCE
Alberta	Section 192(2)(b) of the *Securities Act* (Alberta) Section 31(6) of ASC Rules
British Columbia	Section 127(1)(b) of the *Securities Act* (British Columbia)
Newfoundland and Labrador	Section 119(2)(b) of the *Securities Act* (Newfoundland and Labrador) Section 103(6) of Reg. 805/96
New Brunswick	Section 144(1)(b) of the *Securities Act* (New Brunswick) Section 11.7(6) of Local Rule 31-501 Registration Requirements
Nova Scotia	Section 126(2)(b) of the *Securities Act* (Nova Scotia) Section 32(6) of the General Securities Rules
Ontario	Section 118(2)(b) of the *Securities Act* (Ontario) Section 115(6) of Reg. 1015
Prince Edward Island	Section 38.1(6) of Securities Act Regulations
Quebec	Section 236 of the *Securities Regulation* (Quebec)
Saskatchewan	Section 127(2)(b) of the *Securities Act* (Saskatchewan) Section 27(6) of Securities Regulations

APPENDIX A to COMMENTARY — DECISION TREE



5.1.2 OSC Rule 81-802 Implementing National Instrument 81-107 Independent Review Committee for Investment Funds and Companion Policy 81-802CP

ONTARIO SECURITIES COMMISSION RULE 81-802
IMPLEMENTING NATIONAL INSTRUMENT 81-107 INDEPENDENT REVIEW COMMITTEE FOR INVESTMENT FUNDS

PART 1 – DEFINITIONS AND INTERPRETATION

1.1 Definition - In this Rule, "NI 81-107" means National Instrument 81-107 *Independent Review Committee for Investment Funds*.

1.2 Interpretation - A term used in this Rule that is defined or interpreted in NI 81-107 has the meaning ascribed to it in NI 81-107.

PART 2 – APPLICATION

2.1 Application -This Rule applies to an investment fund that is a reporting issuer.

PART 3 – INTERRELATIONSHIP WITH LEGISLATION

3.1 Designation as market participant

(1) An independent review committee is designated as a market participant for the purposes of the Act.

(2) A manager of a non-redeemable investment fund is designated as a market participant for the purposes of the Act.

3.2 Definition of manager – In NI 81-107 “manager” means an “investment fund manager” under the Act.

3.3 Standard of care for manager – In NI 81-107, the standard of care and fiduciary duty required of a manager of a mutual fund in order to meet its obligation under NI 81-107 is the same standard of care and fiduciary duty imposed under section 116 of the Act.

PART 4 – EFFECTIVE DATE

4.1 Effective date – This Rule comes into force on November 1, 2006.

COMPANION POLICY 81-802CP TO
ONTARIO SECURITIES COMMISSION RULE 81-802
IMPLEMENTING NATIONAL INSTRUMENT 81-107
INDEPENDENT REVIEW COMMITTEE FOR INVESTMENT FUNDS

1.1 Introduction – The purpose of this Companion Policy is to provide information relating to the manner in which the Ontario Securities Commission (the Commission) interprets or applies certain provisions of Commission Rule 81-802 *Implementing National Instrument 81-107 Independent Review Committee for Investment Funds* (the Implementing Rule) and National Instrument 81-107 *Independent Review Committee for Investment Funds* (NI 81-107).

1.2 Interrelationship between NI 81-107 and the *Securities Act* (Ontario) (the Act) – NI 81-107 is intended to impose a minimum, consistent standard of governance for all publicly offered investment funds by introducing the requirement for a fully independent advisory body, the independent review committee (the IRC), charged with overseeing all conflict of interest matters faced by the manager in the operation of an investment fund. As a result, NI 81-107 sometimes repeats (without any substantive change) certain requirements that are also dealt with in the Act under Part XXI *Insider Trading and Self Dealing*.

The cumulative effect of NI 81-107 and the Implementing Rule is that the standard of care and fiduciary duty required under section 2.1 of NI 81-107 is the same standard of care and fiduciary duty imposed under section 116 of the Act for a manager of a mutual fund, and sections 6.1 and 6.2 of NI 81-107 provide for exemptions from some of the prohibitions in Part XXI of the Act, as permitted under sections 121.1 and 121.4 of the Act. A manager of a mutual fund that is a reporting issuer can and should therefore refer to section 2.1 of NI 81-107 in place of section 116 of the Act, and investment funds or mutual funds, respectively, should refer to sections 6.1 and 6.2 of NI 81-107 to see if the exemptions from the prohibitions contained in Part XXI of the Act are met.

5.1.3 Consequential Amendments to NI 81-101 Mutual Fund Prospectus Disclosure, Form 81-101F1 Contents of Simplified Prospectus and Form 81-101F2 Contents of Annual Information Form

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

1. Section 1.1 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* is amended by:

(a) adding the following after the definition of "financial year":

"independent review committee" means the independent review committee of the investment fund established under National Instrument 81-107 *Independent Review Committee for Investment Funds*;"; and

(b) adding the following after the definition of "multiple SP":

"NI 81-107" means National Instrument 81-107 *Independent Review Committee for Investment Funds*;".

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

(a) in Item 5 of Part A by:

(i) adding the following after subsection (3):

"(3.1) Under a separate sub-heading "Independent Review Committee" in the diagram or table, briefly describe the independent review committee of the mutual funds, including

- an appropriate summary of its mandate,
- its composition, that it prepares at least annually a report of its activities for securityholders which is available on the [mutual fund's/mutual fund family's] Internet site at [insert mutual fund's Internet site address], or at the securityholders request at no cost, by contacting the [mutual fund/mutual fund family] at [insert mutual fund's /mutual fund family's e-mail address], and
- that additional information about the independent review committee, including the names of the members, is available in the mutual fund's Annual Information Form.";

(ii) adding the following after subsection (5):

"(6) Despite subsection (3.1), if the information required by subsection (3.1) is not the same for substantially all of the mutual funds described in the document, provide only that information that is the same for substantially all of the mutual funds and provide the remaining disclosure required by that subsection under Item 4(3.1) of Part B of this Form."; and

(iii) adding the following Instruction after Instruction (2):

"(3) *The information about the independent review committee should be brief. For instance, its mandate may in part be described as "reviewing, and providing input on, the manager's written policies and procedures which deal with conflict of interest matters for the manager and reviewing such conflict of interest matters." A cross-reference to the annual information form for additional information on the independent review committee and fund governance should be included."*.

(b) in Item 8 of Part A by

(i) adding the following after subsection 8.1(3) :

"(3.1) Under "Operating Expenses" in the table, include a description of the fees and expenses payable in connection with the independent review committee."; and

(ii) adding the following after subsection 8.1(5):

"(6) Despite subsection (3.1), if the information required by subsection (3.1) is not the same for each mutual fund described in the document, make this disclosure in the description of fees and expenses required for each fund by Item 5 of Part B of this Form and include a cross-reference to that information in the table required by this Item.".

(c) in Item 4 of Part B by adding the following after subsection (3):

"(3.1) Under a separate sub-heading "Independent Review Committee" in the diagram or table, briefly describe the independent review committee of the mutual funds, including

- an appropriate summary of its mandate,
- its composition,
- that it prepares at least annually a report of its activities for securityholders which is available on the [mutual fund's/mutual fund family's] Internet site at [insert mutual fund's Internet site address], or at securityholders request at no cost, by contacting the [mutual fund/mutual fund family] at [insert mutual fund's /mutual fund family's e-mail address], and
- that additional information about the independent review committee, including the names of the members, is available in the mutual fund's Annual Information Form.".

(d) in Item 5 of Part B by adding the following after subparagraph (f)(ii):

"(iii) the amount of the fees and expenses payable in connection with the independent review committee, charged to the mutual fund; and".

3. Form 81-101F2 *Contents of Annual Information Form* is amended

(a) in Item 4 by adding the following after subsection (2):

"(2.1) If the mutual fund has relied on the approval of the independent review committee and the relevant requirements of NI 81-107 to vary any of the investment restrictions and practices contained in securities legislation, including NI 81-102, provide details of the permitted variations.

(2.2) If the mutual fund has relied on the approval of the independent review committee to implement a reorganization with, or transfer of assets to, another mutual fund or to proceed with a change of auditor of the mutual fund as permitted by NI 81-102, provide details.".

(b) in Item 10 by:

(i) striking out "and" at the end of paragraph 10.1(f);

(ii) adding ";and" at the end of paragraph 10.1(g); and

(iii) adding the following after paragraph 10.1(g):

"(h) the oversight of the manager of the mutual fund by the independent review committee.".

(c) in Item 11 by adding the following after subsection 11.1(5):

"(6) Disclose the percentage of securities of each class or series of voting or equity securities beneficially owned, directly or indirectly, in aggregate, by all the independent review committee members of the mutual fund

(a) in the mutual fund if the aggregate level of ownership exceeds 10 percent,

(b) in the manager, or

(c) in any person or company that provides services to the mutual fund or the manager.".

(d) in Item 12

(i) by repealing paragraph (1)(a) and substituting the following:

"(a) the mandate and responsibilities of the independent review committee and the reasons for any change in the composition of the independent review committee since the date of the most recently filed annual information form;

(a.1) any other body or group that has responsibility for fund governance and the extent to which its members are independent of the manager of the mutual fund; and"; and

(ii) by renumbering the Instruction as Instruction (1) and adding the following paragraph after Instruction (1):

"*(2) If the mutual fund has an independent review committee, state in the disclosure provided under paragraph (1)(b) that NI 81-107 requires the manager to have policies and procedures relating to conflicts of interest.*".

(e) in Item 15 by repealing subsection (2) and substituting the following:

"(2) Describe any arrangements under which compensation was paid or payable by the mutual fund during the most recently completed financial year of the mutual fund, for the services of directors of the mutual fund, members of an independent board of governors or advisory board of the mutual fund and members of the independent review committee of the mutual fund, including the amounts paid, the name of the individual and any expenses reimbursed by the mutual fund to the individual

(a) in that capacity, including any additional amounts payable for committee participation or special assignments; and

(b) as consultant or expert."

4. This Instrument comes into force on November 1, 2006.

5.1.4 Consequential Amendments to NI 81-102 Mutual Funds and Companion Policy 81-102CP

NATIONAL INSTRUMENT 81-102
MUTUAL FUNDS
AMENDMENT INSTRUMENT

1. The Table of Contents of National Instrument 81-102 *Mutual Funds* is amended by adding the following after Appendix B-1, Appendix B-2 and Appendix B-3 – Compliance Reports:

   "APPENDIX C –Provisions contained in Securities Legislation for the Purpose of Subsection 4.1(5) – Prohibited Investments".

2. Section 1.1 of National Instrument 81-102 *Mutual Funds* is amended by:

   (a) adding the following after the definition of "illiquid asset":

   " "independent review committee" means the independent review committee of the investment fund established under National Instrument 81-107 *Independent Review Committee for Investment Funds*";

   (b) repealing the definition of "mutual fund conflict of interest investment restrictions" and substituting the following:

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

   (a) prohibit a mutual fund from knowingly making or holding an investment in any person or company who is a substantial security holder, as defined in securities legislation, of the mutual fund, its management company, manager or distribution company;

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

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

   (d) prohibit a mutual fund, a responsible person as defined in securities legislation, a portfolio adviser or a registered person acting under a management contract from knowingly causing any investment portfolio managed by it, or a mutual fund, to invest in, or prohibit a mutual fund from investing in, any issuer in which a responsible person, as defined in securities legislation, is an officer or director unless the specific fact is disclosed to the mutual fund, securityholder or client, and where securities legislation requires it, the written consent of the client to the investment is obtained before the purchase;

   (e) prohibit a mutual fund, a responsible person as defined in securities legislation, or a portfolio adviser knowingly causing any investment portfolio managed by it to purchase or sell, or prohibit a mutual fund from purchasing or selling, the securities of any issuer from or to the account of a responsible person, as defined in securities legislation, an associate of a responsible person or the portfolio adviser; and

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

   (c) adding the following after the definition of "mutual fund conflict of interest reporting requirements":

   ""NI 81-107" means National Instrument 81-107 *Independent Review Committee for Investment Funds*.".

3. Section 4.1 of National Instrument 81-102 *Mutual Funds* is amended by adding the following after subsection (3):

"(4) Subsection (1) does not apply to an investment in a class of securities of an issuer if, at the time of each investment

(a) the independent review committee of the dealer managed mutual fund has approved the transaction under subsection 5.2(2) of NI 81-107;

(b) in a class of debt securities of an issuer other than a class of securities referred to in subsection (3), the security has been given, and continues to have, an approved rating by an approved credit rating organization;

(c) in any other class of securities of an issuer,

(i) the distribution of the class of equity securities is made by prospectus filed with one or more securities regulatory authorities or regulators in Canada, and

(ii) during the 60 day period referred to in subsection (1) the investment is made on an exchange on which the class of equity securities of the issuer is listed and traded; and

(d) no later than the time the dealer managed mutual fund files its annual financial statements, the manager of the dealer managed mutual fund files the particulars of each investment made by the dealer managed mutual fund during its most recently completed financial year.

(5) The corresponding provisions contained in securities legislation referred to in Appendix C do not apply with respect to an investment in a class of securities of an issuer referred to in subsection (4) if the investment is made in accordance with that subsection.".

4. Section 4.3 of National Instrument 81-102 *Mutual Funds* is amended by

(a) renumbering 4.3 Exception as subsection (1); and

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

"(2) Section 4.2 does not apply to a purchase or sale of a class of debt securities by a mutual fund from, or to, another mutual fund managed by the same manager or an affiliate of the manager, if, at the time of the transaction

(a) the mutual fund is purchasing from, or selling to, another mutual fund to which NI 81-107 applies;

(b) the independent review committee of the mutual fund has approved the transaction under subsection 5.2(2) of NI 81-107; and

(c) the transaction complies with subsection 6.1(2) of NI 81-107.".

5. Section 5.1 of National Instrument 81-102 *Mutual Funds* is amended by repealing paragraph 5.1(d).

6. Section 5.3 of National Instrument 81-102 *Mutual Funds* is amended

(a) by adding the following after subsection 5.3(1):

"(2) Despite section 5.1, the approval of securityholders of a mutual fund is not required to be obtained for a change referred to in paragraph 5.1(f) if

(a) the independent review committee of the mutual fund has approved the change under subsection 5.2(2) of NI 81-107;

(b) the mutual fund is being reorganized with, or its assets are being transferred to, another mutual fund to which this Instrument and NI 81-107 apply and that is managed by the manager, or an affiliate of the manager, of the mutual fund;

(c) the reorganization or transfer of assets of the mutual fund complies with the criteria in paragraphs 5.6(1)(a), (b), (c), (d), (g), (h) and (i) and subsection 5.6(2);

(d) the simplified prospectus of the mutual fund discloses that, although the approval of securityholders may not be obtained before making the change, securityholders will be sent a written notice at least 60 days before the effective date of the change; and

(e) the notice referred to in paragraph (d) to securityholders is sent 60 days before the effective date of the change."; and

(b) by adding the following after section 5.3:

"5.3.1 Change of Auditor of the Mutual Fund –The auditor of the mutual fund may not be changed unless

(a) the independent review committee of the mutual fund has approved the change of auditor under subsection 5.2(2) of NI 81-107;

(b) the simplified prospectus of the mutual fund discloses that, although the approval of securityholders will not be obtained before making the change, securityholders will be sent a written notice at least 60 days before the effective date of the change, and

(c) the notice referred to in paragraph (b) to securityholders is sent 60 days before the effective date of the change.".

7. National Instrument 81-102 *Mutual Funds* is amended by adding the following after Appendix B-3 – AUDIT REPORT:

"APPENDIX C – PROVISIONS CONTAINED IN SECURITIES LEGISLATION FOR THE PURPOSE OF SUBSECTION 4.1(5) – PROHIBITED INVESTMENTS

JURISDICTION	SECURITIES LEGISLATION REFERENCE
Alberta	s. 9 of ASC Policy 7.1
British Columbia	s. 81 of the *Securities Rules* (British Columbia)
Newfoundland and Labrador	s. 191 of Reg 805/96
New Brunswick	s. 13.2 of Local Rule 31-501 Registration Requirements
Nova Scotia	s. 67 of the General Securities Rules
Ontario	s. 227 of Reg. 1015
Quebec	Article 236 and 237.1 of the *Securities Regulation*

8. This Instrument comes into force on November 1, 2006.

COMPANION POLICY 81-102CP
TO NATIONAL INSTRUMENT 81-102 MUTUAL FUNDS
AMENDMENT INSTRUMENT

1. Section 3.4 of Companion Policy 81-102CP *Mutual Funds* is amended by adding the following paragraph after subsection (1):

"(2) Subsection 2.5(7) of the Instrument provides that certain investment restrictions do not apply to investments in other mutual funds made in accordance with section 2.5. For greater certainty, the CSA note that subsection 2.5(7) applies only with respect to a mutual fund's investments in other mutual funds, and not for any other investment or transaction."; and

2. Part 3 of Companion Policy 81-102CP *Mutual Funds* is amended by adding the following after section 3.7:

"3.8 Prohibited Investments – (1) Subsection 4.1(4) permits a dealer managed mutual fund to make an investment otherwise prohibited by subsection 4.1(1) and the corresponding provisions in securities legislation referred to in Appendix C to NI 81-102 if the independent review committee of the dealer managed mutual fund has approved the transaction under subsection 5.2(2) of NI 81-107. The CSA expect the independent review committee may contemplate giving its approval as a standing instruction, as contemplated in section 5.4 of NI 81-107.

(2) Subsection 4.3(2) permits a mutual fund to purchase a class of debt securities from, or sell a class of debt securities to, another mutual fund managed by the same manager or an affiliate of the manager where the price payable for the security is not publicly available, if the independent review committee of the mutual fund has approved the transaction under subsection 5.2(2) of NI 81-107 and the requirements in section 6.1 of NI 81-107 have been met. The CSA expect the independent review committee may contemplate giving its approval as a standing instruction, as contemplated in section 5.4 of NI 81-107.

(3) In providing its approval under paragraph 4.3(2), the CSA expect the independent review committee to have satisfied itself that the price of the security is fair. It may do this by considering the price quoted on a marketplace (e.g., CanPx or TRACE), or by obtaining a quote from an independent, arm's-length purchaser or seller, immediately before the purchase or sale.".

3. Part 7 of Companion Policy 81-102CP Mutual Funds is amended by adding the following after section 7.3:

"7.4 Circumstances in Which Approval of Securityholders Not Required – (1) Subsection 5.3(2) of the Instrument provides that a mutual fund's reorganization with, or transfer of assets to, another mutual fund may be carried out on the conditions described in the subsection without the prior approval of the securityholders of the mutual fund.

(2) If the manager refers the change contemplated in subsection 5.3(2) to the mutual fund's independent review committee, and subsequently seeks the approval of the securityholders of the mutual fund, the CSA expect the manager to include a description of the independent review committee's determination in the written notice to securityholders referred to in section 5.4 of this Instrument.

7.5 Change of Auditor –Section 5.3.1 of the Instrument requires that the independent review committee of the mutual fund give its prior approval to the manager before the auditor of the mutual fund may be changed.

7.6 Connection to NI 81-107 – There may be matters under section 5.1 that may also be a conflict of interest matter as defined in NI 81-107. The CSA expect any matter under section 5.1 subject to review by the independent review committee to be referred by the manager to the independent review committee before seeking the approval of securityholders of the mutual fund. The CSA further expect the manager to include a description of the independent review committee's determination in the written notice to securityholders referred to in subsection 5.4(2) of this Instrument.".

4. This Instrument comes into force on November 1, 2006.

5.1.5 Consequential Amendments to NI 81-104 Commodity Pools

NATIONAL INSTRUMENT 81-104
COMMODITY POOLS
AMENDMENT INSTRUMENT

1. Section 1.1 of National Instrument 81-104 *Commodity Pools* is amended by adding the following after the definition "Derivatives Fundamentals Course":

   "independent review committee" means the independent review committee of the investment fund established under National Instrument 81-107 *Independent Review Committee for Investment Funds*;".

2. Section 9.2 of National Instrument 81-104 *Commodity Pools* is amended by adding the following after subsection 9.2(o):

   "(p) provide the disclosure concerning the independent review committee of the commodity pool that is required to be provided by a mutual fund under

   (i) subsection (3.1) of Item 5 of Part A of Form 81-101F1 Contents of Simplified Prospectus,

   (ii) subsection (3.1) of Item 8 of Part A of Form 81-101F1 Contents of Simplified Prospectus,

   (iii) subsections (2.1) and (2.2) of Item 4 of Form 81-101F2 Contents of Annual Information Form,

   (iv) paragraph (h) of Item 10.1 of Form 81-101F2 Contents of Annual Information Form,

   (v) subsection (6) of Item 11.1 of Form 81-101F2 Contents of Annual Information Form,

   (vi) subsection (1) of Item 12 Form 81-101F2 Contents of Annual Information Form, and

   (vii) subsection (2) of Item 15 of Form 81-101F2 Contents of Annual Information Form in connection with the independent review committee."

3. This Instrument comes into force on November 1, 2006.

5.1.6 Consequential Amendments to NI 81-106 Investment Fund Continuous Disclosure and Form 81-106F1 Contents of Annual and Interim Management Report of Fund Performance

NATIONAL INSTRUMENT 81-106
INVESTMENT FUND CONTINUOUS DISCLOSURE
AND
FORM 81-106F1
CONTENTS OF ANNUAL AND INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE
AMENDMENT INSTRUMENT

1. Section 1.1 of National Instrument 81-106 *Investment Fund Continuous Disclosure* is amended by

   (a) adding the following after the definition of "EVCC"":

   "independent review committee" means the independent review committee of the investment fund established under National Instrument 81-107 *Independent Review Committee for Investment Funds*;"; and

   (b) adding the following after the definition of "National Instrument 51-102":

   "National Instrument 81-107" means National Instrument 81-107 *Independent Review Committee for Investment Funds*;".

2. Section 1.3 of National Instrument 81-106 *Investment Fund Continuous Disclosure* is amended by striking out "Multilateral Instrument 81-104" and substituting "National Instrument 81-104".

3. Section 3.2 of National Instrument 81-106 *Investment Fund Continuous Disclosure* is amended by adding the following after item 8:

   "8.1. independent review committee fees. "

4. Section 9.4 of National Instrument 81-106 *Investment Fund Continuous Disclosure* is amended by repealing paragraph (2)(f) and substituting the following:

   "(f) Item 15 of Form 81-101F2 does not apply to an investment fund that is a corporation, except for the disclosure in connection with the independent review committee; and".

5. Form 81-106F1 *Contents of Annual and Interim Management Report of Fund Performance* is amended

   (a) in section 2.4 by

      (i) striking out "and" at the end of paragraph (d);

      (ii) adding ";and" at the end of paragraph (e);

      (iii) adding the following after paragraph (e):

         "(f) changes to the composition or members of the independent review committee of the investment fund. "; and

   (b) in section 2.5 by adding the following Instruction after Instruction (3):

   "*(4) If the investment fund has an independent review committee, state whether the investment fund has relied on the positive recommendation or approval of the independent review committee to proceed with the transaction, and provide details of any conditions or parameters surrounding the transaction imposed by the independent review committee in its positive recommendation or approval.*

6. This Instrument comes into force on November 1, 2006.

Chapter 7

Insider Reporting

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

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

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

5.1.7 Consequential Amendments to NI 13-101 System for Electronic Document Analysis and Retrieval (SEDAR)

NATIONAL INSTRUMENT 13-101
SYSTEM FOR ELECTRONIC DOCUMENT ANALYSIS AND RETRIEVAL (SEDAR)
AMENDMENT INSTRUMENT

1. Appendix A – Mandated Electronic Filings of National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* (SEDAR) is amended by

   (a) adding the following after Item 17 of part I B.:

   "18. Report by Independent Review Committee"

   19. Manager - transactions in securities of related issuers

   20. Manager - transactions under Part 4 of NI 81-102

   21. Manager - notification under Part 5 of NI 81-107"; and

   (b) adding the following after Item 18 of part II B.(a):

   "19. Report by Independent Review Committee"

   20. Manager - transactions in securities of related issuers

   21. Manager - transactions under Part 4 of NI 81-102

   22. Manager - notification under Part 5 of NI 81-107".

2. This Instrument comes into force on November 1, 2006.

5.1.8 Consequential Amendments to OSC Rule 41-501 General Prospectus Requirements

ONTARIO SECURITIES COMMISSION RULE 41-501
GENERAL PROSPECTUS REQUIREMENTS
AMENDMENT

1. Ontario Securities Commission Rule 41-501 *General Prospectus Requirements* is amended by this Amendment.

2. Section 2.1 is amended

   (a) by adding the following after the definition of "income from continuing operations":

   "independent review committee" means the independent review committee of the investment fund established under National Instrument 81-107 *Independent Review Committee for Investment Funds*;"; and

   (b) by adding the following after the definition of "junior issuer":

   "NI 81-107" means National Instrument 81-107 *Independent Review Committee for Investment Funds*;".

3. Form 41-501F1 *Information Required in a Prospectus* is amended

   (a) in the Table of Contents by adding the following after Item 33 Certificates:

   "ITEM 34 INDEPENDENT REVIEW COMMITTEE

   34.1 Independent Review Committee"; and

   (b) by adding the following after Item 33:

   "**Item 34 – Independent Review Committee**

   34.1 – Independent Review Committee

   For an investment fund, disclose a description of the independent review committee, including

   (a) an appropriate summary of its mandate;

   (b) its composition;

   (c) that it prepares a report at least annually of its activities for securityholders which is available on the [investment fund's/investment fund family's] Internet site at [insert investment fund's Internet site address], or at the securityholders request at no cost, by contacting the [investment fund/investment fund family] at [insert investment fund's /investment fund family's e-mail address];

   (d) that additional information about the independent review committee, including the names of the members, is available in the investment fund's annual information form; and

   (e) the amount of fees and expenses payable in connection with the independent review committee paid by the investment fund, including whether the investment fund pays all of the fees payable to the independent review committee and listing the main components of the fees.".

4. Schedule 1 to Form 41-501F2 Personal Information to Form 41-502F2 Authorization of Indirect Collection of Personal Information [Name of Issuer] is amended by striking out the title and substituting the following:

   "Schedule 1 – Personal Information to Form 41-501F2 Authorization of Indirect Collection of Personal Information [Name of Issuer]".

5. This Amendment comes into force on November 1, 2006.

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
10/01/2005 to 09/30/2006	5	Franklin Templeton Global Maximum Growth Pooled Portfolio - Units	589,723.15	49,957.00
10/01/2005 to 09/30/2006	20	Franklin Templeton International Balanced Growth Pooled Portfolio - Units	3,866,751.57	337,062.00
10/01/2005 to 09/30/2006	8	Franklin Templeton International Growth Pooled Portfolio - Units	2,094,061.96	178,558.00
10/01/2005 to 09/30/2006	15	Franklin Templeton International Maximum Growth Pooled Portfolio - Units	2,608,545.25	196,623.00
10/20/2006 to 10/27/2006	20	General Motors Acceptance Corporation of Canada, Limited - Notes	4,165,955.89	4,165,955.89
10/24/2006	9	Genesis Genomics Inc. - Common Shares	910,998.00	1,518,330.00
10/17/2006	75	Glacier Ventures International Corp. - Common Shares	12,000,000.00	4,000,000.00
10/17/2006 to 10/23/2006	7	Global Trader Europe Limited - Special Trust Securities	10,049.60	2,098.00
10/24/2006 to 10/30/2006	8	Global Trader Europe Limited - Special Trust Securities	9,494.55	3,512.00
10/27/2006	42	Golden Chalice Resources Inc. - Flow-Through Shares	1,600,000.00	1,685,000.00
10/05/2006	1	Golden Odyssey Mining Inc. - Common Shares	10,000.00	50,000.00
10/27/2006 to 11/02/2006	39	Grand Banks Energy Corporation - Flow-Through Shares	4,200,000.00	2,000,000.00
10/25/2006	16	Hard Creek Nickel Corporation - Flow-Through Shares	1,793,749.50	2,391,666.00
10/17/2006 to 10/20/2006	5	IGW Capital Ltd. - Bonds	457,500.00	4,575.00
10/17/2006 to 10/20/2006	5	IGW Investments Ltd. - Common Shares	4,575.00	4,575.00
10/20/2006 to 10/26/2006	20	IGW Properties Limited Partnership I - L.P. Units	1,322,875.00	1,322,875.00
10/20/2006	4	Industrial and Commercial Bank of China Limited - Common Shares	6,073,278.55	13,841,000.00
10/04/2006	1	ITC Holdings Corp. - Stock Option	1,080,504.50	30,000.00
10/18/2006	66	Java Petroleum Corporation - Common Shares	3,529,020.04	4,955,000.00
10/17/2006	38	Kalahari Resources Inc. - Non-Flow Through Units	475,000.00	9,500,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
10/10/2006	1	KBSH Income Trust Fund - Units	200,800.00	19,676.63
10/10/2006	1	KBSH Private - Global Equity Fund - Units	200,800.00	15,464.00
10/31/2006	54	Keegan Resources Inc. - Units	3,600,000.00	2,000,000.00
10/24/2006	25	Lexington Energy Services Inc. - Common Shares	748,609.72	989,570.00
10/23/2006	50	Liberty Mines Inc. - Flow-Through Shares	9,044,689.00	6,350,266.00
09/15/2006	1	Lightyear Fund II, L.P. - L.P. Interest	111,950,000.00	1.00
10/25/2006	3	Master Credit Card Trust - Notes	250,000,000.00	N/A
10/18/2006	7	Megastar Development Corp. - Units	955,000.00	4,775,000.00
06/20/2006	3	Merrill Lynch Financial Assets Inc. - Certificate	38,780,733.00	-10.00
10/31/2006	2	Michaels Stores Inc - Notes	2,526,075.00	1,000,000.00
10/12/2006	1	Microbix Biosystems Inc. - Debentures	500,000.00	500,000.00
10/26/2006	4	Moncoa Corporation - Common Shares	150,000.03	857,143.00
10/24/2006 to 10/26/2006	26	Mooncor Energy Inc. - Units	82,530.00	N/A
10/25/2006	3	Morguard Industrial Properties (I) Inc. - Common Shares	3,840,000.00	3,840,000.00
10/31/2006	6	Morrison Lamothe Inc. - Debentures	700,000.00	6.00
10/24/2006	102	Mulligan Capital Corp. - Common Shares	800,000.40	1,333,334.00
10/24/2006	2	Peace Arch Entertainment Group Inc. - Common Shares	70,604.11	71,318.00
10/18/2006	25	PMIC II Investments Ltd. - Preferred Shares	763,107.00	763,107.00
10/26/2006	10	Polymet Mining Corp. - Common Shares	446,500.00	2,350,000.00
10/16/2006	21	Qualia Real Estate Investment Fund VIII Limited Partnership - L.P. Units	1,200,000.00	24.00
11/01/2006	1	Renaissance Institutional Equities Fund International L.P. - L.P. Interest	5,660,500.00	5,000,000.00
10/17/2006	1	Richview Resources Inc. - Common Shares	10,500.00	35,000.00
10/25/2006	52	Rival Energy Inc. - Flow-Through Shares	4,000,000.00	2,500,000.00
10/27/2006	38	San Gold Corporation - Debentures	2,114,000.00	2,114,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
10/17/2006	45	Sedex Mining Corp. - Flow-Through Shares	550,000.00	2,540,000.00
01/31/2006	16	Signalink Technologies Inc. - Units	297,562.50	N/A
09/29/2006	9	Silver Eagle Mines Inc. - Common Shares	38,358.00	38,358.00
10/23/2006	24	Simberi Gold Corporation - Common Shares	2,600,000.00	26,000,000.00
10/27/2006	1	SMART Trust - Notes	1,198,703.30	1.00
10/17/2006	2	Stanley Inc. - Common Shares	953,329.00	65,000.00
10/24/2006	133	Thrilltime Entertainment International, Inc. - Units	2,500,000.00	25,000,000.00
11/01/2006	27	Triton Energy Corp. - Flow-Through Shares	4,000,001.40	3,137,256.00
09/29/2006	9	Viva Source Corp. - Warrants*	134,000.00*	335,000.00
10/26/2006	94	Walton AZ Sunland Ranch Investment Corporation - Common Shares	2,000,880.00	200,088.00
10/26/2006	50	Walton AZ Sunland Ranch Investment Corporation - Units	3,590,523.31	319,186.00

*** Editorial Note: The Total Purchase Price ($) information for Viva Source Corp. published in (2006) 29 OSC 8514 (27/10/2006) incorrectly read "800,000.00" and should have been"134,000.00". The correct information has been printed in this issue**

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Chapter 9

Legislation

9.1.1 O. Reg. 500/06, Amending R.R.O. 1990, Reg. 1015

ONTARIO REGULATION 500/06
MADE UNDER THE
SECURITIES ACT
AMENDING REG. 1015 OF R.R.O. 1990
(GENERAL)

Note: Regulation 1015 has previously been amended. Those amendments are listed in the Table of Regulations – Legislative History Overview which can be found at www.e-laws.gov.on.ca.

1. Section 115 of Regulation 1015 of the Revised Regulations of Ontario, 1990 is amended by adding the following subsection:

(7) Subsection (6) does not apply in the case of an investment counsel who is acting as a portfolio manager of an investment fund, with respect to a purchase or sale of a security referred to in subsection 6.1 (2) of National Instrument 81-107 *Independent Review Committee for Investment Funds* if the purchase or sale is made in accordance with that subsection.

2. Subsection 227 (2) of the Regulation is amended by striking out "or" at the end of clause (b) and by adding the following clause:

(b.1) in the case of a registrant who is acting as a portfolio manager in respect of a transaction made in accordance with subsection 4.1 (4) of National Instrument 81-102 *Mutual Funds*; or

3. Form 15 of the Regulation is revoked and the following substituted:

FORM 15
INFORMATION REQUIRED IN PROSPECTUS OF A MUTUAL FUND

Securities Act

Item 1 — Price of Securities on Sale or Redemption:

(a) Describe briefly the method followed or to be followed by the issuer in determining the price at which its securities will be offered for sale and redeemed.

(b) State the sales charge expressed as a percentage of the total amount paid by the purchaser and as a percentage of the net amount invested in securities of the issuer. State the redemption charge, if any, expressed as a percentage of the redemption price.

(c) Describe briefly any specific authorization or requirement to reinvest the proceeds of dividends or similar distributions in the issuer's securities.

(d) State the penalty, if any, for early redemption.

Instructions:

1. In clause (a),

(i) state the frequency with which the offering or redemption price is determined and the time when the price becomes effective;

(ii) describe the rules used for the valuation of the issuer's assets and liabilities for the purpose of calculating net asset value and disclose all instances, within the past three years, when the discretion to deviate from these rules, if any, was exercised; and

(iii) explain fully any difference in the price at which securities are offered for sale and the redemption price.

2. In clause (b),

(i) if the sales or redemption charge varies on a quantity basis give particulars thereof indicating the quantities and the respective charges applicable thereto;

(ii) indicate briefly any difference in the sales charge imposed upon the sale of securities in connection with the conversion or exchange of securities or the reinvestment of dividends and similar distributions;

(iii) when giving particulars of the sales charge with respect to a contractual plan indicate when during the term of the plan the sales charge will be deducted; and

(iv) give particulars of the entitlement of the purchaser of a contractual plan to a refund of any sales charge incurred if the contractual plan is terminated during the term of such plan.

3. In this Form, "sales charge" includes all service charges including charges relating to such matters as cost of the establishment of a contractual plan and the cost of the continuing administration and maintenance of such a plan.

Item 2 — Method of Distribution:

Outline briefly the method of distribution of the securities being offered. If sales of securities are to be effected through an arrangement with a principal distributor, give brief details of any arrangements made with the principal distributor. See items 22 and 23.

Instructions:

1. State whether it is the intention of the issuer to engage in the continuous sale of the securities of the issuer.

2. If the securities being offered are to be sold by way of a contractual plan whereby the purchaser agrees to make regular periodic payments for the securities offered, give brief particulars of the contractual plan, including,

(i) minimum initial investment;

(ii) subsequent minimum investment;

(iii) sales charge deductions from such minimum investments;

(iv) sales charges as a percentage of the amount paid by the purchaser and as a percentage of the net amount invested in securities of the issuer; and

(v) the total amount invested contrasted to the amount paid by the purchaser.

3. As used in this Form, "principal distribution" includes,

(i) a person or company through whom securities of the issuer are distributed pursuant to a contractual arrangement with the issuer or the manager providing for an exclusive right to distribute the securities in a particular area or any feature which gives or is intended to give a distributor a material competitive advantage over other distributors in respect of the securities offered; or

(ii) a person or company, together with any affiliate, by or through whom 25 per cent or more of the securities of the issuer which were distributed during the last completed financial year of the issuer, were distributed.

4. With the consent of the Director, a person or company who would otherwise be a principal distributor may, with respect to any one or more of the items of disclosure required by this Form be treated at not coming within the definition of a principal contributor.

5. See Instruction 3 to Item 1(b).

Item 3 — Summary of Prospectus:

Give a synopsis near the beginning of the prospectus of that information in the body of the prospectus which in the opinion of the issuer would be the most likely to influence the investor's decision to purchase the security.

Instructions:

1. This summary should highlight in condensed form the information, both favourable and adverse, including risk factors in Item 6, particularly pertinent to a decision to purchase the securities offered, including information about both the issuer and the securities.

2. Appropriate cross-references may be made to items in the prospectus where information is difficult to summarize accurately, but this shall not detract from the necessity to have the salient points summarized in the summary.

Item 4 — Name and Incorporation of Issuer:

State the full name of the issuer and the address of its head office and principal office. State the laws under which the issuer was formed, and whether by articles of incorporation, trust indenture or otherwise and the date the issuer came into existence. If material, state whether the documents have been amended.

Instruction:

Particulars of any such documents need be set out only if material to the securities offered by the prospectus. See Item 15.

Item 5 — Description of Business:

(a) Briefly describe the business of the issuer.

(b) If the issuer has engaged in any business other than that of a mutual fund during the past five years, state the nature of the other business and give the approximate date on which the issuer commenced to operate as a mutual fund. If the issuer's name was changed during the period, state its former name and the date on which it was changed. Indicate briefly the nature and results of any bankruptcy, receivership or similar proceedings or any other material reorganization of the issuer during the period.

(c) If during the past two years any affiliate of the issuer had any material interest, direct or indirect, in any transaction involving the purchase of any substantial amount of assets presently held by the issuer, describe the interest of the affiliate in such transaction and state the cost of such assets to the purchaser and to the seller.

Item 6 — Risk Factors:

(a) Where appropriate to a clear understanding by investors of the risk factors and speculative nature of the enterprise or the securities being offered, an introductory statement shall be made on the first page or in the summary of the prospectus, summarizing the factors which make the purchase a risk or speculation. The information may be given in the body of the prospectus if an appropriate reference is made on the first page of the prospectus to the risks and the speculative or promotional nature of the enterprise and a cross-reference is made to the place in the prospectus where the information is contained.

(b) Where there is a risk that purchasers of the securities offered may become liable to make an additional contribution beyond the price of the security, disclose any information or facts that may bear on the securityholder's assessment of risk associated with the investment.

Item 7 — Investment Objectives:

Precisely state the investment objectives of the issuer.

Instruction:

Aims such as long-term capital appreciation or current income and the types of securities in which the issuer will invest should be described.

Item 8 — Investment Practices and Restrictions:

Where it is the policy or proposed policy of the issuer to engage in any of the following types of activities state the policy and the activity. Outline the extent, if any, to which the issuer has engaged in each of the activities during the last five years. Indicate which of the policies may not be changed without securityholder approval:

(a) the issuance of securities other than the securities offered;

(b) the borrowing of money;

(c) the underwriting of securities of other issuers;

(d) the concentration of investments in a particular class or kind of industry;

(e) the purchase and sale of real estate;

(f) the purchase and sale of commodities or commodity future contracts;

(g) the making of loans, whether secured or unsecured;

(h) the investment of a specific proportion of assets of the issuer in a specific type of security (e.g., bonds, preferred shares, money market instruments);

(i) the investment of more than 10 per cent of the assets of the issuer in the securities of any one company;

(j) the investment in more than 10 per cent of the securities of any one company;

(k) the investment in securities of companies for the purpose of exercising control or management;

(l) the investment in securities of investment companies or other mutual funds;

(m) the purchase or sale of mortgages;

(n) the purchase of securities on margin or selling short;

(o) the investment in securities which are not fully paid;

(p) the investment in illiquid securities and securities subject to restriction on resale;

(q) the investment in foreign securities;

(r) the investment in gold or gold securities;

(s) the pledging, mortgaging or hypothecating of the issuer's assets;

(t) the sale or purchase of portfolio securities to or from directors or officers of the issuer or of the manager;

(u) the guaranteeing of securities or obligations of any issuer;

(v) the purchase of options, rights and warrants;

(w) the writing of covered or uncovered clearing corporation options;

(x) the investment in a security which may require the purchaser to make an additional contribution beyond the price of the security;

(y) any investment other than in securities.

Instructions:

1. It is not necessary to state the policy or list an activity in which the issuer has not and does not propose to be engaged.

2. For the purposes of clause (g), the purchase of debt securities for investment purposes is not to be considered the making of a loan by the issuer.

3. For the purposes of clause (p), where the issuer invests in securities subject to restriction on resale, describe how the securities are to be valued in the determination of net asset value of the fund.

Item 9 — Diversification of Assets:

Furnish in substantially the tabular form indicated the following information as at a date within thirty days of the date of the preliminary prospectus or *pro forma* prospectus with respect to each issuer 5 per cent or more of whose securities of any class are beneficially owned directly or indirectly by the mutual fund or any of its subsidiaries.

TABLE

Name and address of company	Nature of its principal business	Percentage of securities of and class owned by issuer	Percentage of value of issuer's assets invested therein

Instruction:

Where no material change has occurred in the information required by this Item since the date of the financial statements included in the prospectus, the information may be given as at the date of the financial statements.

Item 10 — Management Fees:

(a) Indicate the method of determining the amount of management fees and, distinguishing between those charged to the issuer and those charged directly to securityholders, other expenses, if any, and make a cross reference to the financial statements for details as to the amount of management fees and other expenses, if any, which have been charged to the issuer.

(b) Set out in tabular form a record of management expense ratio comprising the aggregate of all fees and other expenses paid or payable by the issuer during each of the last five completed financial years as a percentage of average net assets under administration during each of those periods. Such disclosure should also include a brief description of the method of calculating the percentage and a statement that the management expense ratio may vary from mutual fund to mutual fund.

Instructions:

1. Where management fees are changed or are proposed to be changed and where such change would have had an effect on the management expense ratio for the most recent financial year, if the change had been in effect throughout that year, the effect of such change should be disclosed.

2. Where the financial year is other than a full year, the management expense ratio should be annualized, the period covered specified and a statement made that the management expense ratio is annualized.

3. For the purposes of this Item, "average net assets" should be calculated to be the average of the net assets determined at each valuation date of the issuer and before the deduction of management fees and other expenses, and the term "other expenses" means all other expenses incurred in the course of ordinary business relating to the organization, management and operation of the issuer with exception of the commissions and brokerage fees on the purchase and sale of portfolio securities and taxes of all kinds, other than penalties, to which the issuer is subject.

4. Where an issuer invests in another mutual fund the management expense ratio shall be calculated on the basis of those assets of the issuer on which a management fee is charged.

5. The financial statements should set out in appropriate detail the amounts of the management fee and other expenses, if any, which have been charged to the issuer.

6. The basis or rates of charges levied against securityholders rather than the issuer for special services such as trustee fees for registered retirement savings plans, redemption fees, conversion of investments from one

fund to another within related mutual funds, or any other specific service charge to a class of investors, should be disclosed separately, in a single table, and should not be included as part of the management expense ratio.

Item 11 — Tax Status of Issuer:

State in general terms the bases upon which the income and capital receipts of the issuer are taxed.

Item 12 — Tax Status of Securityholder:

State in general terms the income tax consequences to the holders of the securities offered hereby of:

(a) any distribution to such holders in the form of dividends or otherwise, including amounts beneficially received by way of reinvestment;

(b) redemption;

(c) sale;

(d) transfer to another mutual fund, if applicable.

Item 13 — Promoters:

If any person or company is or has been a promoter of the issuer within the five years immediately preceding the date of the preliminary prospectus or *pro forma* prospectus, furnish the following information:

(a) state the names of the promoters, the nature and amount of anything of value (including money, property, contracts, options or rights of any kind) received or to be received by each promoter directly or indirectly from the issuer and the nature and amount of any assets, services or other consideration therefor received or to be received by the issuer;

(b) as to any assets acquired within the past two years or to be acquired by the issuer from a promoter, state the amount at which acquired or to be acquired and the principle followed or to be followed in determining the amount. Identify the person making the determination and state the person's relationship, if any, with the issuer or any promoter. State the date that the assets were acquired by the promoter and the cost thereof to the promoter.

Item 14 — Legal Proceedings:

Briefly describe any legal proceedings material to the issuer to which the issuer is a party or of which any of its property is the subject. Make a similar statement as to any such proceedings known to be contemplated.

Instruction:

Include the name of the court or agency, the date instituted, the principal parties thereto, the nature of the claim, the amount claimed, if any, whether the proceedings are being contested and the present status of the proceedings.

Item 15 — Description of Shares Offered:

(a) If shares are being offered, state the description or the designation of the class of shares offered and furnish all material attributes and characteristics including, without limiting the generality of the foregoing, the following information:

(i) dividend rights;

(ii) voting rights;

(iii) liquidation or distribution rights;

(iv) pre-emptive rights;

(v) conversion rights;

(vi) redemption, purchase for cancellation or surrender provisions;

(vii) liability to further calls or to assessment by the issuer; and

(viii) provisions as to modification, amendment or variation of any such rights or provisions.

(b) If the rights of holders of such shares may be modified otherwise than in accordance with the provisions attaching to such shares or the provisions of the governing Act relating thereto, so state and explain briefly.

Instructions:

1. This Item requires only a brief summary of the provisions that are material from an investment standpoint. Do not set out verbatim the provisions attaching to the shares; only a succinct resume is required.

2. If the rights attaching to the shares being offered are materially limited or qualified by the rights of any other class of securities, or if any other class of securities ranks ahead of or equally with the shares being offered, include information regarding such other securities that will enable investors to understand the rights attaching to the shares being offered. If any shares being offered are to be offered in exchange for other securities, an appropriate description of the other securities shall be given. No information need be given, however, as to any class of securities that is to be redeemed or otherwise retired, provided appropriate steps to assure redemption or retirement have been or will be taken prior to or contemporaneously with the delivery of the shares being offered.

3. In addition to the summary referred to in Instruction 1, the issuer may set out verbatim in a schedule to the prospectus the provisions attaching to the shares being offered.

Item 16 — Issuance of Other Securities:

If securities other than shares are being offered, outline briefly the rights evidenced thereby.

Instruction:

The instructions to Item 15 apply to this Item with due alteration for points of detail.

Item 17 — Dividend Record:

State the amount of dividends or other distributions, if any, paid by the issuer including income beneficially received by way of dividend reinvestment, during its last five completed financial years preceding the date of the preliminary prospectus or *pro forma* prospectus.

Instruction:

Dividends should be set out on a per security basis, shown separately for each class of security in respect of each of the financial years. Appropriate adjustments shall be made to reflect changes in capitalization during the period.

Item 18 — Directors and Officers:

List the names and home addresses in full or, alternatively, solely the municipality of residence or postal address, of all directors, trustees and officers of the issuer and indicate all positions and offices with the issuer held by each person named, and the principal occupations, within the five preceding years, of each director, trustee and officer.

Instructions:

1. Where the municipality of residence or postal address is listed, the Director may request that the home address in full be furnished to the Commission.

2. Where the principal occupation of a director, trustee or officer is that of an officer of a company other than the mutual fund, state the business in which such company is engaged.

3. Where a director or officer has held more than one position in the issuer, or a parent or subsidiary thereof, state only the first and last position held.

Item 19 — Executive Compensation:

Complete and attach to or include in this Form a Statement of Executive Compensation in Form 40, provided however, that the disclosure required by Items V, VIII, IX and X of Form 40 may be omitted for purposes of this Form.

Item 20 — Indebtedness of Directors, Executive Officers and Senior Officers:

(a) The information required by this Item must be provided for each individual who is or, at any time during the most recently completed financial year, was a director, executive officer and senior officer of the issuer, each proposed nominee for election as a director of the issuer, and each associate of any such director, officer or proposed nominee,

(i) who is, or at any time since the beginning of the most recently completed financial year of the issuer has been, indebted to the issuer or any of its subsidiaries, or

(ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year of the issuer has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the issuer or any of its subsidiaries.

(b) State in the tabular form under the caption set out, for any indebtedness referred to in paragraph (a) of this Item:

(i) The name of the borrower (column (a)).

(ii) If the borrower is a director, executive officer or senior officer, the principal position of the borrower. If the borrower was, during the year, but no longer is a director or officer, include a statement to that effect. If the borrower is a proposed nominee for election as a director, include a statement to that effect. If the borrower is included as an associate, describe briefly the relationship of the borrower to an individual who is or, during the year, was a director, executive officer or senior officer or who is a proposed nominee for election as a director, name that individual and provide the information required by this subparagraph for that individual (column (a)).

(iii) Whether the issuer or a subsidiary of the issuer is the lender or the provider of a guarantee, support agreement, letter of credit or similar arrangement or understanding (column (b)).

(iv) The largest aggregate amount of the indebtedness outstanding at any time during the last completed financial year (column (c)).

(v) The aggregate amount of indebtedness outstanding as at a date within thirty days of certification of the prospectus (column (d)).

TABLE OF INDEBTEDNESS OF DIRECTORS,
EXECUTIVE OFFICERS AND SENIOR OFFICERS

Name and Principal Position	Involvement of Issuer or Subsidiary	Largest Amount Outstanding During [Last Completed Financial Year] ($)	Amount Outstanding as at [Current Date] ($)
(a)	(b)	(c)	(d)

(c) State in the introduction immediately preceding the table required by paragraph (b) of this Item, separately, the aggregate indebtedness,

(i) to the issuer or any of its subsidiaries, and

(ii) to another entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the issuer or any of its subsidiaries,

of all officers, directors, employees and former officers, directors and employees of the issuer or any of its subsidiaries outstanding as at a date within thirty days of certification of the prospectus.

(d) Disclose in a footnote to, or a narrative accompanying, the table required by this Item,

(i) the material items of each incidence of indebtedness and, if applicable, of each guarantee, support agreement, letter of credit or other similar arrangement or understanding, including without limitation the term to maturity, rate of interest and any understanding, agreement or intention to limit recourse, any security for the indebtedness and the nature of the transaction in which the indebtedness was incurred, and

(ii) any material adjustment or amendment made during the most recently completed financial year to the terms of the indebtedness and, if applicable, the guarantee, support agreement, letter of credit or similar arrangement or understanding.

(e) No disclosure need be made under this Item of an incidence of indebtedness that has been entirely repaid on or before the date of certification of the prospectus or of routine indebtedness.

"Routine indebtedness" means indebtedness described in any of the following:

(i) If an issuer makes loans to employees generally, whether or not in the ordinary course of business, loans are considered routine indebtedness if made on terms, including those as to interest rate and security, no more favourable to the borrower than the terms on which loans are made by the issuer to employees generally, but the amount at any time during the last completed financial year remaining unpaid under the loans to any one director, executive officer, senior officer or proposed nominee together with his or her associates that are treated as routine indebtedness under this clause must not exceed $25,000.

(ii) Whether or not the issuer makes loans in the ordinary course of business, a loan to a director, executive officer or senior officer is considered routine indebtedness if,

A. the borrower is a full-time employee of the issuer,

B. the loan is fully secured against the residence of the borrower, and

C. the amount of the loan does not exceed the annual salary of the borrower.

(iii) If the issuer makes loans in the ordinary course of business, a loan is considered routine indebtedness if made to a person or company other than a full-time employee of the issuer, and if the loan,

A. is made on substantially the same terms, including those as to interest rate and security, as are available when a loan is made to other customers of the issuer with comparable credit ratings, and

B. involves no more than usual risks of collectibility.

(iv) Indebtedness arising by reason of purchases made on usual trade terms or of ordinary travel or expense advances, or for similar reasons is considered routine indebtedness if the repayment arrangements are in accord with usual commercial practice.

(f) For purposes of this Item, "executive officer" has the same meaning as in Form 40 and "support agreement" includes, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

Item 21 — Custodian of Portfolio Securities:

(a) State the name, principal business address and the nature of the business of each person or company holding portfolio securities of the issuer as custodian and the jurisdiction in which the portfolio securities are physically situate. The name of the custodian may be omitted if it is a bank listed in Schedule I or II to the Bank Act (Canada), or otherwise with the consent of the Director.

(b) Give brief details of the contractual arrangements made with the custodian.

Item 22 — Statement of Functions of Issuer and Distribution of Securities:

(a) Give a concise statement of the manner in which the following functions of the issuer are performed and who is responsible therefor, stating how such functions are co-ordinated and to the extent that any such functions are not performed by employees of the issuer, the names and addresses of the persons or companies responsible for performing such functions:

(i) management of the issuer other than management of the investment portfolio;

(ii) management of the investment portfolio;

(iii) providing investment analysis;

(iv) providing investment recommendations;

(v) making investment decisions;

(vi) purchase and sale of the investment portfolio and brokerage arrangements relating thereto; and

(vii) distribution of the securities offered.

(b) List the names and addresses in full, or, alternatively, solely the municipality of residence or postal address of all directors and officers of the companies named in answer to paragraph (a) of this Item.

(c) Indicate the method of determining the amount of management fees and state the total of such fees paid during each of the last five completed financial years and separately for the period from the last completed financial year to a date within thirty days of the preliminary prospectus or *pro forma* prospectus.

(d) Indicate the circumstances under which the management agreement may be terminated.

(e) Indicate conflicts of interest or potential conflicts of interest between the issuer and the persons and companies named in answer to (a).

Instructions:

1. Where an alternate address is listed, the Director may request that the home address in full be furnished to the Commission.

2. In giving information regarding distribution of securities the name and address of only the principal distributor need be given.

3. In giving information regarding the purchase and sale of the investment portfolio and brokerage arrangements relating thereto the name and address of only the principal broker need be given.

4. In giving information regarding the purchase and sale of the investment portfolio and brokerage arrangements relating thereto give brief details of the following matters:

(i) the total cost during the last completed financial year of the issuer of securities acquired, distinguishing between,

(A) securities of or guaranteed by the government of any country, or any political subdivision thereof,

(B) short-term notes, and

(C) other securities;

(ii) the total cost of securities held at the beginning and at the end of the issuer's last completed financial year;

(iii) the formula, method or criteria used in allocating brokerage business to persons or companies engaged in the distribution of the securities of the issuer;

(iv) the formula, method or criteria used in allocating brokerage business to persons or companies furnishing statistical, research or other services to the issuer or the manager of the issuer; and

(v) the amount of brokerage paid to the principal broker for the last three completed financial years, giving the total amount paid in each year and expressing the amount paid in each year as a percentage of the total brokerage paid by the issuer.

5. If one or more persons or companies performs more than one of the functions referred to in this Item, so state, giving details of all functions so performed.

6. As used in this Form:

"principal broker" includes,

(i) a person or company through whom the investment portfolio of the issuer is purchased or sold pursuant to a contractual arrangement with the issuer or the manager of the issuer providing for an exclusive right to purchase or sell the investment portfolio of the issuer or any feature which gives or is intended to give a broker or dealer a material competitive advantage over other brokers or dealers in respect of the purchase or sale of the investment portfolio of the issuer, or

(ii) a person or company, together with any affiliate, by or through whom 15 per cent or more of the securities transactions of the issuer were carried out; and

"brokerage arrangements" or "brokerage business" include all purchases and sales of the investment portfolio, whether effected directly or through an agent.

7. With the consent of the Director, a person or company who would otherwise be a principal broker may, with respect to any one or more of the items of disclosure required by this Form, be treated as not coming within the definition of a principal broker.

Item 23 — Associated Persons:

Furnish the following information as to each person or company named in answer to paragraph (a) of Item 22:

1. If a named person or company is associated with the issuer or is a director or senior officer of or is associated with any affiliate of the issuer or is a director or senior officer of or is associated with any company which is associated with the issuer, so state, and give particulars of the relationship.

2. If the issuer is associated with a named person or company or is associated with any affiliate of a named company or is associated with any company which is associated with the named person or company, so state, and give particulars of the relationship.

3. If any person or company associated with the issuer is also associated with a named person or company, so state, and give particulars of the relationship.

4. If a named person or company has a contract or arrangement with the issuer, give a brief description of the contract or arrangement, including the basis for determining the remuneration of the named person or company and give the amount of remuneration paid or payable by the issuer and its subsidiaries to such person or company during the last completed financial year of the issuer.

5. If a named person or company is associated with any other named person or company, so state, and give particulars of the relationship.

6. Where and to the extent required by the Director, give the business experience of each named person or company and, in the case of a named company, the directors and officers thereof.

Item 24 — Principal Holders of Securities:

Furnish the following information as of a specified date within thirty days prior to the date of the preliminary prospectus or *pro forma* prospectus, in substantially the tabular form indicated:

(a) The number of securities of each class of voting securities of:

(i) the issuer, and

(ii) the manager of the issuer,

owned of record or beneficially, directly or indirectly, by each person or company who owns of record, or is known by such issuer or manager to own beneficially, directly or indirectly, more than 10 per cent of any class of such securities. Show in Column 5 whether the securities are owned both of record and beneficially, of record only, or beneficially only, and show in Columns 6 and 7 the respective amounts and percentages known by the issuer or manager to be owned in each such manner.

TABLE

Column 1 Name and address	Column 2 Name of company	Column 3 Issuer or relationship thereto	Column 4 Designation of class	Column 5 Type of ownership	Column 6 Number of securities owned	Column 7 Percentage of class

(b) If any person or company named in answer to paragraph (a) owns of record or beneficially, directly or indirectly, more than 10 per cent of,

(i) any class of voting securities of the principal distributor or the principal broker of the issuer or any parent or subsidiary thereof, or

(ii) any proprietorship interest in the principal distributor or the principal broker of the issuer,

give the percentage of such securities or the percentage of such proprietorship interest so owned by such person or company.

(c) The percentage of securities of each class of voting securities beneficially owned, directly or indirectly, by all the directors, trustees and senior officers,

(i) of the issuer in the issuer or in a parent or subsidiary thereof, and

(ii) of the manager of the issuer in such manager or in a parent or subsidiary thereof,

in the case of each company as a group, without naming them.

TABLE

Column 1 Name of Company	Column 2 Issuer or relationship thereto	Column 3 Designation of class	Column 4 Percentage of class

Instructions:

1. Where a company is shown by the issuer as owning directly or indirectly more than 10 per cent of any class of such securities, the Director may require the disclosure of such additional information as is necessary to identify any individual who, through direct or indirect ownership of voting securities in the company owns directly or indirectly more than 10 per cent of any class of such securities. The name of such an individual should be disclosed in a footnote to the table described in paragraph (a).

2. For the purposes of paragraph (a), securities owned beneficially, directly or indirectly, and of record shall be aggregated in determining whether any person or company owns more than 10 per cent of the securities of any class.

3. For the purposes of clause (i) of paragraph (a), where no material change has occurred in the information required by such clause since the date of the financial statements included in the prospectus, information may be given as of the date of the financial statements.

4. If voting securities are being offered in connection with, or pursuant to, a plan of acquisition, amalgamation or reorganization, indicate, as far as practicable, the respective holdings of voting securities that will exist after giving effect to the plan.

5. If, to the knowledge of the issuer, more than 10 per cent of any class of voting securities of the issuer or if, to the knowledge of the manager of the issuer, more than 10 per cent of any class of voting securities of such

manager are held or are to be held subject to any voting trust or other similar agreement, state the designation of such securities, the number held or to be held and the duration of the agreement. Give the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.

6. If, to the knowledge of the issuer, the parent of the issuer, the manager or the parent of the manager, any person or company named in answer to paragraph (a) is an associate or affiliate of any other person or company named therein, disclose, in so far as known, the material facts of such relationship, including any basis for influence over the issuer enjoyed by the person or company other than the holding of voting securities of the issuer.

Item 25 — Interest of Management and Others in Material Transactions:

Describe briefly, and where practicable state the approximate amount of, any material interest direct or indirect, of any of the following persons or companies in any transaction within the three years prior to the date of the preliminary prospectus or *pro forma* prospectus, or in any proposed transaction which has materially affected or will materially affect the issuer:

(i) the manager of the issuer;

(ii) the principal distributor of the issuer;

(iii) the principal broker of the issuer;

(iv) any director, senior officer or trustee of the issuer or of any company referred to in clauses (i), (ii) or (iii) hereof;

(v) any securityholder named in answer to paragraph (a) of Item 24; and

(vi) any associate or affiliate of any of the foregoing persons or companies.

Instructions:

1. Give a brief description of the material transaction. Include the name and address of each person or company whose interest in any transaction is described and the nature of the relationship by reason of which such interest is required to be described.

2. As to any transaction involving the purchase or sale of assets by or to the issuer otherwise than in the ordinary course of business, state the cost of the assets to the purchaser and the cost thereof to the seller if acquired by the seller within two years prior to the transaction.

3. This Item does not apply to any interest arising from the ownership of securities of the issuer where the securityholder receives no extra or special benefit or advantage not shared on an equal basis by all other holders of the same class of securities or all other holders of the same class of securities who are resident in Canada.

4. No information need be given in answer to this Item as to any transaction or any interest therein, where,

   (i) the rates or charges involved in the transaction are fixed by law or determined by competitive bids;

   (ii) the interest of a specified person or company in the transaction is solely that of a director of another company that is a party to the transaction;

   (iii) the transaction involves services as a bank or other depository of funds, transfer agent, registrar, trustee under a trust indenture or other similar services;

   (iv) the interest of a specified person or company, including all periodic instalments in the case of any lease or other agreement providing for periodic payments or instalments, does not exceed $50,000; or

   (v) the transaction does not, directly or indirectly, involve remuneration for services, and

      (A) the interest of a specified person or company arose from the beneficial ownership, direct or indirect, of less than 10 per cent of any class of voting securities of another company that is a party to the transaction, and

(B) the transaction is in the ordinary course of business of the issuer.

5. Information shall be furnished in answer to this Item with respect to transactions not excluded above that involve remuneration, directly or indirectly, to any of the specified persons or companies for services in any capacity unless the interest of the person or company arises solely from the beneficial ownership, direct or indirect, of less than 10 per cent of any class of voting securities of another company furnishing the services to the issuer or its subsidiaries.

6. This Item does not require the disclosure of any interest in any transaction unless such interest and transaction are material.

Item 26 — Auditors, Transfer Agents and Registrars:

(a) State the name and address of the auditor of the issuer.

(b) Where shares are offered, state the names of the issuer's transfer agents and registrars and the location (by municipalities) of the registers of transfers of each class of shares of the issuer. Where securities other than shares are offered, state the location (by municipalities) of each register on which transfers of such securities may be recorded.

Item 27 — Material Contracts:

Give particulars of every material contract entered into within the two years prior to the date of the preliminary prospectus or *pro forma* prospectus, by the issuer and state a reasonable time and place at which any such contract or a copy thereof may be inspected during distribution of the securities being offered.

Instructions:

1. The term "material contract" for this purpose means any contract that can reasonably be regarded as presently material to the proposed investor in the securities being offered.

2. Set out a complete list of all material contracts, indicating those which are disclosed elsewhere in the prospectus and provide particulars with respect to those material contracts about which particulars are not given elsewhere in the prospectus. This Item does not require disclosure of contracts entered into in the ordinary course of business of the issuer.

3. Particulars of contracts should include the dates of, parties to, consideration and general nature of the contracts, succinctly described.

4. Particulars of contracts need not be disclosed, or copies of such contracts made available for inspection, if the Director determines that such disclosure or making-available would impair the value of the contract and would not be necessary for the protection of investors.

Item 28 — Other Material Facts:

Give particulars of any other material facts relating to the securities proposed to be offered and not disclosed pursuant to the foregoing Items.

Item 29 — Independent Review Committee:

Disclose a description of the independent review committee of the mutual fund established under National Instrument 81-107 *Independent Review Committee for Investment Funds*, including

(a) an appropriate summary of its mandate;

(b) its composition;

(c) that it prepares a report at least annually of its activities for securityholders which is available on the [mutual fund's/mutual fund family's] Internet site at [insert mutual fund's Internet site address], or at the securityholders request, at no cost, by contacting the [mutual fund/mutual fund family] at [insert mutual fund's/mutual fund family's e-mail address]; and

(d) the amount of fees and expenses payable in connection with the independent review committee paid by the mutual fund, including whether the mutual fund pays all of the fees payable to the independent review committee and listing the main components of the fees.

4. Form 45 of the Regulation is revoked and the following substituted:

FORM 45
INFORMATION REQUIRED TO BE INCLUDED IN PROSPECTUS OF A LABOUR SPONSORED INVESTMENT FUND CORPORATION

Securities Act

General Instruction

This prospectus is intended to be a concise presentation in plain language of the information required. The requirements and the instructions relating thereto should be read in light of this intention and the presentation of such information in the prospectus should reflect this intention.

Item 1 — Cover Statement

Language in substantially the following form should appear on the outside cover page of the prospectus:

"Along with this prospectus you must receive audited annual financial statements of the Fund for its last completed financial year and interim financial statements for the current financial year. You should read the prospectus and review the financial statements carefully before making an investment decision. Careful consideration should be given to the Risk Factors associated with making an investment in the Fund. You should also consult with a professional adviser.

These securities may be highly speculative in nature. An investment in the Fund may be appropriate only for investors who are prepared to have their money in the Fund for a long period of time. Although the Fund is a mutual fund, some of the rules designed to protect investors who purchase securities of mutual funds sold in Ontario do not apply to the Fund.

Mutual funds generally value their investments at the closing market price at which they can be bought and sold. Although the Fund values its investments based on appraisals prepared by qualified independent valuators, these appraisals may not reflect the prices at which the investments can actually be sold, particularly after taking into account associated selling costs such as sales commissions and legal fees.

The Fund may have contingent liability for the repayment of tax credits in certain circumstances. In most cases investors must repay any tax credit received as a result of their investment in the Fund if their Class A shares are sold or redeemed within five years of purchase. The Fund is prohibited by law from making redemptions in certain circumstances and may also suspend redemptions for substantial periods of time in certain circumstances. Investors may not be able to sell their Class A shares as there is no formal market, such as a stock exchange, through which Class A shares may be sold.

The Fund is registered under the Labour Sponsored Venture Capital Corporations Act, 1992. The sponsor of the Fund is .....

Neither the Ontario Securities Commission nor any other department or agency of the Government of Ontario has assessed the merits of an investment in the Fund. The Ontario Securities Commission and the Government of Ontario make no recommendation concerning such an investment and assume no liability or obligation to any investor in the Fund."

Item 2 — Name and Formation of Fund

(a) State the full name of the Fund and the address of its head or registered office.

(b) State the laws under which the Fund was formed and the manner and date of formation.

(c) If the Fund's name was changed during the past twelve months, state its former name and the date on which it was changed.

(d) Indicate briefly the nature and results of any bankruptcy, receivership or similar proceedings or any other material reorganization of the Fund during the past twelve months.

(e) State the name and address of the promoter, if any.

(f) If material, state whether the Fund's constating documents have been amended.

(g) If, during the past two years, any affiliate of the Fund has had any material interest, direct or indirect, in any transaction involving the purchase of any substantial amount of assets presently held by the Fund, describe the interest of the affiliate in such transaction and state the cost of such assets to the purchaser and to the seller.

Item 3 — Description of Business

Briefly describe the business of the Fund.

Item 4 — Risk Factors

If appropriate to a clear understanding by investors of the risk factors and speculative nature of the Fund's activities or of the securities being offered, make an introductory statement on the first page summarizing the factors which make the purchase a risk or speculation. The information may be given in the body of the prospectus if an appropriate reference is made on the first page to the risks and the speculative nature of the Fund's activities and a cross-reference is made to the place in the prospectus where the information is contained.

Item 5 — Description of Securities Offered

(a) State the description or the designation of the class of securities offered by the prospectus and describe all material attributes and characteristics including, without limiting the generality of the foregoing, the following:

(1) dividend rights;

(2) voting rights;

(3) liquidation or distribution rights;

(4) pre-emptive rights;

(5) conversion rights;

(6) transfer restrictions;

(7) redemption or purchase for cancellation or surrender rights;

(8) liability for tax credit repayment; and

(9) provisions as to modification, amendment or variation of any such rights or provisions.

(b) If the rights of securityholders may be modified otherwise than in accordance with the provisions attaching to such securities or the provisions of the governing Act relating thereto, so state and explain briefly.

Instructions:

1. This item requires only a brief summary of the provisions that are material from an investment standpoint.

Item 6 — Price of Securities on Sale or Redemption

(a) Describe briefly the method followed or to be followed by the Fund in determining the price at which its securities will be offered for sale and redeemed and state the frequency with which the issue price is determined and the time when the price becomes effective and how long it remains in effect.

(b) State, if applicable, the sales charges expressed as a percentage of the total amount paid by the purchaser and expressed as a percentage of the net amount invested in securities of the Fund. If these sales charges vary on a quantity basis, give particulars of the quantities and the respective sales charges applicable thereto.

(c) Indicate briefly any difference in the sales charges imposed upon the sale of securities in connection with the conversion or exchange of securities or the reinvestment of dividends or distributions.

(d) Give particulars of the entitlement of the purchaser of a contractual plan to a refund of any sales charge incurred if the contractual plan is terminated during its term.

(e) Describe briefly the procedure followed or to be followed by investors who desire to purchase securities or to redeem securities, including particulars relating to any special arrangements which may exist and any penalty for early redemption. State, if applicable, any redemption charge expressed as a percentage of the redemption price. If redemption charges vary on any basis, give particulars of the same. State, if applicable, any requirement for tax credit payment as a result of redemption.

(f) If applicable, disclose the obligation of:

(i) the Fund to reverse a purchase order placed by an investor who, after placing the purchase order, fails to make payment of the issue price, by causing the securities allotted pursuant to such purchase order to be redeemed, and

(ii) the investor to pay any difference if the redemption price is less than the issue price of such securities.

(g) If applicable, disclose the obligation of:

(i) the Fund to reverse a redemption order placed by an investor who, after requesting redemption, fails to deliver all documentation required to complete the redemption, by causing the investor to repurchase that number of securities of the Fund as is equal to the number of such securities that were redeemed, and

(ii) the investor to pay any difference if the repurchase price exceeds the redemption price.

(h) Describe briefly any right or requirement to reinvest the proceeds of dividends or other distributions in the Fund's securities.

(i) Describe the basis for valuing the Fund's assets and liabilities for the purpose of calculating net asset value and, if there is discretion to deviate from these rules, disclose all instances within the past three years where the discretion to deviate from these rules was exercised.

Instructions:

1. As used in this Item and in Items 7 and 9, the term "special arrangement" includes a periodic accumulation plan, an open account plan, a contractual plan, a withdrawal plan, a registered retirement savings plan, a registered retirement income fund, a registered education savings plan, an exchange or transfer privilege and any other type of arrangement respecting the acquisition or disposition of securities of the Fund.

Item 7 — Method of Distribution

Outline briefly the method of distribution of the securities being offered. If sales are to be effected through a principal distributor, give brief details of any arrangements with the principal distributor.

Instructions:

1. If the Fund is obligated or may become obligated for the payment of commissions, describe briefly such obligation.

2. If the securities are being offered by way of a special arrangement, give the main particulars of the special arrangement, including, if applicable, particulars of:

(1) any minimum initial investment;

(2) any subsequent minimum investment;

(3) any sales charge deductions from the initial investment and from the subsequent minimum investment;

(4) any sales charges expressed as a percentage of the amount paid by the purchaser and expressed as a percentage of the net amount invested in securities of the Fund, provided that in making this calculation, insurance premiums and the fees payable to a trustee of a registered retirement savings plan or of a registered retirement income fund or of a registered education savings plan may be excluded in determining the amount of the sales charges; and

(5) the total amount invested contrasted to the total amount paid by the purchaser.

3. As used in this Item, the term "sales charges" includes all sales commissions, sales charges and other charges related to the establishment of the special arrangement and its continuing administration and maintenance.

4. Disclose when, during the term of a special arrangement, the sales charges will be deducted.

5. Give particulars of any special withdrawal rights that are applicable to a special arrangement.

6. Give particulars of any entitlement under a special arrangement to a refund of any sales charge if the special arrangement is terminated during its term.

Item 8 — Responsibility for Principal Functions

(a) Give a concise statement of the manner in which the following functions of the Fund are performed, stating how such functions are co-ordinated and the names and addresses of the persons or companies responsible for performing such functions:

(1) the management of the Fund other than the management of the investment portfolio;

(2) the management of the investment portfolio;

(3) providing investment analysis;

(4) providing investment recommendations;

(5) making investment decisions;

(6) purchasing and selling the investment portfolio and making any brokerage arrangement relating thereto;

(7) the distribution of the securities offered.

Where a company is named as being responsible for the performance of any such functions, provide the names in full and the home addresses of each director and officer of the company.

(b) Indicate the method of determining the amount of management fees, including any prescribed limit on such fees, and state the total of such fees paid during each of the last five completed financial years and during the period from the end of the last completed financial year to a date within thirty days of the date of the prospectus.

(c) Indicate the circumstances under which the management agreement may be terminated.

(d) Indicate conflicts of interest or potential conflicts of interest between the Fund and the persons or companies named in answer to paragraph (a).

(e) If a named person or company is associated with the Fund, or is a director or senior officer of or is associated with any affiliate of the Fund, or is a director or senior officer of or is associated with any person or company which is associated with the Fund, so state, and give particulars of the relationship.

(f) If the Fund is associated with a named person or company or is associated with any affiliate of a named company or is associated with any person or company which is associated with the named person or company, so state, and give particulars of the relationship.

(g) If any person or company associated with the Fund is also associated with a named person or company, so state, and give particulars of the relationship.

(h) If a named person or company has a contract or arrangement with the Fund, give a brief description of the contract or arrangement, including the basis for determining the remuneration of the named person or company, and state the amount of remuneration paid or payable by the Fund and its subsidiaries to such person or company during the last completed financial year of the Fund.

(i) If a named person or company is associated with any other named person or company, so state, and give particulars of the relationship.

(j) Give particulars of the business experience of each person named under Item 8(a)(1), (2) or (5) and of the directors and officers of each company named under Item 8(a)(1), (2) or (5).

Instructions:

1. The address given may be the municipality of residence or a postal address, provided that upon request, the full residential address shall be furnished to any person or company requesting the same.

2. In giving information regarding the distribution of securities, the name and address of only the principal distributor need be given.

3. In giving information regarding brokerage arrangements, the name and address of only the principal broker need be given.

4. In giving information regarding the purchase and sale of the investment portfolio and brokerage arrangements, if any, state:

   (i) the total cost of securities acquired during the last completed financial year of the Fund distinguishing between:

      (a) securities of or guaranteed by the government of any country, or any political subdivision thereof,

      (b) short-term notes, and

      (c) other securities;

   (ii) the total cost of securities held at the beginning and at the end of the Fund's last completed financial year;

   (iii) the formula, method or criteria used in allocating brokerage business to persons or companies engaged in the distribution of the securities of the Fund;

   (iv) the formula, method or criteria used in allocating brokerage business to persons or companies furnishing statistical, research or other services to the Fund or the manager of the Fund; and

   (v) the amount of brokerage fees paid to the principal broker for the last three completed financial years, giving the total amount paid in each year and expressing the amount paid in each year as a percentage of the total brokerage fees paid in such year by the Fund.

5. In this Form:

   (i) a "principal broker" means,

      (a) a person or company through whom the investment portfolio of the Fund is purchased or sold pursuant to a contractual arrangement with the Fund or the manager of the Fund providing for an exclusive right to purchase or sell the investment portfolio of the Fund or any feature which gives or is intended to give a broker or dealer a material competitive advantage over other brokers or dealers in respect of the purchase or sale of the investment portfolio of the Fund, and

      (b) any person, company or affiliated companies by or through whom 15 per cent or more of the securities transactions of the Fund were carried out;

   (ii) "brokerage arrangements" or "brokerage business" includes all purchases and sales of the investment portfolio, whether effected directly or through an agent.

6. If one or more persons or companies performs more than one of the functions referred to in this Item, so state, giving details of all such functions performed.

Item 9 — Management Fees and Other Expenses

(a) Indicate:

(i) the fees, charges and expenses charged to the Fund and the basis for calculating them,

(ii) if there is a manager of the Fund, the fees, charges and expenses borne by the manager, and

(iii) any incentive fees payable by the Fund and the basis for calculating them.

(b) All fees, charges and other expenses which are charged directly to securityholders shall be summarized in tabular form as set forth in Table 1 under the heading "Summary of Fees, Charges and Other Expenses Payable by the Securityholder". Reference to this table shall be made on the outside cover page or on the first facing page of the prospectus.

TABLE 1
SUMMARY OF FEES, CHARGES AND EXPENSES
PAYABLE BY THE SECURITYHOLDER

This table contains a summary of the fees, charges and expenses payable directly by securityholders:

Type of Charge	Description including amount/rate

INSTRUCTIONS

Include particulars of all fees, charges and expenses payable by securityholders, including amounts payable on:

(a) the acquisition of securities;
(b) the exchange/transfer of securities with/to a related fund; and
(c) the redemption of securities.

(c) Instruct the reader to refer to the financial statements for details as to the amount of fees, charges and expenses, if any, which have been charged to the Fund.

(d) Set out in tabular form in the prospectus or by way of note to the financial statements, a record of the management expense ratio for each of the last five completed financial years of the Fund with a brief description of the method of calculating the management expense ratio.

Instructions:

1. If the basis of calculating the management or incentive fees or the other fees, charges or expenses that are charged to the Fund is changed or is proposed to be changed and if such change would have had an effect on the management expense ratio for the last completed financial year of the Fund had the change been in effect throughout that year, the effect of such change should be disclosed.

2. If any financial period referred to in Item 9(d) is less than twelve months, the management expense ratio should be shown on an annualized basis, with reference to the period covered and to the fact that the management expense ratio for the period has been annualized.

3. The management expense ratio of a Fund for any financial year shall be calculated by dividing the aggregate of all fees, charges and expenses paid or payable by the Fund during or in respect of the financial year in question by the amount of the average net asset value of the Fund for the financial year in question, and multiplying the quotient by 100. For the purpose of making this calculation:

(a) the expression "the average net asset value of the Fund for the financial year" means the result obtained by:

(i) adding together the amounts determined to be the net asset value of the Fund as at the close of business of the Fund on each day during the financial year in question on which the net asset value of the Fund has been determined in the manner from time to time prescribed in the constating documents of the Fund; and

(ii) dividing the amount resulting from the addition provided for in clause (i) by the number of days during the financial year in question on which the net asset value of the Fund has been determined;

(b) the expression "fees, charges and expenses" means fees, charges and expenses paid or payable by the Fund, except,

(i) commissions and brokerage fees on the purchase and sale of portfolio securities;

(ii) interest charges (if any); and

(iii) taxes of all kinds to which the Fund is subject.

4. If the Fund invests in another mutual fund, the management expense ratio shall be calculated on the basis of those assets of the Fund on which a management fee is charged.

5. The financial statements should be set out in appropriate detail the amounts of the management fees and of all other fees, charges and expenses, if any, that have been charged to the Fund during the period covered by the financial statements.

6. The fees, charges and other expenses, if any, that are charged directly to all securityholders generally or to securityholders who participate in a special arrangement and the basis of calculation of the same are to be excluded in determining the management expense ratio of the Fund.

Item 10 — Investment Objectives and Practices

(a) State the fundamental investment objectives of the Fund and, if relevant, any fundamental investment policies and practices.

(b) Briefly indicate the nature of any securityholder or other approval that may be required in order to change any of the fundamental investment objectives and any of the fundamental investment policies and practices of the Fund.

(c) State that the Fund is in compliance with all investment restrictions contained in the *Labour Sponsored Venture Capital Corporations Act, 1992*.

Instructions:

1. Aims such as long-term capital appreciation and the types of securities in which the Fund proposes to invest should be described.

2. If the securities of the Fund are or will be a qualified investment within the meaning of the *Income Tax Act* (Canada) for retirement savings plans, deferred profit sharing plans or other savings plans registered under the *Income Tax Act* (Canada) and if the Fund is or will be recognized as a registered investment within the meaning of that Act, provide the relevant information and state:

(i) the effect of the qualification;

(ii) the limitations, if any, imposed by that Act on the portion of the plans which may be invested in the securities of the Fund without subjecting the plans to taxes or penalties under that Act; and

(iii) whether the securities of the Fund will or will not be qualified investments for the plans.

3. Specifically disclose the business and activities the Fund is permitted to undertake that would not be permissible for an ordinary mutual fund, and state any restrictions on capitalization, investment and other business activities of the Fund under the *Labour Sponsored Venture Capital Corporation Act, 1992* and any investment policies and practices the Fund has adopted in pursuing its objectives, with particular reference in each case to the following types of activities:

(i) the issuing of securities other than those contemplated by the Fund's prospectus;

(ii) the borrowing of money;

(iii) the making of loans, whether secured or unsecured;

(iv) the investment of more than 10 per cent of the assets of the Fund in the securities of any one issuer;

(v) the investment in more than 10 per cent of the securities of any one issuer;

(vi) the investment in securities for the purpose of exercising control or management;

(vii) the investment in securities of investment companies or other mutual funds;

(viii) the investment in securities which are not fully paid;

(ix) the investment in illiquid securities or securities whose resale is restricted;

(x) the pledging, mortgaging or hypothecating of the Fund's assets;

(xi) the sale of portfolio securities to directors or officers of the Fund or of the manager or the purchase of portfolio securities from such persons;

(xii) the guaranteeing of the securities or the obligations of another issuer;

(xiii) the purchase of options, rights and warrants;

(xiv) the investment in a security which may require the purchaser to make an additional contribution beyond the price of the security.

Briefly indicate the nature of any securityholder or other approval that may be required in order to change any of the restrictions referred to in this Instruction 3.

4. For the purpose of Instruction 3(iii), the purchase of debt securities for investment purposes is not considered to be the making of a loan by the Fund.

5. For the purpose of Instruction 3(ix), if the Fund invests in securities whose resale is restricted, describe how those securities are valued for the purpose of computing the net asset value of the Fund.

Item 11 — Dividends or Distributions

Instruct the reader to refer to the Fund's financial statements for information as to the amount of dividends or other distributions per security paid by the Fund (including income allocated to securityholders by way of dividend reinvestment or otherwise) during each of the last five completed financial years of the Fund, and include such information by way of note to the Fund's financial statements.

Instructions:

1. Dividends and other distributions should be set out on a per security basis, shown separately for each class of securities in respect of each of the financial years. Appropriate adjustments should be made to reflect changes in capitalization during the period.

2. If dividends or other distributions have been paid by way of capitalizing the same (i.e. increasing the value of the securities held by securityholders of record), the amount per security of the dividends or other distributions so capitalized shall be referred to by way of note to the Fund's financial statements. As well, any statement in the Fund's prospectus or financial statements as to the amount of the net asset value per security as at any date shall be presented in such a manner so as to indicate clearly the portion of the net asset value per security that is represented by dividends or other distributions that were capitalized during the year or period in question and the portion of the net asset value per security that is represented by the changes that occurred in the market value of the assets and liabilities of the Fund during the year or period in question. The intention of this provision is to avoid any misunderstanding or double counting that may otherwise occur in evaluating the performance of the Fund during the year or period in question.

Item 12 — Significant Holdings in Other Entities

Furnish in substantially the tabular form indicated the following information as at a date within thirty days of the date of the prospectus with respect to each entity, 5 per cent or more of whose securities of any class are beneficially owned directly or indirectly by the Fund.

TABLE 2

Name and Address of Entity	Nature of Entities' Principal Business	Percentage of Securities of each Class Owned by Fund	Percentage of Value of Fund's Assets Invested

Item 13 — Tax Status of Fund Securityholders

(a) State in general terms the basis upon which the income and capital receipts of the Fund are taxed.

(b) State in general terms the income tax consequences to the holders of the securities offered of:

(i) any distribution to such holders in the form of dividends or otherwise, including amounts reinvested;

(ii) the redemption of securities;

(iii) the sale of securities; and

(iv) any transfers between mutual funds.

Item 14 — Legal Proceedings

(a) Describe briefly all legal proceedings that are material to the Fund and to which the Fund is a party or any of the Fund's property is subject.

(b) Describe briefly all legal proceedings known to be contemplated that are material to the Fund and to which the Fund may be a party or any of the Fund's property may be subject.

Instructions:

1. Identify the name of the court or agency having jurisdiction, the date on which the suit was instituted, the principal parties thereto, the nature of the claim and the amount claimed, if any. State whether the proceedings are being contested and the present status of the proceedings.

Item 15 — Directors and Officers

List the name in full, the home address and the principal occupation, within the five preceding years, of each director and officer of the Fund, and indicate all positions and offices with the Fund held by each person named.

Instructions:

1. The address given may be the municipality of residence or a postal address, provided that, upon request, the full residential address shall be furnished to the Canadian securities authorities requesting the same.

2. If the principal occupation of a director or officer is that of an officer of a company other than the Fund, state the business in which such company is engaged.

3. If a director or officer has held more than one position in the Fund, state only the first and last position held.

Item 16 — Remuneration of Directors and Officers

(a) Only Funds that directly employ directors or officers must comply fully with this Item.

(b) Other Funds, the businesses of which are managed by a management company pursuant to a contractual arrangement with the Fund, or by a corporate trustee pursuant to the terms of a trust indenture, must report in their annual financial statement:

(i) the aggregate amount of the fees paid by the Fund to such management company or trustee in respect of the financial year reported upon; and

(ii) the aggregate amount reimbursed by the Fund to such management company or trustee for expenses incurred in respect of the fulfilment of its duties as such.

As well, such Funds must confirm in the prospectus that the amounts reported in the financial statements as paid or reimbursed to management companies and trustees constitute the only compensation paid by the Fund to such management companies and trustees.

(c) If any compensation is in non-cash form, the value of the benefit conferred should be stated or, if it is not possible to state the value, the benefit conferred should be described.

(d) State any other information respecting executive compensation that is required to be disclosed by a mutual fund offering its securities in Ontario.

Item 17 — Indebtedness of Directors, Executive Officers and Senior Officers:

(a) The information required by this Item must be provided for each individual who is or, at any time during the most recently completed financial year, was a director, executive officer and senior officer of the Fund, each proposed nominee for election as a director of the Fund, and each associate of any such director, officer or proposed nominee.

(i) who is, or at any time since the beginning of the most recently completed financial year of the Fund has been, indebted to the Fund, or

(ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year of the Fund has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Fund.

(b) State in the tabular form under the caption set out, for any indebtedness referred to in paragraph (a) of this Item:

(i) The name of the borrower (column (a)).

(ii) If the borrower is a director, executive officer or senior officer, the principal position of the borrower. If the borrower was, during the year, but no longer is a director or officer, include a statement to that effect. If the borrower is a proposed nominee for election as a director, include a statement to that effect. If the borrower is included as an associate, describe briefly the relationship of the borrower to an individual who is or, during the year, was a director, executive officer or senior officer or who is a proposed nominee for election as a director, name that individual and provide the information required by this subparagraph for that individual (column (a)).

(iii) Whether the Fund is the lender or the provided of a a guarantee, support agreement, letter of credit or similar arrangement or understanding (column (b)).

(iv) The largest aggregate amount of the indebtedness outstanding at any time during the last completed financial year (column (c)).

(v) The aggregate amount of indebtedness outstanding as a date within thirty days of certification of the prospectus (column (d)).

TABLE OF INDEBTEDNESS OF DIRECTORS,
EXECUTIVE OFFICERS AND SENIOR OFFICERS

Name and Principal Position	Involvement of Fund	Largest Amount Outstanding During [Last Completed Financial Year] ($)	Amount Outstanding as at [Current Date]
(a)	(b)	(c)	(d)

(c) State in the introduction immediately preceding the table required by paragraph (b) of this Item, separately, the aggregate indebtedness,

(i) to the Fund, and

(ii) to another entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Fund,

of all officers, directors, employees and former directors, officers and employees of the Fund outstanding as at a date within thirty days of certification of the prospectus.

(d) Disclose in a footnote to, or a narrative accompanying, the table required by this Item,

(i) the material terms of each incidence of indebtedness and, if applicable, of each guarantee, support agreement, letter of credit or other similar arrangement or understanding, including without limitation the term to maturity, rate of interest and any understanding, agreement or intention to limited recourse, any security for the indebtedness and the nature of the transaction in which the indebtedness was incurred, and

(ii) any material adjustment or amendment made during the most recently completed financial year to the terms of the indebtedness and, if applicable, the guarantee, support agreement, letter of credit or similar arrangement or understanding.

(e) No disclosure need be made under this Item of an incidence of indebtedness that has been entirely repaid on or before the date of certification of the prospectus or of routine indebtedness.

"Routine indebtedness" means indebtedness described in any of the following:

(i) If the Fund makes loans to employees generally, whether or not in the ordinary course of business, loans are considered routine indebtedness if made on terms, including those as to interest rate and security, no more favorable to the borrower than the terms on which loans are made by the Fund to employees generally, but the amount at any time during the last completed financial year remaining unpaid under the loans to any one director, executive officer, senior officer or proposed nominee together with his or her associates that are treated as routine indebtedness under this clause must not exceed $25,000.

(ii) Whether or not the Fund makes loans in the ordinary course of business, a loan to a director, executive officer or senior officer is considered routine indebtedness if,

A. the borrower is a full-time employee of the Fund,

B. the loan is fully secured against the residence of the borrower, and

C. the amount of the loan does not exceed the annual salary of the borrower.

(iii) If the Fund makes loans in the ordinary course of business, a loan is considered routine indebtedness if made to a person or company other than a full-time employee of the Fund, and if the loan,

A. is made on substantially the same terms, including those as to interest rate and security, as are available when a loan is made to other customers of the Fund with comparable credit ratings, and

B. involves no more than usual risks of collectibility.

(iv) Indebtedness arising by reason of purchases made on usual trade terms or of ordinary travel or expense advances, or for similar reasons is considered routine indebtedness if the repayment arrangements are in accord with usual commercial practice.

(f) For purposes of this Item, "executive officer" has the same meaning as in Form 40 and "support agreement" includes, but is not limited to, an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

Item 18 — Promoter

If a person or company is a promoter of the Fund or has been a promoter of the Fund within the five years immediately preceding the date of this prospectus, furnish the following information:

(a) State the name of each promoter, the nature and amount of anything of value (including money, property, contracts, options or rights of any kind) received or to be received by each promoter directly or indirectly from the Fund and the nature and amount of any assets, services or other consideration received or to be received by the Fund.

(b) As to any assets acquired within the past two years or to be acquired by the Fund from a promoter, state the amount at which they were acquired or are to be acquired and the principle followed or to be followed in determining the amount. Identify the person making the determination and state such person's relationship, if any, with the Fund or the promoter. State the date on which the assets were acquired by the promoter and the cost thereof to the promoter.

(c) State whether the promoter was incorporated for the purpose of distributing securities of the Fund.

Item 19 — Principal Holders of Securities

Furnish the following information as of a specified date within thirty days prior to the date of the prospectus:

(a) In substantially the form of Table 3, indicate the number of securities of each class of voting securities of:

(i) the Fund; and

(ii) the manager of the Fund,

owned of record or beneficially, directly or indirectly, by each person or company who owns of record, or is known by such Fund or manager to own beneficially, directly or indirectly, more than 10 per cent of any class of securities. Show in Column 5 whether the securities are owned both of record and beneficially, of record only, or beneficially only, and show in Columns 6 and 7 the respective numbers and percentages known by the Fund or manager to be owned in each such manner.

TABLE 3

(1) Name and Address of Issuer or Manager	(2) Name of Person or Company that owns Securities	(3) Relationship to Issuer or Manager	(4) Designation of Class of Securities Owned	(5) Type of Ownership	(6) Number of Securities Owned	(7) Percentage of Class Owned

(b) If any person or company named in answer to paragraph (a) owns of record or beneficially, directly or indirectly:

(i) more than 10 per cent of any class of voting securities of the principal distributor or principal broker of the Fund;

(ii) more than a 10 per cent ownership interest in the principal distributor or principal broker of the Fund;

(iii) more than 10 per cent of any class of voting securities of any affiliate of the principal distributor or principal broker of the Fund; or

(iv) more than a 10 per cent ownership interest in any affiliate of the principal distributor or principal broker of the Fund,

identify the principal distributor or principal broker and give the percentage of such securities owned by or the percentage ownership interest of such person or company.

(c) State the percentage of securities of each class of voting securities of the Fund beneficially owned, directly or indirectly, by the directors, trustees and senior officers of the Fund, as a group. The individual directors, trustees or senior officers who own voting securities need not be named.

(d) State the percentage of securities of each class of voting securities of,

(i) the manager of the Fund; and

(ii) any affiliate of the manager of the Fund,

beneficially owned, directly or indirectly, by the directors, trustees and senior officers of the manager, as a group. The individual directors, trustees or senior officers who own voting securities need not be named.

Instructions:

1. For the purpose of Item 19(a), if a company is shown by the Fund as owning directly or indirectly more than 10 per cent of any class of securities, such additional information as is necessary to identify any individual who, through his or her direct or indirect ownership of voting securities in the company, owns directly or indirectly more than 10 per cent of any class of voting securities of the company may be requested. The name of such an individual should be disclosed in a footnote to Table 3.

2. For the purpose of Item 19(a), securities owned beneficially, directly or indirectly, and of record are to be aggregated in determining whether any person or company owns more than 10 per cent of the securities of any class.

3. For the purpose of Item 19(a)(i), if no material change has occurred in the information required by such Item since the date of the financial statements filed for the Fund's most recently completed financial year, the information may be given as of the date of the financial statements.

4. If,

   (a) the Fund knows more than 10 per cent of any class of voting securities of the Fund are held or are to be held subject to any voting trust or other similar agreement, or

   (b) the manager of the Fund knows that more than 10 per cent of any class of voting securities of such manager are held or are to be held subject to any voting trust or other similar agreement,

   state the designation of the securities so held or to be held, the number held or to be held and the duration of the agreement. Give the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.

5. If, to the knowledge of the Fund, the manager or the parent of the manager, any person or company named in answer to Item 19(a) is an associate or affiliate of any other person or company named in Item 19(a), disclose, in so far as known, the material facts of such relationship, including any basis for influence over the Fund enjoyed by the person or company other than the holding of voting securities of the Fund.

Item 20 — Interest of Management and Others in Material Transactions

Describe briefly and, where practicable, state the approximate amount of any material interest, direct or indirect, of each of the following persons or companies in each transaction within three years prior to the date of the prospectus and in each proposed transaction, if the transaction has materially affected or will materially affect the Fund:

(i) the manager of the Fund;

(ii) the principal distributor of the Fund;

(iii) the principal broker of the Fund;

(iv) each director and each senior officer of the Fund or of a company referred to in paragraph (i), (ii) or (iii);

(v) each securityholder named in answer to Item 19(a); and

(vi) each associate and each affiliate of each of the persons or companies listed in paragraphs (i) to (v).

Instructions:

1. Give a brief description of the material transaction. Include the name and address of each person or company whose interest in any transaction is described and the nature of the relationship by reason of which such interest is required to be described.

2. For any transaction involving the purchase or sale of assets by or to the Fund otherwise than in the ordinary course of business, state the cost of the assets to the purchaser and the cost thereof to the seller if acquired by the seller within two years prior to the transaction.

3. This Item does not apply to any interest arising from the ownership of securities of the Fund where the securityholder receives no extra or special benefit or advantage not shared on an equal basis by all other holders of the same class of securities or all other holders of the same class of securities who are resident in Canada.

4. No information need be given in answer to this Item about an interest of a person or company in a transaction, if:

   (i) the rates or charges involved in the transaction are fixed by law or determined by competitive bids;

   (ii) the interest of the person or company in the transaction is solely that of a director of another company that is a party to the transaction;

   (iii) the transaction involves services by the person as a bank or other depository of funds, transfer agent, registrar, trustee under a trust indenture or other similar services;

   (iv) the interest of the person or company in the transaction, including all periodic instalments in the case of any lease or other agreement providing for periodic payments or instalments, does not exceed $50,000; or

   (v) the transaction does not directly or indirectly involve remuneration for services, and

   (a) the interest of the person or company arose from the beneficial ownership, direct or indirect, of less than 10 per cent of any class of voting securities of another company that is a party to the transaction, and

   (b) the transaction is in the ordinary course of business of the Fund.

5. Information shall be furnished in answer to this Item with respect to transactions not excluded above that involve remuneration, directly or indirectly, to any of the specified persons or companies for services in any capacity, unless the interest of the person or company arises solely from the beneficial ownership, direct or indirect, of less than 10 per cent of any class of voting securities of another company furnishing the services to the Fund or its subsidiaries.

6. This Item does not require the disclosure of any interest in any transaction unless such interest and transaction are material.

Item 21 — Material Contracts

Give particulars of every material contract entered into by the Fund within two years before the date of the prospectus, and state a reasonable time and place at which such contracts or copies thereof may be inspected during the distribution of the securities being offered. Indicate that there will also be available for inspection at the same time and place, originals or copies of all management agreements and principal distributorship agreements to which the Fund is a party.

Instructions:

1. The term "material contract" for this purpose means any contract that can reasonably be regarded as presently material to the proposed investor in the securities being offered. This Item does not require disclosure of contracts entered into in the ordinary course of business of the Fund.

2. Set out a complete list of all material contracts, indicating those which are disclosed elsewhere in the prospectus and provide particulars with respect to those material contracts about which particulars are not given elsewhere.

3. Particulars of contracts should include the date of, parties to, consideration and general nature of the contracts, succinctly described.

Item 22 — Other Material Facts

Give particulars of any other material facts relating to the securities proposed to be offered.

Item 23 — Auditors, Transfer Agent and Registrar

(a) State the name and address of the Fund's auditor.

(b) State the name of the Fund's transfer agent and registrar and the cities in which the registers of transfer of securities of the Fund are kept.

Item 24 — Purchasers' Statutory Rights

Include the following statement in the prospectus:

"Securities legislation in certain of the provinces and territories provides purchasers with the right to withdraw from an agreement to purchase mutual fund securities within two business days after receipt of a prospectus or within forty-eight hours after the receipt of a confirmation of a purchase of such securities. If the agreement is to purchase such securities under a contractual plan, the time period during which withdrawal may be made may be longer. In several of the provinces and territories securities legislation further provides a purchaser with the remedy of rescission or damages if the prospectus or any amendment contains a misrepresentation or is not delivered to the purchaser. Such remedy must be exercised by the purchaser within the time limit prescribed by the securities legislation of the province or territory in which the purchaser resided. The purchaser should refer to the applicable provisions of the securities legislation of the province or territory for the particulars of these rights or should consult with a legal adviser."

Item 25 — Certificate

.....

Item 26 — Independent Review Committee

Disclose a description of the independent review committee of the Fund established under National Instrument 81-107 *Independent Review Committee for Investment Funds*, including

(a) an appropriate summary of its mandate;

(b) its composition;

(c) that it prepares a report at least annually of its activities for securityholders which is available on the [Fund's/Fund family's] Internet site at [insert Fund's Internet site address], or at the securityholders request, at no cost, by contacting the [Fund/Fund family] at [insert Fund's /Fund family's e-mail address]; and

(d) the amount of fees and expenses payable in connection with the independent review committee paid by the Fund, including whether the Fund pays all of the fees payable to the independent review committee and listing the main components of the fees.

5. This Regulation comes into force on the day that the rule made by the Ontario Securities Commission on June 13, 2006 entitled "National Instrument 81-107 *Independent Review Committee for Investment Funds*" comes into force.

Made by:

ONTARIO SECURITIES COMMISSION:

"Paul M. Moore"
Paul M. Moore, Vice-Chair

"Harold P. Hands"
Harold P. Hands, Commissioner

Date made: June 13, 2006

I certify that I have approved this Regulation.

"Gerry Phillips"
Minister of Government Services

Date approved: September 19, 2006

Note: The rule made by the Ontario Securities Commission on June 13, 2006 entitled "National Instrument 81-107 *Independent Review Committee for Investment Funds*" comes into force on November 1, 2006.

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Clarke Inc.
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Prospectus dated November 7, 2006
Mutual Reliance Review System Receipt dated November 7, 2006
Offering Price and Description:
$100,000,000.00 - 6.00% Convertible Unsecured Subordinated Debentures, due 2013
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Capital Markets Inc.
HSBC Securities (Canada) Inc.
Scotia Capital Inc.
TD Securities Inc.
Beacon Securities Ltd.
Promoter(s):
-
Project #1011422

Issuer Name:
Calibre Energy, Inc.
Type and Date:
Preliminary Prospectus dated November 3, 2006
Receipted on November 3, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Prentis B. Tomlinson, Jr.
Project #1010153

Issuer Name:
Column Canada Issuer Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated November 3, 2006
Mutual Reliance Review System Receipt dated November 6, 2006
Offering Price and Description:
$600,000,000.00 - MultiClass Pass-Through Certificates, Series 2006-WEM
Underwriter(s) or Distributor(s):
Credit Suisse Securities (Canada), Inc.
Merrill Lynch Canada Inc.
Promoter(s):
-
Project #1010570

Issuer Name:
Disenco Energy PLC
Principal Regulator - British Columbia
Type and Date:
Amended and Restated Preliminary Prospectus dated October 31, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
5,500,000 Units Comprised of One C Ordinary Share and One-half of One Warrent
Price: $0.50 per Unit and 1,989,642 C Ordinary Shares Issuable Upon the Exercise or Deemed Exercise of Previously issued Special Warrents
Underwriter(s) or Distributor(s):
Blackmont Capital Inc.
Promoter(s):
G. Brian Longpre
Gunnar Bretvin
Philip H. Smith
John Gunn
Project #965337

Issuer Name:
EcuaGold Resources Ltd.
Principal Regulator - British Columbia
Type and Date:
Preliminary Prospectus dated November 3, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
Minimum Offering: 8,000,000 Units Maximum Offering: 12,000,000 Units
Price: $0.50 Per Unit
Underwriter(s) or Distributor(s):
Blackmont Capital Inc.
Bolder Investment Partners, Ltd.
Promoter(s):
Anthony F. Ciali
Dana T. Jurika
Paul J. Grist
Project #1010404

Issuer Name:
Excelsior Energy Limited
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated October 30, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
A Minimum of * and a Maximum of * Common Shares $25,000,000.00 (Minimum Offering)
$43,500,000.00 (Maximum Offering) Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Wellington West Capital Markets Inc.
Canaccord Capital Corporation
Promoter(s):
David A. Winter
Robert Bailey
Project #1008122

Issuer Name:
Excelsior Energy Limited
Principal Regulator - Alberta
Type and Date:
Amended Preliminary Short Form Prospectus dated November 7, 2006
Mutual Reliance Review System Receipt dated November 7, 2006
Offering Price and Description:
A Minimum of * and a Maximum of * Common Shares $25,000,000.00 (Minimum Offering)
$43,500,000.00 (Maximum Offering) Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Wellington West Capital Markets Inc.
Canaccord Capital Corporation
Promoter(s):
David A. Winter
Robert Bailey
Project #1008122

Issuer Name:
Global Dividend Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated November 3, 2006
Mutual Reliance Review System Receipt dated November 7, 2006
Offering Price and Description:
$ * - * Units Price: $10.00 per Unit Minimum Purchase: 100 Units
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Blackmont Capital Inc.
Wellington West capital Inc.
Berkshire Securities Inc.
Desjardins Securities Inc.
GMP Securities L.P.
Promoter(s):
FrontierAlt Investment Management Corporation
Project #1011341

Issuer Name:
HSBC BRIC Equity Fund
HSBC U.S. High Yield Bond Fund
Principal Regulator - British Columbia
Type and Date:
Preliminary Simplified Prospectuses dated November 1, 2006
Mutual Reliance Review System Receipt dated
Offering Price and Description:
Offering Investor Series, Advisor Series, Manager Series and Institutional Series Units
Underwriter(s) or Distributor(s):
HSBC Investment Funds (Canada) Inc.
HSBC Investment Funds (Canada) Inc.
Promoter(s):
HSBC Investment Funds (Canada) Inc.
Project #1009169

Issuer Name:
Infinity Alliance Ventures Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary CPC Prospectus dated October 31, 2006
Mutual Reliance Review System Receipt dated
Offering Price and Description:
$650,000.00 - 4,333,333 Common Shares at $0.15 per Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Promoter(s):
-
Project #1010282

Issuer Name:
RBC O'Shaughnessy All Canadian Equity Fund
RBC O'Shaughnessy Global Equity Fund
RBC Select Aggressive Growth Portfolio
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated November 1, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
Series A, Advisors Series and Series F units
Underwriter(s) or Distributor(s):
Royal Mutual Funds Inc.
Royal Mutual Funds Inc.
Promoter(s):
RBC Asset Management Inc.
Project #1009136

Issuer Name:
Stone Investment Group Limited
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated October 27, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
Maximum: $12,000,000.00 (12,000 Units) - Minimum: $5,800,000.00 (5,800 Units) Each Unit consisting of one $1,000 principal amount 9% Senior Secured Debenture due 2011 and 600 Common Share Purchase Warrents Price: $1,000 per Unit
Underwriter(s) or Distributor(s):
Wellington West Capital Inc.
Canaccord Capital Corporation
Research Capital Corporation
Burgeonvest Securities Limited
Queensbury Securities Inc.
Promoter(s):
Richard G. Stone
Project #1008769

Issuer Name:
Symmetry Equity Class
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated November 3, 2006
Mutual Reliance Review System Receipt dated November 6, 2006
Offering Price and Description:
(Series A, F, I, O and W Shares)
Underwriter(s) or Distributor(s):
-
Promoter(s):
Mackenzie Financial Corporation
Project #1010354

Issuer Name:
Telesat Holding Inc.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Prospectus dated November 2, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
Class B Non-Voting Shares * - * Class B non-Voting Shares Price: $ * per Share
Underwriter(s) or Distributor(s):
Goldman Sachs Canada Inc.
Citigroup Global Markets Canada Inc.
RBC Dominion Securities Inc.
Promoter(s):
-
Project #993499

Issuer Name:
The VenGrowth Advanced Life Sciences Fund Inc.
The VenGrowth III Investment Fund Inc.
The Vengrowth Traditional Industries Fund Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectuses dated October 30, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
Class A Shares, Series C and Class A Share, Series F
Underwriter(s) or Distributor(s):
-
Promoter(s):
ACFO/ACAF Sponsor Corp.
Project #1008633

Issuer Name:
Pool Units, Class F Units, Class O Units and Class T Units as indicated of :
AIC Private Portfolio Counsel Canadian Pool
(Class F and Class O Units)
AIC Private Portfolio Counsel U .S. Small to Mid Cap Pool
(Class F and Class O Units)
AIC Private Portfolio Counsel Global Pool
(Class F and Class O Units)
AIC Private Portfolio Counsel Bond Pool
(Class F and Class O Units)
AIC Private Portfolio Counsel Income Pool
(Class F, Class O and Class T Units)
AIC Private Portfolio Counsel Global Fixed Income Pool
(Class F and Class O Units)
AIC PPC Balanced Income Portfolio Pool
(Class T Units)
AIC PPC Balanced Growth Portfolio Pool
(Class T Units)
AIC PPC Core Growth Portfolio Pool
Principal Regulator - Ontario
Type and Date:

- Amendment No. 3 dated October 30th, 2006 to the Amended and Restated Simplified Prospectuses dated April 4th, 2006, amending and restating the Simplified Prospectuses dated February 21st, 2006; and
- Amendment No. 4 dated October 30th, 2006 to the Annual Information Forms dated February 21st, 2006 of the above Issuers.

Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
Pool Units and Class F Units, Class O and Class T Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
AIC Limited
Project #872491

Issuer Name:
Antrim Energy Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated November 7, 2006
Mutual Reliance Review System Receipt dated November 7, 2006
Offering Price and Description:
$48,747,500.00 - 3,175,000 Common Shares at $3.70 per Common Share
Underwriter(s) or Distributor(s):
Blackmont Capital Inc.
GMP Securities L.P.
Tristone Capital Inc.
Wellington West Capital Markets Inc.
Research Capital Corporation
Promoter(s):
-
Project #1007894

Issuer Name:
BMO Harris Canadian Money Market Portfolio
BMO Harris Canadian Bond Income Portfolio
BMO Harris Canadian Total Return Bond Portfolio
BMO Harris Canadian Corporate Bond Portfolio
BMO Harris Income Opportunity Bond Portfolio
BMO Harris Opportunity Bond Portfolio
BMO Harris Diversified Trust Portfolio
BMO Harris Canadian Dividend Income Portfolio
BMO Harris Canadian Income Equity Portfolio
BMO Harris Canadian Conservative Equity Portfolio
BMO Harris Canadian Growth Equity Portfolio
BMO Harris Growth Opportunities Portfolio
BMO Harris Canadian Special Growth Portfolio
BMO Harris U.S. Equity Portfolio
BMO Harris U.S. Growth Portfolio
BMO Harris International Equity Portfolio
BMO Harris International Special Equity Portfolio
BMO Harris Emerging Markets Equity Portfolio
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated November 1, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
Mutual Fund Securities at Net Asset Value
Underwriter(s) or Distributor(s):
BMO Invesments Inc.
Promoter(s):
BMO Trust Company
Project #998446

Issuer Name:
Class A Units of:
BMO Nesbitt Burns Canadian Stock Selection Fund
BMO Nesbitt Burns U.S. Stock Selection Fund
BMO Nesbitt Burns Bond Fund
BMO Nesbitt Burns Balanced Fund
BMO Nesbitt Burns Balanced Portfolio Fund
BMO Nesbitt Burns Growth Portfolio Fund
BMO Nesbitt Burns All Equity Portfolio Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus and Annual Information Form (NI 81-101) dated November 1, 2006
Mutual Reliance Review System Receipt dated November 2, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Promoter(s):
BMO Nesbitt Burns Inc.
Project #998120

Issuer Name:
Brookfield Asset Management Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Shelf Prospectus dated November 6, 2006
Mutual Reliance Review System Receipt dated November 6, 2006
Offering Price and Description:
US$750,000,000.00 - Debt Securities Class A Preference Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1001261

Issuer Name:
Canada Energy Partners Inc.
Principal Regulator - British Columbia
Type and Date:
Final Prospectus dated October 30, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
$5,100,000.00 - $1,980,000 Offering of Flow-Through Shares (1,800,000 flow-through shares at a price of $1.10 per Flow-Through Share); and $3,120,000.00 - Offering of Common Shares (3,120,000 shares at a price of $1.00 per Common Share)
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
Promoter(s):
John Prosust
Winston Purifoy
Project #992813

Issuer Name:

Principal Regulator - Ontario
Type and Date:
Amendment #2 dated October 27, 2006 to Final Simplified Prospectus and Annual Information Form (NI 81-101) dated January 31, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
Series A, D, E, F and I Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Counsel Group of Funds Inc.
Project #873640

Issuer Name:
Cyries Energy Inc.
Principal Regulator – Alberta
Type and Date:
Final Short Form Prospectus dated November 3, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
$27,500,000.00 - 2,200,000 Common Shares Price $12.50 per Common Share
Underwriter(s) or Distributor(s):
FirstEnergy Capital Corp.
Peters & Co. Limited
GMP Securities L.P.
Clarus Securities Inc.
Raymond James Ltd.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Tristone Capital Inc.
Promoter(s):
-
Project #1006150

Issuer Name:
Emissary Canadian Equity
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated October 27, 2006 to Simplified Prospectus and Annual Information Form dated March 23, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
NBF Emissary Turnkey Solution LP
Project #889935

Issuer Name:
Exxel Energy Corp.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated November 1, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
Up to $20,000,001.00 - Up to 5,714,286 Units Price: $3.50 per Unit
Underwriter(s) or Distributor(s):
MGI Securities Inc.
Promoter(s):
-
Project #994430

Issuer Name:
GGOF Monthly Dividend Fund Ltd.
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated October 31, 2006 to the Simplified Prospectus and Annual Information Form dated July 5, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
Guardian Group of Funds Ltd.
Jones Heward Investment Management Inc.
Guardian Group of Funds Ltd.
Promoter(s):
Guardian Group of Funds Ltd.
Project #952281

Issuer Name:
Golden Reign Resources Ltd.
Principal Regulator - British Columbia
Type and Date:
Final Prospectus dated October 31, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
$4,000,000.00 - 10,000,000 Units Price: $0.40 per Unit
Underwriter(s) or Distributor(s):
Bolder Investment Partners, Ltd.
Promoter(s):
Diana Kim Evans
Project #980141

Issuer Name:
Hostopia.com Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated November 3, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
Cdn$25,200,000.00 - 4,200,000 SHARES OF COMMON STOCK PRICE CDN$6.00 PER SHARE
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
TD Securities Inc.
GMP Securities L.P.
Haywood Securities Inc.
Promoter(s):
-
Project #960739

Issuer Name:
iShares CDN Dow Jones Canada Select Growth Index Fund
iShares CDN Dow Jones Canada Select Value Index Fund
iShares CDN Scotia Capital All Corporate Bond Index Fund
iShares CDN Scotia Capital All Government Bond Index Fund
iShares CDN Scotia Capital Long Term Bond Index Fund
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated November 6, 2006
Mutual Reliance Review System Receipt dated November 6, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Barclays Global Investors Canada Limited
Promoter(s):
-
Project #999141

Issuer Name:
Managed Global Mandate
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated October 27, 2006
Mutual Reliance Review System Receipt dated November 1, 2006
Offering Price and Description:
CLASS A, CLASS B, CLASS C AND CLASS D UNITS
Underwriter(s) or Distributor(s):
-
Promoter(s):
Croft Financial Group Inc.
Project #997832

Issuer Name:
Ondine Biopharma Corporation
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated November 2, 2006
Mutual Reliance Review System Receipt dated November 2, 2006
Offering Price and Description:
$10,000,000.00 - 6,250,000 Common Shares Price: $1.60 per Common Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Desjardins Securities Inc.
Pacific International Securities Inc.
Promoter(s):
Carolyn Cross
Project #1005262

Issuer Name:
ProMetic Life Sciences Inc.
Principal Regulator - Quebec
Type and Date:
Final Short form Shelf Prospectus dated November 3, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
$42,000,000.00 - Subordinate Voting Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1002178

Issuer Name:
Scotia Private Client Units of:
Scotia Money Market Fund
Scotia Canadian Income Fund
Scotia Cassels Canadian Bond Fund
Scotia Cassels Canadian Corporate Bond Fund
Scotia CanAm U.S. $ Income Fund
Scotia Canadian Dividend Fund
Scotia Cassels Canadian Equity Fund
Scotia Canadian Small Cap Fund
Scotia Cassels North American Equity Fund
Scotia Cassels U.S. Equity Fund
Scotia Cassels International Equity Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated October 31, 2006
Mutual Reliance Review System Receipt dated November 2, 2006
Offering Price and Description:
Scotia Private Client Units @ Net Asset Value
Underwriter(s) or Distributor(s):
Scotia Securities Inc.
Scotia Securities Inc.
Promoter(s):
The Bank of Nova Scotia
Project #997396

Issuer Name:
SEMAFO INC.
Principal Regulator - Quebec
Type and Date:
Final Short Form Prospectus dated November 3, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
$77,040,000.00 - 42,800,000 Common Shares $1.80 per Common Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Merrill Lynch Canada Inc.
Westwind Partners Inc.
Haywood Securities Inc.
Promoter(s):
-
Project #1005365

Issuer Name:
Trilogy Energy Trust
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated October 31, 2006
Mutual Reliance Review System Receipt dated November 2, 2006
Offering Price and Description:
$175,000,000.00 - 6.25% Convertible Unsecured Subordinated Debentures
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
FirstEnergy Capital Corp.
GMP Securities L.P.
Canaccord Capital Corporation
National Bank Financial Inc.
Paradigm Capital Inc.
Peters & Co. Limited
Promoter(s):
-
Project #1005261

Issuer Name:
West Energy Ltd. (formerly Rio Alto Resources International Inc.)
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated November 6, 2006
Mutual Reliance Review System Receipt dated November 7, 2006
Offering Price and Description:
$26,738,000.00 - 3,688,000 Flow-Through Shares Price: $7.25 per Flow-Through Share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
FirstEnegy Capital Corp.
Tristone Capital Inc.
Promoter(s):
-
Project #1006256

Issuer Name:
Western Goldfields, Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus - MJDS (NI 71-101) dated October 31, 2006
Mutual Reliance Review System Receipt dated November 3, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1000182

Issuer Name:
Nickel Asia Corp.
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Prospectus dated August 15, 2006 and Amended and Restated Preliminary Prospectus dated September 7, 2006
Withdrawn on November 3, 2006
Offering Price and Description:
$ * - * Class A Non-Voting Shares
Price: $ * per Class A Non-Voting Share
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
Orion Securities Inc.
Sprott Securities Inc.
Promoter(s):
Manuel B. Zamora
Salvador B. Zamora II
Project #977909

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: TW & Company Investment Management Inc. To: TWP & Company Investment Management Inc.	Limited Market Dealer, Investment Counsel & Portfolio Manager	November 1, 2006
New Registration	Countrywide Securities Corporation	International Dealer	November 3, 2006
New Registration	Pan Asset Management Ltd.	Limited Market Dealer and Investment Counsel & Portfolio Manager	November 6, 2006
Name Change	From: Gibraltar Alternative Asset Consulting Group Inc. To: JovFunds Inc.	Limited Market Dealer	November 6, 2006
Change of Category	Morgan Stanley & Co. Incorporated	From: International Adviser (Investment Counsel and Portfolio Manager) and International Dealer To: International Adviser (Investment Counsel and Portfolio Manager) and International Dealer	November 7, 2006

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