The Ontario Securities Commission

OSC Bulletin

April 13, 2007

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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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Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

APRIL 13, 2007

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

The Harry S. Bray Hearing Room
Ontario Securities Commission
Cadillac Fairview Tower
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20 Queen Street West
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Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

SCHEDULED OSC HEARINGS

April 26, 2007 10:00 a.m.	**Robert Patrick Zuk[2], Ivan Djordjevic, Matthew Noah Coleman[3], Dane Alan Walton, Derek Reid[4] and Daniel David Danzig[1]** s. 127 J. Waechter in attendance for Staff Panel: WSW/DLK
	[1] October 3, 2006-Notice of Withdrawal [2] Settlement approved March 1, 2007 [3] Settlement approved March 21, 2007 [4] Settlement approved April 3, 2007
April 16, 2007 10:00 a.m.	**Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin** s. 127 H. Craig in attendance for Staff Panel: WSW/LER
April 17, 2007 10:00 a.m.	**Rex Diamond Mining Corporation, Serge Muller and Benoit Holemans** s. 127 & 127(1) H. Craig in attendance for Staff Panel: WSW/LER
April 17, 2007 11:00 a.m.	**First Global Ventures, S.A., Allen Grossman and Alan Marsh Shuman** s. 127 D. Ferris in attendance for Staff Panel: WSW/MCH/ST

April 23, 2007
10:00 a.m.

John Alexander Cornwall, Kathryn A. Cook, David Simpson, Jerome Stanislaus Xavier, CGC Financial Services Inc. and First Financial Services

s. 127 and 127.1

S. Horgan in attendance for Staff

Panel: RLS/DLK/MCH

May 1, 2007
2:30 p.m.

Frank Dunn, Douglas Beatty, Michael Gollogly

s.127

K. Daniels in attendance for Staff

Panel: JEAT

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: PJL/ST/JEAT

May 22, 2007
10:00 a.m.

Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)

s.127 and 127.1

D. Ferris in attendance for Staff

Panel: ST/DLK

May 28, 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

May 28, 2007
10:00 a.m.

Jose Castaneda

s. 127 and 127.1

H. Craig in attendance for Staff

Panel: WSW/DLK

June 5, 2007
10:00 a.m.

Certain Directors, Officers and Insiders of Research In Motion Limited

s. 144

J.S. Angus in attendance for Staff

Panel: JEAT/CSP

June 14, 2007
10:00 a.m.

Peter Sabourin, W. Jeffrey Haver, Greg Irwin, Patrick Keaveney, Shane Smith, Andrew Lloyd, Sandra Delahaye, Sabourin and Sun Inc., Sabourin and Sun (BVI) Inc., Sabourin and Sun Group of Companies Inc., Camdeton Trading Ltd. and Camdeton Trading S.A.

s. 127 and 127.1

Y. Chisholm in attendance for Staff

Panel: TBA

June 21, 2007
10:00 a.m.

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

s. 127 and 127.1

P. Foy in attendance for Staff

Panel: WSW/CSP

* Settled April 4, 2006

July 5, 2007
10:00 a.m.

Sulja Bros. Building Supplies, Ltd. (Nevada), Sulja Bros. Building Supplies Ltd., Kore International Management Inc., Petar Vucicevich and Andrew DeVries

s. 127 & 127.1

P. Foy in attendance for Staff

Panel: WSW/MCH

July 5, 2007
11:30 a.m.

Norshield Asset Management (Canada) Ltd., Olympus United Group Inc., John Xanthoudakis, Dale Smith and Peter Kefalas

s.127

M. MacKewn in attendance for Staff

Panel: WSW/DLK

July 9, 2007 10:00 a.m.	***AiT Advanced Information Technologies Corporation, *Bernard Jude Ashe and Deborah Weinstein** s. 127 K. Manarin in attendance for Staff Panel: TBA * Settlement Agreements approved February 26, 2007
October 9, 2007 10:00 a.m.	**John Daubney and Cheryl Littler** s. 127 and 127.1 A.Clark 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
October 29, 2007 10:00 a.m.	**Mega-C Power Corporation, Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited** S. 127 A. Sonnen in attendance for Staff Panel: TBA
November 12, 2007 10:00 a.m.	**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	**Yama Abdullah Yaqeen** s. 8(2) J. Superina 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	**Euston Capital Corporation and George Schwartz** s. 127 Y. Chisholm in attendance for Staff Panel: TBA
TBA	**Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell** s. 127 J. Waechter in attendance for Staff Panel: TBA
TBA	**Philip Services Corp. and Robert Waxman** s. 127 K. Manarin/M. Adams in attendance for Staff Panel: TBA Colin Soule settled November 25, 2005 Allen Fracassi, Philip Fracassi, Marvin Boughton, Graham Hoey and John Woodcroft settled March 3, 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

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

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 Commission Approval – Material Amendments to CDS Rules Relating to International Services

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

MATERIAL AMENDMENTS TO CDS RULES

INTERNATIONAL SERVICES

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (OSC) and The Canadian Depository for Securities Limited (CDS), the OSC approved on April 5, 2007 the amendments filed by CDS relating to international services. A copy and description of these amendments were published for a 30-day comment period in the OSC Bulletin on February 2, 2007 at (2007) 30 OSCB 1141. No comment letters were received.

1.1.3 OSC Staff Notice 11-739 (Revised) - Policy Reformulation Table of Concordance and List of New Instruments

OSC STAFF NOTICE 11-739 (REVISED)

POLICY REFORMULATION TABLE OF CONCORDANCE AND LIST OF NEW INSTRUMENTS

The following revisions have been made to the Table of Concordance and List of New Instruments. A full version of the Table of Concordance and List of New Instruments as of March 31, 2007 has been posted to the OSC Website at www.osc.gov.on.ca under Policy and Regulation/Status Summaries.

Table of Concordance

Item Key
The third digit of each instrument represents the following: 1-National/Multilateral Instrument; 2-National/Multilateral Policy; 3-CSA Notice; 4-CSA Concept Release; 5-Local Rule; 6-Local Policy; 7-Local Notice; 8-Implementing Instrument; 9-Miscellaneous

Reformulation

Instrument	Title	Status
OSCN	Adviser Registration, Disclosure and Other Issues Relating to Labour Sponsored Investment Funds (1995) 18 OSCB 5420	***To be retained***

New Instruments

11-739	Policy Reformulation Table of Concordance and List of New Instruments (Revised)	***Published January 12, 2007***
11-759	Business Continuity Planning	***Published January 5, 2007***
11-904	Request for Comment Regarding the Proposed Passport System.	***Published for comment March 30, 2007***
12-202	Revocation of a Compliance-related Cease Trade Order	***Published for comment January 5, 2007***
12-310	Expedited Treatment of Applications under the Mutual Reliance Review System for Exemptive Relief Applications	***Published March 23, 2007***
12-602	Deeming a Reporting Issuer in Certain Other Canadian Jurisdictions to be a Reporting Issuer in Ontario (Amendment and Restatement)	***Came into force March 16, 2007***
12-703	Preferred Format of Applications to the Director under Clause 1(1)(b) (Revised)	***Published March 23, 2007***
13-315	Securities Regulatory Authority Closed Dates 2007 (Revised)	***Published January 26, 2007***
24-501	Designation as a Market Participant	***Published for comment January 12, 2007***
31-103	Registration Requirements – **Amendments** [includes amendments to: 14-101 *Definitions* 31-101 *National Registration System* 31-102 *National Registration Database* 33-105 *Underwriting Conflicts* 33-109 *Registration Information* 45-106 *Prospectus and Registration Exemptions* 34-201 *Breach of Requirements of Other Jurisdictions* 34-202 *Registrants Acting as Corporate Directors]*	***Published for comment February 23, 2007***
33-727	IOSCO Publishes Consultation Report on Market Intermediary Management of Conflicts that Arise in Securities Offerings	***Published March 2, 2007***
41-201	Income Trusts and Other Indirect Offerings - **Amendments**	***Published for comment January 5, 2007***
51-101	NI 51-101 Standards of Disclosure for Oil and Gas Activities – Amendments	***Published for comment January 19, 2007***
51-309	Standards of Disclosure for Oil and Gas Activities – Acceptance of Certain Foreign Professional Boards as a "Professional Organization"(Revised)	***Published March 9, 2007***
51-322	Reporting Issuer Defaults	***Published January 5, 2007***
51-323	XBRL Filing Program and Request for Volunteers	***Published January 19, 2007***
52-313	Status of Proposed MI 52-111 Reporting on Internal Control over Financial Reporting and Proposed Amended and Restated MI 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings	***Withdrawn March 30, 2007***

52-317	Timing of Proposed NI 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings	***Withdrawn March 30, 2007***
55-314	Use of the terms "senior officer", "officer" and "insider" in National Instrument 55-101 Insider Reporting Exemptions	***Published February 23, 2007***
81-316	Hedge Funds	***Published January 12, 2007***
81-317	Frequently Asked Questions on National Instrument 81-107 Independent Review Committee for Investment Funds	***Published March 30, 2007***

For further information, contact:

Darlene Watson
Project Coordinator
Ontario Securities Commission
416-593-8148

April 13, 2007

1.1.4 Notice of Commission Approval – Material Amendments to CDS Procedures Relating to Exchange Trades

CDS CLEARING AND DEPOSITORY SERVICES INC.

MATERIAL AMENDMENTS TO CDS PROCEDURES

EXCHANGE TRADES

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on April 10, 2007, amendments filed by CDS to its procedures relating to exchange trades. The objectives of the amendments were twofold: (1) they outline the specific criteria and requirements pursuant to which CDS will treat a trade submitted by a marketplace to CDSX as an exchange trade for the purposes of clearing and settlement in CDSX; (2) they set out a process by which a marketplace can apply to CDS in order to be considered a source of exchange trades. A copy and description of these amendments were published for comment on February 9, 2007 at (2007) 30 OSCB 1333. No comment letters were received.

1.1.5 Notice of Commission Approval – Material Amendments to CDS Rules Relating to Constrained Entitlements

CDS CLEARING AND DEPOSITORY SERVICES INC.

MATERIAL AMENDMENTS TO CDS RULES

CONSTRAINED ENTITLEMENTS

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on April 5, 2007, amendments filed by CDS to its rules relating to constrained entitlements. The amendments clarify the obligations of CDS participants when CDS receives and distributes from an issuer an entitlement in relation to a security, or deals with a reorganization event affecting a security, that is subject to a constraint. A copy and description of these amendments were published for comment on February 2, 2007 at (2007) 30 OSCB 1147. No comment letters were received.

1.1.6 Hollinger Inc.

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

AND

IN THE MATTER OF
CERTAIN DIRECTORS, OFFICERS AND INSIDERS OF
HOLLINGER INC.
(BEING THE PERSONS AND COMPANIES LISTED
IN SCHEDULE "A" HERETO)
(Application under Section 144 of the Act)

SUBMISSION OF STAFF OF THE
ONTARIO SECURITIES COMMISSION

OVERVIEW

1. This submission sets out the views of the Staff of the Commission ("Staff") in connection with the application dated March 12, 2007 (the "Application") brought by the Applicant, Hollinger Inc. ("Hollinger" or the "Applicant"), pursuant to section 144 of the Act to revoke the Commission Order dated June 1, 2004, as subsequently amended on March 8, 2005, August 10, 2005 and April 28, 2006 (collectively the "Hollinger MCTO").

2. The Hollinger MCTO provides that all trading, whether direct or indirect, by the persons and companies listed in Schedule "A" to the Hollinger MCTO (collectively, the "Respondents") in the securities of Hollinger shall cease, subject to certain exceptions as provided for in the Hollinger MCTO, until two business days following the receipt by the Commission of all filings Hollinger is required to make pursuant to Ontario securities law.

3. The Commission issued the Hollinger MCTO in June 2004 as a result of the failure by Hollinger to comply with its obligations under Ontario securities law to file certain interim and annual financial statements, related Management's Discussion and Analysis ("MD&A"), and an Annual Information Form ("AIF"). The Hollinger MCTO was issued in accordance with the terms of OSC Policy 57-603 *Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements* (the "MCTO Policy").

4. On December 7, 2006, the Applicant received an Order from the Commission and from certain other Canadian securities regulatory authorities (the "December MRRS Decision") which granted relief from certain form and content requirements of the financial statement filing requirements in Canadian securities legislation. This relief was granted on the condition that the alternative filings contemplated by the December MRRS Decision be made within 90 days of the December MRRS Decision.

5. On March 7, 2007 Hollinger filed with the Commission the alternative filings contemplated by the MRRS Decision ("the Required Filings"). Specifically, Hollinger filed audited financial statements for its fiscal years ended December 31, 2003, December 31, 2004, December 31, 2005 and March 31, 2006 as well as unaudited interim financial statements for the three, six and nine month periods ended June 30, 2006, September 30, 2006, and December 31, 2006. As well, Hollinger filed its Annual Information Form for the fiscal years ended December 31, 2005 and March 31, 2006.

6. The terms of the Hollinger MCTO provide that the Hollinger MCTO will remain in effect until two full business days after all required filings have been made with the Commission.

7. As described at paragraph 19 of the Application, the Applicant has made this Application to revoke the Hollinger MCTO because the Hollinger MCTO arguably has not lapsed automatically in accordance with its terms.

8. This is because, as acknowledged by the Applicant in paragraph 21 of the Application, the Required Filings made in accordance with the December MRRS Decision do not include certain of the Applicant's historical continuous disclosure documents.

STAFF POSITION

9. Staff support the Applicant's request that the Hollinger MCTO be revoked.

10. As described below, the Applicant has now made the Required Filings that were contemplated by the December MRRS Decision. The Applicant made the Required Filings on March 7, 2007.

11. Having regard to the guidance set forth in the MCTO Policy and the Proposed MCTO Policy (as defined below), Staff are of the view that it would not be prejudicial to the public interest to revoke the Hollinger MCTO.

12. Staff have also taken into consideration the fact that the individual respondents who have been named in the Notice of Hearing and Statement of Allegations issued on March 18, 2005 (In the Matter of Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boultbee, and Peter Y. Atkinson), have provided to the Commission undertakings in connection with the Commissions Orders dated March 30, 2006 and April 4, 2007. Specifically, the undertakings provided by the individual respondents to the Commission include the term that they cease all trading in and all acquisitions of securities of Hollinger.

FACTS

December MRRS Decision

13. In addition to the facts set out in the Application, Staff would like to highlight the following additional facts as set out in the December MRRS Decision.

> *December MRRS Decision*, paragraphs 3, 10, 32, 40 and 36,
> Staff Submissions, Tab 2B.

14. The Applicant made the following representations to the Commission in support of the requested relief, including the following:

(i) The Applicant's principal asset is its interest in Sun-Times Media Group, Inc. (formerly Hollinger International Inc.) ("Sun-Times"), a corporation governed by the laws of the State of Delaware. Sun-Times is a newspaper publisher, the assets of which include the Chicago Sun-Times and a large number of community newspapers in the Chicago area. As of July 31, 2006, the Applicant owned, directly or indirectly 782,923 Class A Common shares of Sun-Times (the "Sun-Times A Shares") and 14,990,000 Class B Common shares of Sun-Times (the "Sun-Times B Shares") (collectively, the "Sun-Times Shares"), being approximately 19.7% of the equity and 70.1% of the voting interest in Sun-Times. (**para. 3**);

(ii) The business and affairs of the Applicant, Sun-Times and their respective subsidiaries were predicated on the fact that, as a majority shareholder of Sun-Times, the Applicant controlled Sun-Times in that it managed, or supervised the management of, the business and affairs of Sun-Times. However, during and following November 2003, certain events occurred that the Applicant submits caused it to cease to control or exercise significant influence over Sun-Times, as those terms are defined in the CICA Handbook. Those events included the following:

a. the Applicant no longer had a majority of the nominees forming part of the board of directors of Sun-Times (the "Sun-Times Board");

b. Sun-Times co-operated in an attempt to obtain an order from a United States court in Chicago affecting the Applicant's right to exercise its ordinary powers as a majority shareholder, including with respect to the composition of the Sun-Times Board;

c. substantially all of the powers of the Sun-Times Board were delegated to a committee thereof, of which none of the nominees of the Applicant was a member;

d. Sun-Times commenced litigation against the Applicant and the Applicant made certain counterclaims against Sun-Times in respect of matters which continue to be unresolved;

e. restrictions were imposed on the Applicant by a United States court order relating to the alienation of its interests in Sun-Times and the alienation of any controlling interest in the Applicant itself;

f. the Applicant became unable to exercise certain fundamental rights associated with being a majority voting shareholder of Sun-Times, including amending the by-laws of Sun-Times and supervising the overall strategic, business and operating initiatives of Sun-Times;

g. without the consent or involvement of the Applicant or its nominees on the Sun-Times Board, the Sun-Times Board delegated to a committee thereof the authority to review and evaluate Sun-Times' strategic alternatives, including a possible sale of Sun-Times or one or more of its assets;

h. the Applicant and its auditors were denied access to the books and records of Sun-Times; and

i. the relationship between the Applicant and Sun-Times had deteriorated into one in which there was very little mutual co-operation, assistance or regard to the interests of the Applicant and Sun-Times as a group (**para. 10**);

(iii) On November 2, 2004, Lord Black resigned as a director and officer of the Applicant. During that same month the Ontario Superior Court of Justice ordered the removal of Lord Black, Lady Black, Mr. Radler and Mr. Boultbee from the board of directors of the Applicant. (**para. 32**)

(iv) On July 8, 2005, Justice Campbell of the Ontario Superior Court of Justice approved a consent Order reconstituting the Applicant's board of directors. The consent Order provided for the removal of two of the then remaining four interim directors and the appointment of five new directors. Later that month, the two remaining interim directors resigned from the Applicant's board of directors, and four new directors, namely Stanley Beck, Joseph Wright, Newton Glassman and Randall Benson were appointed to the Applicant's board of directors. Mr. Benson was appointed as the Applicant's Chief Restructuring Officer. The four new directors, together with David Drinkwater and David Rattee, who were appointed in August 2005, formed a new board of directors of the Applicant. (**para. 40**)

(v) On March 18, 2005, the OSC issued a Notice of Hearing in connection with a hearing (the "Hearing") to consider whether, pursuant to sections 127(1) and 127.1 of the *Securities Act* (Ontario), it is in the public interest for the OSC to make certain orders in respect of the Applicant, Lord Black, Mr. Radler, Mr. Boultbee and Mr. Atkinson. The statement of allegations prepared by OSC staff (the "Statement of Allegations") includes allegations relating to the failure by the Applicant to file interim statements (and management's discussion and analysis related thereto) for the three-month period ended March 31, 2004 and subsequent interim filing requirements, and failed to file its annual financial statements (and management's discussion and analysis related thereto) and its Annual Information Form ("AIF") for the year ended December 31, 2003, contrary to the requirements of Ontario securities law. The Applicant acknowledges that the Requested Relief is intended to be prospective in nature and is without prejudice to the matters to be determined at the Hearing. … (**para. 36**)

15. In the December MRRS Decision, the Applicant provided the following explanation as to the need for relief:

- The Applicant believes that it is unable to prepare the December 2003 Financial Statements in accordance with GAAP or have the December 2003 Financial Statements or the December 2004 Financial Statements audited in accordance with GAAS and accompanied by an auditor's report that does not contain a reservation since to prepare and audit the financial statements in accordance with the requirements requires that the Applicant and its auditors to have co-operation by Sun-Times management and by Sun-Times' auditors. The co-operation has been refused. Relief is needed because the Proposed Filings do not comply with certain form and content requirements contained in the Legislation, including requirements contained in NI 51-102 and NI 52-107. (**para. 57**)

- The Applicant acknowledges that the Requested Relief is intended to be prospective in nature and is requested solely to permit the Applicant to make certain filings after the date of the decision that do not meet certain form and content requirements contained in the Legislation, including NI 51-102 and NI 52-107. The Requested Relief will not, if granted, have retroactive effect or alter the default status of the Applicant for the period preceding the date the Applicant makes the Proposed Filings in accordance with this decision. (**para. 58**)

December MRRS Decision, paragraphs 57 and 58,
Staff Submissions, Tab 2B.

16. On December 7, 2006, the December MRRS Decision was issued by the Commission and from certain other Canadian securities regulatory authorities.

17. On March 7, 2007, the Applicant made the Required Filings contemplated by the December MRRS Decision.

OSC Enforcement Proceeding

18. As indicated above, on March 18, 2005, the Commission issued a Notice of Hearing pursuant to sections 127 and 127(1) of the Act accompanied by Staff's Statement of Allegations in relation to Hollinger, Black, Radler, Boultbee and Atkinson.

19. On January 24, 2006, the Comission issued its Decision and Reasons setting down the matter for a hearing on the merits, subject to each of the individual respondents agreeing to execute an undertaking to abide by interim terms of a protective nature within 30 days of that Decision.

20. On March 30, 2006 and April 4, 2007, the Commission made Orders concerning the scheduling of the hearing on the merits. In connection with these Orders, the individual respondents, namely Black, Radler, Boultbee and Atkinson, provided undertakings that they would abide by certain terms and conditions that were deemed satisfactory by the Commission.

> Order of the Commission dated April 4, 2007 and attached undertakings of the individual respondents, Staff Submissions, Tab 4.

21. The undertakings include a term that they cease all trading in and all acquisitions of securities of Hollinger, whether direct or indirect.

LEGAL PRINCIPLES

(a) Section 144

22. Section 144 of the Act provides that the Commission may make an order revoking or varying an order of the Commission if, in the Commission's opinion, to do so would not be prejudicial to the public interest.

23. The Commission has recently indicated that the exercise of discretion involved in a section 144 application to vary a management cease trade order should not be viewed as a narrow, "technical" exercise, but rather requires a broad consideration of the all of the facts and circumstances relevant to the Application.

> *In the Matter of Certain Directors, Officers and Insiders of Hollinger Inc. et al.*, dated March 27, 2005, para. 27, Staff Submissions, Tab 3.

(b) Revocation of MCTO

24. As described above, the Commission issued the Hollinger MCTO in June 2004 as a result of the failure by Hollinger to file certain interim and annual financial statements, related MD&A, and an AIF.

25. The Hollinger MCTO was issued in accordance with the terms of OSC Policy 57-603 *Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements* (the "MCTO Policy").

> OSC Policy 57-603 *Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements* Staff Submissions, Tab 5.

26. The Commission has provided the following guidance in the MCTO Policy in relation to applications to revoke an MCTO:

> **PART 5 REVOCATION OF CEASE TRADE ORDERS**
>
> **5.1 Revocation of Cease Trade Orders**
>
> Where a Management and Insider Cease Trade Order or an Issuer Cease Trade Order has been issued as a consequence of the Financial Statement Filing Requirement default, the Commission will consider revoking the order:
>
> (i) upon the Defaulting Reporting Issuer complying with the Financial Statement Filing Requirement; and
>
> (ii) provided the Defaulting Reporting Issuer is not otherwise in default of any requirement of the Act or regulations which would cause the reporting issuer to be placed on the Default List.

The Commission's consideration of any application for revocation will be based upon its review of the financial statements which are submitted, the period of time the issuer has been the subject of a Cease Trade Order, and any other factors or circumstances which it determines to be of significance in the particular case. In particular, the Commission may consider whether, before revoking an Issuer Cease Trade Order that has been outstanding for some time, the issuer should also bring its disclosure up to date by providing prospectus-level disclosure.

OSC Policy 57-603 *Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements*, Part 5,
Staff Submissions, Tab 5.

27. On January 5, 2007, the Commission published for comment proposed National Policy 12-202 *Revocation of a Compliance-Related Cease Trade Order* ("Proposed NP 12-202").[1]

Proposed National Policy 12-202 *Revocation of a Compliance-Related Cease Trade Order*
Staff Submissions, Tab 6.

28. As described in the Request for Comment, Proposed NP 12-202 describes how the Canadian Securities Administrators (the "CSA") will generally exercise their discretion when deciding whether to revoke a cease trade order prohibiting trading in the securities of an issuer for failure to comply with continuous disclosure requirements. The Policy applies to cease trade orders imposed against an issuer as well as management cease trade orders as described in the MCTO Policy.

29. Section 3.1 of Proposed NP 12-202 states that generally the CSA jurisdictions will not exercise their discretion to grant a full revocation order unless the issuer has filed all its outstanding continuous disclosure documents. However, the proposed policy contains the following exceptions:

(2) Exceptions to interim filing requirements

In exercising our discretion to revoke a CTO, we may not require the issuer to file certain outstanding interim financial statements, interim MD&A, interim certificates or interim MRFP, if the issuer has filed:

(a) all outstanding audited annual financial statements, annual MD&A, annual certificates and annual MRFP required to be filed under applicable securities legislation;

(b) all outstanding annual information forms, information circulars and material change reports required to be filed under applicable securities legislation; and

(c) all outstanding interim financial statements (which include the applicable comparatives from the prior fiscal year), interim MD&A, interim certificates and interim MRFP for all interim periods in the current fiscal year required to be filed under applicable securities legislation.

(3) Exceptions to annual filing requirements

In certain cases, an issuer seeking a revocation order may consider that the length of time that has elapsed since the date of the CTO may make the preparation and filing of all outstanding disclosure difficult, or of limited use to investors. This may particularly apply to disclosure for older periods, or periods prior to a significant change in the issuer's business. An issuer seeking a revocation order in these circumstances should make detailed submissions explaining its position. In appropriate cases, we will consider whether the filing of certain outstanding disclosure might not be necessary as a precondition of a revocation order. The factors we may consider include:

(a) age of information to be contained in the filing -- information from older periods may be less relevant than information from more recent periods;

(b) access to records -- lack of access to records may hinder compliance with some filing requirements;

(c) activity during the period -- if an issuer was inactive or changed its business during a certain period, disclosure of information from or prior to this period may be less relevant;

(d) length of time the CTO has been in effect;

[1] The comment period expired March 6, 2007. Proposed NP 12-2-2 is not yet in force as a policy.

(e) changes to issuer's management; and

(f) whether the historical disclosure relates to significant transactions or litigation.

However, we generally consider that disclosure for periods within the most recent three financial years of the issuer is useful information for investors. We generally do not consider the time and cost required to prepare disclosure to be a compelling factor in our determination of the disclosure to be provided in connection with an application to revoke a CTO.

Proposed National Policy 12-202 *Revocation of a Compliance-Related Cease Trade Order*, section 3 Staff Submissions, Tab 6.

CONSIDERATIONS

30. As described above, the Applicant has made this Application to revoke the Hollinger MCTO because the Applicant has now made the Required Filings that were contemplated by the December MRRS Decision. The Applicant made the Required Filings on March 7, 2007.

31. As described in the Application, for technical reasons, the Hollinger MCTO has not lapsed automatically in accordance with its terms.

32. This is because, as acknowledged by the Applicant in paragraph 21 of the Application, the Required Filings made in accordance with the December MRRS Decision do not include certain of the Applicant's historical continuous disclosure documents, including:

(i) unaudited interim financial statements and related interim MD&A for the interim periods from March 31, 2004 to September 30, 2005, inclusive; and

(ii) annual information forms for the financial years ended December 31, 2003 and 2004.

33. The Applicant has submitted, in paragraph 21 of the Application, that "the filing of such historical disclosure documents would in large part repeat the information contained in the Required Filings and that the Required filings include all financial and other information needed for current investor understanding of the Applicant".

34. Consistent with the guidance set forth in Part 5 of the MCTO Policy and subsections 3.1(2) and 3.1(3) of the Proposed NP 12-202 (referred to above), Staff have considered the unique and exceptional circumstances in respect of this Application, including:

(i) The representations made by the Applicant to the Commission in the December MRRS Decision, and specifically, the representations referred to above relating to loss of control over Sun-Times, loss of access to books and records relating to historical periods, removal of Black, Radler, and Boultbee from the Applicant's board of directors in November 2004 pursuant to Court Order and reconstitution of the Applicant's board of directors under the supervision of the Ontario Superior Court;

(ii) The representations made by the Applicant to the Commission in the context of the December MRRS Decision and in the present Application that "the filing of such historical disclosure documents would in large part repeat the information contained in the Required Filings"; and

(iii) The representations made by the Applicant to the Commission in the context of the December MRRS Decision and in the present Application that "the Required filings include all financial and other information needed for current investor understanding of the Applicant".

35. Following a review of the Required Filings, Staff determined that the Required Filings appeared to be consistent with the terms and conditions of the December MRRS Decision.

36. Accordingly, on or about March 14, 2007, Hollinger was removed from the list of reporting issuers in default that is maintained in accordance with Ontario Securities Commission Policy 51-601 *Reporting Issuer Defaults* consistent with the Commission's guidance in subsection 2.2(2) of Policy 51-601:

> Thirdly, where an issuer has been noted in default, the default notation may subsequently be removed if it is determined that the default has ceased to be material. For example, an issuer may be noted in default for failing to file interim financial statements and related MD&A, and then remain in default for an extended period of time. In these circumstances, the Commission may be prepared to remove the default notation, and revoke

a cease trade order if one has been issued, where the Commission is satisfied that the issuer has substantially brought its filings up to date. The Commission will generally consider this to be the case where the issuer files audited annual financial statements and related MD&A for the three most recently completed financial years and interim financial statements and related MD&A for the current financial year. In these circumstances, the Commission may, depending upon its review of all relevant factors, accept that the issuer should no longer be considered in default of a current material continuous disclosure requirement and remove the default notation. As a technical matter, the issuer remains in default of those filing requirements that have not been met.

OSC Policy 51-601 Reporting Issuer Defaults,

Staff Submissions, Tab 7.

37. Having regard to the factors discussed above and the guidance set forth in the MCTO Policy and the Proposed MCTO Policy, Staff are of the view that it would not be prejudicial to the public interest to revoke the Hollinger MCTO.

38. Accordingly, Staff support the Applicant's request that the Hollinger MCTO be revoked.

April 5, 2007

ALL OF WHICH IS RESPECTFULLY SUBMITTED

"Johanna Superina"
Senior Litigation Counsel

"Paul Hayward"
Senior Legal Counsel

"Marcel Tillie"
Senior Forensic Accountant

Schedule "A"

509645 N.B. Inc.
509646 N.B. Inc.
269940 Ontario Limited
2753421 Canada Limited
Amiel Black, Barbara
Argus Corporation Limited
Atkinson, Peter Y.
Black, Conrad M. (Lord)
Boultbee, J. A.
Burt, The Hon. Richard
Carroll, Paul A.
Colson, Daniel W.
Conrad Black Capital Corporation
Cowan, Charles G.
Creasey, Frederick A.
Cruickshank, John
Deedes, Jeremy
Dodd, David
Duckworth, Claire F.
Healy, Paul B.
Kipnis, Mark
Kissinger, The Hon. Henry A.
Lane, Peter K.
Loye, Linda
Maida, Joan
McCarthy, Helen
Meitar, Shmuel
O'Donnell-Keenan, Niamh
Paris, Gordon
Perle, The Hon. Richard N.
Radler, F. David
The Ravelston Corporation Limited
Rohmer, Richard, OC, QC
Ross, Sherrie L.
Samila, Tatiana
Savage, Graham
Seitz, The Hon. Raymond G.H.
Smith, Robert T.
Stevenson, Mark
Thompson, The Hon. James R.
Van Horn, James R.
Walker, Gordon W.
White, Peter G.

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

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

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

1.4 Notices from the Office of the Secretary

1.4.1 Robert Patrick Zuk et al.

FOR IMMEDIATE RELEASE
April 3, 2007

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

AND

IN THE MATTER OF
ROBERT PATRICK ZUK, DANE ALAN WALTON,
DEREK REID, IVAN DJORDJEVIC,
AND MATTHEW NOAH COLEMAN

TORONTO – Following a hearing held today, the Commission issued an Order approving the Settlement Agreement reached between Staff of the Commission and Derek Reid.

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

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

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

1.4.2 Hollinger Inc. et al.

FOR IMMEDIATE RELEASE
April 5, 2007

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

AND

IN THE MATTER OF
HOLLINGER INC., CONRAD M. BLACK,
F. DAVID RADLER, JOHN A. BOULTBEE,
AND PETER Y. ATKINSON

TORONTO – The Commission issued an Order dated April 4, 2007 (the "Order") setting down the above noted matter for a hearing on the merits on Monday, November 12, 2007 to Friday, December 14, 2007; and on Monday, January 7, 2008 to Friday, February 15, 2008.

By Order of the Commission dated March 30, 2006, the matter was originally scheduled to commence on June 1, 2007, or as soon thereafter as may be fixed by the Secretary to the Commission and agreed to by the parties. Since then, Staff of the Ontario Securities Commission and the Respondents have agreed to a new schedule for the hearing on the merits, which is set out in the Order.

In connection with this Order, all the individual respondents have provided Undertakings in a form satisfactory to the Commission.

A copy of the Order and Undertakings are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
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1.4.3 X and Y

FOR IMMEDIATE RELEASE
April 10, 2007

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

AND

IN THE MATTER OF
X AND Y

TORONTO – The Commission issued an Order under section 17 of the Act in the above noted matter along with a Synopsis of Confidential Reasons and Decision of the Ontario Securities Commission in respect of an application brought under section 17(1) of the *Securities Act* (Ontario).

A copy of the Order and Synopsis are available at **www.osc.gov.on.ca**.

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1.4.4 Hollinger Inc.

FOR IMMEDIATE RELEASE
April 10, 2007

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 INSIDERS OF HOLLINGER INC.
(BEING THE PERSONS AND COMPANIES LISTED IN SCHEDULE "A" HERETO)

TORONTO – Following a hearing held today, the Commission, having found that it would not be prejudicial to the public interest, issued an Order pursuant to section 144 of the Act, revoking the Management and Insider Cease Trade Order issued in the above noted matter.

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

OFFICE OF THE SECRETARY
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Manager, Public Affairs
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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Alcentra Limited - s. 6.1(1) of MI 31-102 National Registration Database and s. 6.1 of OSC Rule 13-502 Fees

Headnote

Applicant seeking registration as an adviser in the category of 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.
OSC Rule 13-502 Fees (2003) 26 OSCB 867, ss. 4.1, 6.1.

April 2, 2007

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

AND

IN THE MATTER OF
ALCENTRA LIMITED

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 Alcentra Limited (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 a corporation carrying on business in London, United Kingdom. The Applicant is not a reporting issuer in any province or territory of Canada. The Applicant is seeking registration under the Act as an adviser in the category of international adviser (investment counsel and portfolio manager). The head office of the Applicant is located in London, United Kingdom.

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 would incur significant costs to set up a Canadian based bank account for purposes of fulfilling the EFT Requirement.

4. The Applicant confirms that it does not intend to register in another category to which the EFT Requirement applies and that Ontario is the only jurisdiction in which it is seeking registration.

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 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;

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

E. submits a similar application in any other Canadian jurisdiction where it becomes registered as a dealer in the category of international dealer or adviser in the category of international 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"

2.1.2 MDS Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Issuer Bid - Exemption from Issuer Bid Requirements - Filer making an issuer bid under modified Dutch auction procedure - Filer cannot disclose that it will take up and pay for shares deposited on a pro rata basis or the total number of shares it will acquire under the bid - Filer is disclosing maximum amount it will spend under the bid, and the minimum and maximum amount it will pay for shares tendered

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 95(7), 104(2)(c).

March 30, 2007

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
MDS 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 each of the Jurisdictions (the Legislation) that, in connection with the proposed purchase by the Filer of a portion of its outstanding common shares (the Shares) pursuant to an issuer bid (the Offer), the Filer be exempt from the requirements in the Legislation:

(a) to take up and pay for securities proportionately according to the number of securities deposited by each security holder;

(b) to provide disclosure in the issuer bid circular dated February 27, 2007 and filed on SEDAR (the Circular) of the proportionate take-up and payment;

(c) to state the number of securities sought under the Offer (the Number of Securities Requirement); and

(d) except in Ontario and Québec, to obtain a valuation of the Shares and provide disclosure in the Circular of the valuation, or a summary of the valuation (the Valuation Requirement);

(collectively, the Requested Relief).

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

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

Representations

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

1. the Filer has been continued under the *Canada Business Corporations Act*; the head office of the Filer is located at Suite 300, West Tower, 2700 Matheson Boulevard East, Mississauga, Ontario, Canada, L4W 4V9;

2. the authorized capital of the Filer consists of an unlimited number of Shares; as of February 23, 2007, there were 144,711,483 Shares issued and outstanding;

3. the Shares are listed and posted for trading on the Toronto Stock Exchange (the TSX) and the New York Stock Exchange under the trading symbols "MDS" and "MDZ", respectively; on February 23, 2007 the closing price of the Shares on the TSX was $21.20 per Share and, on such date, the Shares had an aggregate market value of approximately $3,067,439,278, based on the closing price;

4. the Filer is a reporting issuer or the equivalent in each of the Jurisdictions and is not on the list of defaulting reporting issuers under the Legislation, where applicable;

5. to the Filer's knowledge, no person or company holds more than 10% of the issued and outstanding Shares other than: (i) Jarislowsky Fraser Ltd. (JFL), which beneficially owns or exercises control or direction over 16,126,560 Shares, representing approximately 11.1% of the outstanding Shares; and (ii) ValueAct Capital Master Fund, L.P. and ValueAct Master Fund III, L.P. (together, VMF) which beneficially owns or exercises control or direction over 17,705,600 Shares, representing approximately 12.3% of the outstanding Shares; to the Filer's knowledge, after reasonable inquiry, VMF currently has no intention of depositing any Shares pursuant to the Offer; the intentions of JFL with respect to the Offer are not yet known to the Filer, after reasonable inquiry;

6. as specified in the Circular, the Filer is conducting the Offer by a modified "Dutch auction" procedure, as follows:

(a) the maximum amount (the Specified Amount) that the Filer will spend under the Offer is $500 million;

(b) the range of prices (the Range) within which the Filer is willing to purchase its Shares under the Offer, being not more than $23.50 and not less than $21.00 (the Minimum Price) per Share;

(c) the maximum number of 23,809,523 Shares (the Maximum Number of Shares) that the Filer will take up under the Offer (being the Specified Amount divided by the Minimum Price);

(d) any holder of Shares (collectively, the Shareholders) wishing to deposit Shares pursuant to the Offer will have the right either to:

(i) specify the lowest price within the Range at which the Shareholder is willing to sell all or a portion of its Shares in increments of $0.10 per Share (an Auction Tender), or

(ii) not specify a price but elect to be deemed to have tendered the Shares purchased at the Purchase Price (determined in accordance with Paragraph 6(e) below) (a Purchase Price Tender);

(e) the price per share (the Purchase Price) for the Shares deposited to the Offer and not withdrawn will be the lowest price within the Range that will enable the Filer to purchase the maximum number of deposited Shares having an aggregate purchase price not exceeding the Specified Amount; the Purchase Price will be determined based upon the number of Shares deposited and not withdrawn pursuant to Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders making Auction Tenders, with each Purchase Price Tender being considered to have been deposited at the Minimum Price for the purpose of calculating the Purchase Price;

(f) if the aggregate Purchase Price for the Shares validly deposited for purchase at or below the Purchase Price exceeds the Specified Amount, the deposited Shares will be purchased on a *pro rata* basis according to the number of Shares deposited (or deemed to be deposited) by the depositing Shareholders (with adjustments to avoid the purchase of fractional Shares), except that the Filer will accept for purchase without *pro ration* all Shares validly deposited by any Shareholder owning fewer than 100 Shares, provided that such Shareholder deposits all such Shares at or below the Purchase Price;

(g) all Shares deposited pursuant to Auction Tenders at prices above the Purchase Price will be returned to the appropriate Shareholders;

(h) all Shares deposited at prices that fall outside of the Range will be considered to have been improperly deposited, will be excluded from the determination of the Purchase Price, will not be purchased by the Filer and will be returned to the depositing Shareholders;

(i) all Shares deposited by Shareholders who fail to specify any tender price for such deposited Shares and fail to indicate that they have deposited their Shares pursuant to an Auction Tender will be deemed to have made a Purchase Price Tender; and

(j) depositing Shareholders who make either an Auction Tender or a Purchase Price Tender but fail to specify the number of Shares that they wish to deposit will be considered to have deposited all Shares held by such Shareholders;

7. since the Offer is for fewer than all the Shares, if the number of Shares deposited to the Offer at or below the Purchase Price and not withdrawn exceeds the Maximum Number of Shares that may be purchased for an amount not exceeding the Specified Amount, the Legislation would require the Filer to:

(a) take up and pay for deposited Shares proportionately according to the number of Shares deposited by each Shareholder; and

(b) disclose in the Circular that the Filer would, if Shares deposited to the Offer and not withdrawn exceeded the Specified Number, take up the Shares proportionately according to the number of Shares deposited and not withdrawn by each Shareholder;

8. prior to the commencement of the Offer, there will be approximately 144,711,483 Shares outstanding, of which approximately 110,828,756 Shares will comprise the public float;

9. there are published markets for the Shares, namely the TSX and the NYSE, and during the 12 months ended February 23, 2007:

(a) the number of outstanding Shares was at all times at least 5,000,000 excluding Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by related parties and Shares that were not freely tradable;

(b) the aggregate trading volume of the Shares on the TSX, being the published market on which the Shares are principally traded, was at least 1,000,000 Shares;

(c) there were at least 1,000 trades of Shares on the TSX; and

(d) the aggregate trading value of the trades in Shares on the TSX was at least $15,000,000;

10. the market value of the Shares on the TSX, as determined in accordance with Ontario Securities Commission Rule 61-501 (Rule 61-501) and Regulation Q-27 of the Autorité des marchés financiers (Regulation Q-27), was at least $75,000,000 for the calendar month of January 2007;

11. the $500 million of its Shares that the Filer has offered to repurchase represents approximately 16.3% of the market capitalization of the Filer on February 23, 2007;

12. the Circular discloses the facts supporting the conclusion that the Shares meet the test for a "liquid market" as set out in Paragraph 9 above and that it is reasonable to conclude that, following the completion of the Offer, there will be a market for beneficial owners of the Shares who do not deposit to the Offer that is not materially less liquid than the market that existed at the time the Offer was made and the Filer intends to rely on the exemptions from the Valuation Requirement in section 3.4(3) of Rule 61-501 and Regulation Q-27 (the Presumption of Liquid Market Exemptions);

13. the Filer cannot comply with the Number of Securities Requirement because it cannot specify the number of Shares it will acquire under the procedure described in paragraph 6 above;

14. prior to the expiry of the Offer, all information regarding the number of Shares deposited and the prices at which such Shares are deposited will be kept confidential and the depositary will be directed by the Filer to maintain such confidentiality until the Purchase Price is determined; and

15. the Circular:

(a) discloses the mechanics for the take up and payment for, or the return of, Shares as described in Paragraph 6 above;

(b) explains that, by depositing Shares at the Minimum Price, a Shareholder can reasonably expect that the Shares so tendered will be purchased at the Purchase Price, subject to pro ration as described in Paragraph 6 above;

(c) describes the background to the Offer;

(d) except to the extent exemptive relief is granted by this decision, contains the disclosure prescribed by the Legislation for issuer bids; and

(e) describes the review and approval process adopted by the board of directors of the Filer for the Offer, including any materially contrary view or abstention by a director.

Decision

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

The decision of the Decision Makers pursuant to the Legislation is that the Requested Relief is granted, provided that:

(a) Shares deposited under the Offer and not withdrawn are taken up and paid for, or returned to the Shareholders, in the manner described in Paragraph 6; and

(b) for the Valuation Requirement, the Filer can rely on the Presumption of Liquid Market Exemptions.

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

2.1.3 GBC Asset Management Inc. and GBC Canadian Growth Fund - MRRS Decision

Headnote

Relief pursuant to s. 19.1of NI 81-102 from the requirements of clause 2.2(1)(A), clause 2.5(2)(a) and clause 2.5(2)(b) to allow top NI 81-102 fund to invest up to 10% of its assets in bottom pooled fund. Relief granted on basis that bottom fund will be NI 81-102 compliant and 10% investment restriction.

March 13, 2007

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

AND

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

AND

IN THE MATTER OF
GBC ASSET MANAGEMENT INC. (the "Filer")
AND
GBC CANADIAN GROWTH FUND (the "Fund")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") pursuant to section 19.1 of National Instrument 81-102 – Mutual Funds ("**NI 81-102**") for an exemption from the following provisions of NI 81-102 to permit the Fund to invest up to 10 percent of its net assets in the Pembroke U.S. Growth Fund (the "**Underlying Fund**"):

(a) subsection 2.2 (1)(a), which prohibits a mutual fund from purchasing a security of an issuer if, immediately after the purchase, the mutual fund would hold securities representing more than 10 percent of (i) the outstanding equity securities of that issuer or (ii) the votes attaching to the outstanding securities of that issuer;

(b) subsection 2.5 (2)(a), which prohibits a mutual fund from purchasing and holding securities of another mutual fund that is not subject to NI 81-102 and National Instrument 81-101 – Mutual Fund Prospectus Disclosure ("**NI 81-101**"); and

(c) subsection 2.5 (2)(c), which prohibits a mutual fund from purchasing and holding securities of another mutual fund that is not qualified for distribution in the Jurisdictions.

(collectively, the "**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 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 corporation incorporated under the laws of Canada and has its head office in Montréal, Québec. The Filer is the trustee and manager of the Fund.

2 The Fund is an open-end mutual fund established under the laws of Ontario on September 8, 1988.

3 The Fund is a reporting issuer under the securities laws of each of the Jurisdictions (where such concept exists). Units of the Fund are currently being sold in each of the Jurisdictions by way of a simplified prospectus dated April 21, 2006, as amended by Amendment No. 1 dated January 4, 2007. The Fund is not in default of any requirements of applicable securities legislation.

4 The minimum required to invest in mutual funds managed by the Filer is $100,000.

5 The investment objective of the Fund is to provide long-term growth through capital appreciation by investing primarily in small to mid-size Canadian companies, judged to have above-average growth potential or to be undervalued.

6 The investment strategies of the Fund involve identifying stocks with either unsustainable growth characteristics or unrecognized intrinsic value from among a universe of emerging, primarily Canadian stocks. However, the Fund may also invest in foreign securities in a manner consistent with its investment objectives.

7 The investment objective of the Underlying Fund is to achieve long-term capital appreciation

primarily through investment in a portfolio of common shares and other equity securities of small to medium size capitalization issuers where such securities are listed in the United States or where the issuer is a United States issuer, if the securities are listed on a recognized exchange in the United States or elsewhere, and that exhibit prospects for above average long-term earnings growth. From time to time, cash reserve will be invested in high grade short-term interest bearing securities.

8 The Underlying Fund is an open-end mutual fund established under the laws of Ontario and is a mutual fund as defined under the Securities Act (Quebec).

9 Units of the Underlying Fund are sold on an exempt basis in the Jurisdictions. The Underlying Fund is not in default of any requirements of applicable securities legislation.

10 The Filer is the manager and trustee of the Underlying Fund.

11 Pembroke Management Ltd acts as investment adviser for the Fund and the Underlying Fund.

12 The Underlying Fund is an attractive investment for the Fund because it provides a more efficient manner of achieving diversification through investment in the U.S. than the direct purchase of securities of U.S. companies.

13 A Fund's investment in units of the Underlying Fund will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Fund.

14 The Underlying Fund is not a reporting issuer under the Legislation and, accordingly, is not governed by NI 81-102 or NI 81-101. Nevertheless, the Underlying Fund complies or will comply with the applicable provisions of NI 81-102.

15 There will be no duplication of management fees or incentive fees since no management fees or incentive fees are payable by the Fund in respect of its investment in the Underlying Fund.

16 Where a matter relating to the Underlying Fund requires a vote of security holders of the Underlying Fund, the Filer will not cause the securities of the Underlying Fund held by the Fund to be voted at such meeting.

17 If the Requested Relief is granted, the valuation frequency of the Underlying Fund will be changed to weekly to match that of the Fund.

Decision

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

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

(a) the Underlying Fund must comply with the applicable provisions of NI 81-102 and National Instrument 81-106 – Investment Fund Continuous Disclosure at all times;

(b) unitholders of the Fund may obtain, upon request and free of charge, a copy of the offering memorandum of the Underlying Fund, if any, and the audited annual financial statements and semi-annual financial statements of the Underlying Fund. The Fund will disclose this information in its management reports of fund performance;

(c) the Fund discloses in its investment strategies of its simplified prospectus the ability to invest in securities of other mutual funds or pooled funds;

(d) there are compatible dates for the calculation of the net asset value of the Fund and the Underlying Fund for the purpose of the issue and redemption of securities of such mutual funds;

(e) no sales charges are payable by the Fund in relation to its purchases of units of the Underlying Fund;

(f) no redemption fees or other charges will be charged by the Underlying Fund in respect of the redemption by the Fund of units of the Underlying Fund owned by the Fund;

(g) the arrangements between or in respect of the Fund and the Underlying Fund are such as to avoid the duplication of management fees or incentive fees; and

(h) the Fund does not vote any of the securities of the Underlying Fund it holds except that the Fund may, if the Filer so chooses, arrange for all the securities it holds of the Underlying Fund to be voted by the beneficial holders of securities of the Fund.

"Josée Deslauriers"
Director of Capital Markets

2.1.4 High Plains Uranium Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – s. 1(10)(b) of Securities Act (Ontario) – Issuer has only one security holder – Issuer deemed to cease to be a reporting issuer under applicable securities laws.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(b).

April 3, 2007

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

AND

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

AND

IN THE MATTER OF
HIGH PLAINS URANIUM INC. (the Applicant)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Applicant, for a decision under the securities legislation of the Jurisdictions (the Legislation) to be deemed to have ceased to be a reporting issuer in the Jurisdictions in accordance with the Legislation.

Under the Mutual Reliance Review System for Exemptive Relief Applications:

(a) the Ontario Securities Commission is the Principal Regulator for this application; and

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

Interpretation

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

Representations

This decision is based on the factual information below as provided by the Applicant.

1. The Applicant is a corporation existing under the *Business Corporations Act* (New Brunswick).

2. The Applicant's registered office is 44 Chipman Hill, Suite 1000, PO Box 7289, Stn. "A", Saint John, N.B. E2L 4S6. The Applicant's principal office is located at Suite 1238 – 200 Granville Street Vancouver, BC V6C 1S4.

3. The authorized capital of the Applicant consists of an unlimited number of common shares (the HPU Shares), an unlimited number of Class A Preferred shares, and an unlimited number of Class B Preferred shares. In addition to the HPU Shares, Class A and B Preferred Shares, HPU also issued warrants and options (collectively, the High Plains Securities). As at the date hereof, the sole outstanding HPU Share is owned by Energy Metals Corporation (EMC), and there are no outstanding Class A Preferred shares or Class B Preferred shares of the Applicant. All HPU warrants and options outstanding were converted into a right to receive EMC warrants and options based on an specific exchange rate.

4. The Applicant is a reporting issuer under the Legislation in each of the Jurisdictions. On February 22, 2007, the Applicant filed a notice in British Columbia under BC Instrument 11-502 – *Voluntary Surrender of Reporting Issuer Status* stating that it will cease to be a reporting issuer in British Columbia on March 5, 2007.

5. On November 15, 2006, the Applicant and Energy Metals issued a joint press release announcing that the Applicant and EMC signed a definitive agreement on November 13, 2006 for the companies to effect their intended business combination by way of a plan of arrangement (the Arrangement) whereby EMC would acquire all of the High Plains Securities.

6. The Arrangement was approved at a special meeting of the holders of High Plains Securities held on January 9, 2007 and the Arrangement was completed on January 19, 2007.

7. As a result of the Arrangement, the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the Jurisdictions and fewer than 51 securityholders in Canada. Currently, EMC beneficially owns all of the High Plains Securities.

8. The HPU Shares were de-listed from the Toronto Stock Exchange as of the close of trading on January 19, 2007 and no securities of the

Applicant are traded on a marketplace as defined in National Instrument 21-101 – *Marketplace Operation*.

9. The Applicant has no current intention to seek public financing by way of an offering of securities.

10. 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.

11. The Applicant is not in default of any of its obligations under the Legislation other than with respect to the failure to file its interim financial statements for the period ended December 31, 2006 and the Management Discussion and Analysis for such financial statements under the National Instrument 51-102 and the related certification for such financial statements under Multilateral Instrument 52-109.

12. Upon the grant of the relief requested herein, the Applicant will not be a reporting issuer in any jurisdiction in Canada.

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.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"Robert L. Shirriff"
Commissioner
Ontario Securities Commission

2.1.5 Schneider Electric S.A. - MRRS Decision

Headnote

Mutual Reliance Review System – Application for relief from the prospectus and registration requirements for certain trades made in connection with an employee share offering by a French issuer – The offering involves the use of collective employee shareholding vehicles, each a fonds communs de placement d'entreprise (FCPE) – The Filer cannot rely on the employee exemption in section 2.24 of National Instrument 45-106 Prospectus and Registration Exemptions as the shares are not being offering to Canadian employees directly by the issuer but through the FCPEs – Canadian employees will receive disclosure documents – The FCPEs are subject to the supervision of the French Autorité des marches financiers – Relief granted, subject to conditions.

Applicable Legislative Provisions

Sections 25, 53 and 74 of the Securities Act (Ontario).
National Instrument 45-106 – Prospectus and Registration Exemptions, s. 2.24.
National Instrument 45-102 – Resale of Securities, s. 2.14.

April 2, 2007

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
SCHNEIDER ELECTRIC S.A. (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:

   (i) trades in the units ("**Units**") of two compartments of a collective share-holding vehicle, the Schneider Electric

International FCPE (the "**FCPE**"), the Schneider International Classic Compartment (the "**Classic Compartment**") and the Schneider International SAR 2007 Compartment (the "**SAR Compartment**" and, together with the Classic Compartment, the "**Compartments**" and each, a "**Compartment**") made pursuant to the Employee Share Offering (as defined below) to or with Qualifying Employees (as defined below) resident in the Jurisdictions who elect to participate in the Employee Share Offering (the "**Canadian Participants**");

(ii) trades of ordinary shares of the Filer (the "**Shares**") by the Compartments to Canadian Participants upon the redemption of Units by Canadian Participants, nor to the issuance of units of another compartment of the FCPE to holders of SAR Compartment Units upon the transfer of the assets of the SAR Compartment to such other compartment of the FCPE at the end of the Lock-Up Period (as defined below);

2. an exemption from the dealer registration requirements of the Legislation (the "**Registration Relief**") so that such requirements do not apply to:

(i) trades in Units of the Compartments made pursuant to the Employee Share Offering to or with Canadian Participants;

(ii) trades of Shares by the Compartments to Canadian Participants upon the redemption of Units by Canadian Participants, nor to the issuance of Units of another compartment of the FCPE to holders of SAR Compartment Units upon the transfer of the assets of the SAR Compartment to such other compartment of the FCPE at the end of the Lock-Up Period;

3. an exemption from the adviser registration requirements and dealer registration requirements of the Legislation so that such requirements do not apply to the management company of the Compartments, Axa Investment Managers Paris (the "**Management Company**") to the extent that its activities described in paragraphs 19 and 20 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**"); and

4. an exemption from the dealer registration requirements of the Legislation so that such requirements do not apply to the first trade in any Shares acquired by Canadian Participants under the Employee Share Offering (the "**First Trade Registration 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 in Québec Commission 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 are listed on Euronext Paris.

2. The Filer carries on business in Canada through the following affiliated companies: Schneider Canada Inc., INDE Electronics Inc., Power Measurement Ltd., Juno Lighting Ltd. And MGE UPS Systems, Inc. (the "**Canadian Affiliates**", together with the Filer and other affiliates of the Filer, the "**Filer 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 has established a global share offering for employees of the Filer Group (the "**Employee Share Offering**") which is comprised of two subscription options: (i) an offering of Shares to be subscribed through the Classic Compartment (the "**Classic Plan**"); and (ii) an offering of Shares to be subscribed through the SAR Compartment (the "**SAR Plan**").

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

5. The Compartments were established for the purpose of implementing the Employee Share Offering. Only Qualifying Employees will be allowed to hold Units of the Compartments in an

amount proportionate to their respective investments in each of the Compartments.

6. The FCPE is not and has no intention of becoming a reporting issuer under the Legislation.

7. The FCPE is a collective shareholding vehicle (fonds communs de placement d'entreprise) of a type commonly used in France for the conservation or custodianship of shares held by employee investors. The FCPE has 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 FCPE in an amount proportionate to their respective investments in the FCPE.

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). At the end of the Lock-Up Period, a Canadian Participant invested in the Classic Compartment may (i) redeem Units in the Classic Compartment in consideration for the underlying Shares or a cash payment equal to the then market value of the Shares, or (ii) continue to hold Units in the Classic Compartment and redeem those Units at a later date.

10. In the event of an early unwind resulting from the Canadian Participant satisfying one of the exceptions to the Lock-Up Period prescribed by French law, a Canadian Participant may redeem Units: (a) from the Classic Compartment in consideration for the underlying Shares or a cash payment equal to the last recorded Share price in the month of occurrence of the early unwind event, or (b) from the SAR Compartment in consideration for the underlying Shares or a cash payment equal to: (i) in the event of an early unwind prior to January 1, 2012, the closing Share price on the last date of the month in which the early unwind even occurred, or (ii) in the event of an early unwind on or after January 1, 2012, the average of the 120 closing prices of the Shares between January 1, 2012 and the date of the early unwind event (if this period has less than 120 closing prices the last actual closing price of the Shares shall be used for all remaining closing prices so as to have 120 closing prices).

11. Under the Classic Plan, Canadian Participants will be issued Units in the Classic Compartment, 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 first day of the revocation period to be fixed by the Filer (the "**Reference Price**"), less a 15% discount (the "**Classic Plan Subscription Price**"). Dividends paid on the Shares held in the Classic Compartment will be contributed to the Classic Compartment and used to purchase additional Shares. To reflect this reinvestment, new Units (or fractions thereof) will be issued (however, the Classic Compartment may offer a dividend payment to Canadian Participants as an alternative and such possibility shall be communicated to them).

12. The Reference Price and Classic Plan Subscription Price will not be known to Canadian Participants until after the end of the subscription period. However, this information will be provided to Canadian Participants prior to the start of the revocation period, during which Canadian Participants may choose to revoke their subscription and thereby not participate in the Employee Share Offering.

13. Under the SAR Plan, Canadian Participants will subscribe for Units in the SAR Compartment using the Reference Price (the "**Employee Contribution**"), and the SAR Compartment will then subscribe for Shares using the Employee Contribution.

14. Under the SAR Plan, Canadian Participants will be issued Units in the SAR Compartment, which will subscribe for Shares on behalf of Canadian Participants, at a subscription price that is equal to the Reference Price. In addition, the Canadian Affiliate that employs such Canadian Participant will provide a promissory note (the "**SAR Note**") to such Canadian Participant who invests in the SAR Plan which pays to such Canadian Participant a stock appreciation right bonus payable at the end of the Lock-up Period (a "**SAR**") in an amount equal to (i) the increase of the average of the last 120 closing share prices preceding the end of the Lock-Up Period, if any, above the Reference Price, multiplied by four, or (ii) if the average calculated under (i) above is below the Reference Price, the amount of any diminution in value of the Canadian Participants' Employee Contribution calculated using the market value of the Shares on June 28, 2012 (the "**SAR Amount**").[1]

15. Dividends paid on the Shares held in the SAR Compartment will be contributed to the SAR Compartment and used to purchase additional Shares. To reflect this reinvestment, new Units (or fractions thereof) will be issued (however, the SAR Compartment may offer a dividend payment to Canadian Participants as an alternative and such possibility shall be communicated to them).

16. At the end of the Lock-Up Period, a Canadian Participant invested in the SAR Compartment may (i) redeem his or her SAR Compartment Units in consideration for a payment of an amount equal to

[1] The Filer will hedge its financial obligations resulting from the SARs by entering into a hedge agreement with a bank.

the value of the Shares subscribed on behalf of the Canadian Participant in the SAR Compartment, to be settled by delivery of such number of Shares equal to such amount or the cash equivalent of such amount (the "**Redemption Formula**"); or (ii) continue to hold Units in the SAR Compartment (or through another compartment of the FCPE, such option to be approved by the supervisory board of the FCPE prior to the end of the Lock-Up Period) and redeem those units at a later date in consideration for the underlying Shares or a cash payment equal to the then market value of the Shares.

17. The Canadian Participant participating in the SAR Plan will be entitled to receive not less than 100% of his or her Employee Contribution in the SAR Plan at the end of the Lock-Up Period pursuant to the terms of the SAR Note, and will not be liable for any other amounts.

18. Under French law, the FCPE is a limited liability entity. Each Compartment's portfolio will consist exclusively of Shares of the Filer and, from time to time, cash in respect of dividends paid on the Shares which will be reinvested in Shares. From time to time, either Compartment's portfolio may include cash or cash equivalents that the Compartments may hold pending investments in Shares and for purposes of Unit redemptions.

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

20. The Management Company's portfolio management activities in connection with the Employee Share Offering and the Compartments are limited to subscribing for Shares from the Filer, selling such Shares as necessary in order to fund redemption requests.

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

22. Shares issued in the Employee Share Offering will be deposited in the relevant Compartment through BNP Paribas Asset Management (the "**Depositary**"), a large French commercial bank subject to French banking legislation.

23. Under French law, the Depositary must be selected by the Management Company 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 Compartment to exercise the rights relating to the securities held in its portfolio.

24. The Unit value of each Compartment will be calculated and reported to the French AMF on a regular basis, based on the net assets of the relevant Compartment divided by the number of Units outstanding. The number of Units in the Classic Plan and in the SAR Plan will be adjusted on the basis of the market price of the Shares and other assets (cash, in exceptional circumstances) held by the relevant Compartment, effective from the first date on which the net asset value is calculated and whenever Shares or other assets are contributed to the Compartment, as applicable. Upon such adjustments being made under the Classic Plan or SAR Plan, the amounts so re-employed shall increase the total value of the Units.

25. All management charges relating to a Compartment will be paid from the Compartment's assets or by the Filer, as provided by the FCPE's regulations.

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

27. The total amount invested by a Qualifying Employee in the Employee Share Offering cannot exceed 25% of his or her gross annual compensation for 2006. In addition, the total amount invested by a Canadian Participant in the SAR Plan cannot exceed 5% of his or her gross annual compensation for 2006.

28. None of the Filer, the Management Company, 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.

29. The Canadian Participants will receive an information package which will include a summary of the terms of the Employee Share Offering, a tax notice relating to the relevant Compartment containing a description of Canadian income tax consequences of subscribing to and holding the Units in the Compartments and redeeming Units for cash or Shares at the end of the Lock-Up Period, an information notice approved by the French AMF for the Compartments describing their main characteristics, a reservation form and

a revocation form. These documents will be available in both English and French.

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

31. Canadian Participants will receive an initial statement of their holdings under the Classic Plan and/or SAR Plan, together with an updated statement twice a year.

32. There are approximately 1,300 Qualifying Employees resident in Canada, in the provinces of Ontario (556), British Columbia (438), Québec (153), Alberta (116), Manitoba (12), Saskatchewan (9), Nova Scotia (9), New Brunswick (6), and Newfoundland and Labrador (1), who represent in the aggregate less than 2% of the number of employees in the Filer Group worldwide.

33. The Units will not be listed on any exchange.

34. 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 Compartments 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 or Shares 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 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 Québec, the required fees are paid in accordance with Section 271.6(1.1) of the Securities Regulation (Québec).

It is the further decision of the Decision Makers under the Legislation that the First Trade Registration Relief is granted provided that the conditions set out in paragraphs (1)(a), (b) and (c) under this decision granting the Initial Requested Relief are satisfied.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"Suresh Thakrar"
Commissioner
Ontario Securities Commission

2.1.6 Comnetix Inc. - s. 1(10)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10).

March 28, 2007

Heenan Blaikie LLP
Manulife Place
55 Metcalfe Street, suite 300
Ottawa, Ontario K1P 6L5

Attention: Paul Franco

Dear Mr. Franco:

Re: Comnetix Inc. (the "Applicant") – Application for an order not to be a reporting issuer under the securities legislation of Ontario, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia 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 not to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that,

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

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

2.1.7 BluMont Capital Inc. - s. 1(10)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10).

March 29, 2007

Goodmans LLP

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

Attention: Kirk Rauliuk

Dear Mr. Rauliuk:

Re: BluMont Capital Inc. (the "Applicant") – Application for an order not to be a reporting issuer under the securities legislation of the Provinces of Ontario and Alberta (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 not to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that,

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

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

2.1.8 Brompton Lifeco Split Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemptive relief granted to an exchange traded fund from certain mutual fund requirements and restrictions on: borrowing, investments, organizational costs, calculation and payment of redemptions, preparation of compliance reports, and date of record for payment of distributions – Since investors will generally buy and sell units through the TSX, there are adequate protections and it would not be prejudicial to investors – National Instrument 81-102 – Mutual Funds.

March 28, 2007

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

AND

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

AND

IN THE MATTER OF
BROMPTON LIFECO SPLIT CORP.
(the "Filer")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Make**r") in each of the Jurisdictions has received an application from the Filer for a decision under section 19.1 of National Instrument 81-102 *Mutual Funds* (the "**Legislation**") exempting the Filer from the requirements of section 2.1(1), 2.6(a), 3.3, 10.3, 10.4(1), 12.1(1) and 14.1 of the Legislation (the "**Requested Relief**").

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

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

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

Interpretation

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

Representations

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

The Filer

1. The Filer is a mutual fund corporation established under the laws of Ontario.

2. Brompton Funds Management Limited (the "**Manager**") is the promoter and manager of the Filer and will perform administrative services on behalf of the Filer.

The Offering

3. The Filer will be making an offering (the "**Offering**") to the public of preferred shares (the "Preferred Shares") and class A shares (the "**Class A Shares**") (collectively, "**Shares**").

4. The Offering of Shares by the Filer is a one-time offering and the Filer will not continuously distribute Shares.

5. A preliminary prospectus of the Filer dated February 22, 2007 (the "**Preliminary Prospectus**") has been filed with the securities regulatory authorities in each of the Jurisdictions.

6. The Filer's investment objectives are: (i) to provide holders of Preferred Shares with fixed cumulative preferential quarterly cash distributions in the amount of $0.13125 per Preferred Share representing a yield on the issue price of the Preferred Shares of 5.25% per annum; (ii) to provide holders of Class A Shares with regular monthly cash distributions targeted to be $0.075 per Class A Share representing a yield on the issue price of the Class A Shares of 6.0% per annum; (iii) to return the original issue price to holders of Preferred Shares at the time of redemption of such shares on April 30, 2014; and (iv) to provide holders of Class A Shares with the opportunity for growth in net asset value per Class A Share.

7. The net proceeds from the Offering will be invested in an equally weighted portfolio consisting of common shares of the four publicly traded Canadian life insurance companies (the "**Portfolio**"). Initially, therefore, approximately 25% of the Filer's net assets will be invested in the common shares of each issuer in the Portfolio.

8. The Filer may from time to time selectively write covered call options on the shares included in the Portfolio in order to generate additional distributable income for the Filer.

9. The Filer will hold the shares included in the Portfolio and will not trade them except in accordance with the Rebalancing Criteria set out in the Preliminary Prospectus. Accordingly, the Portfolio will be rebalanced (i) at least annually, to adjust for changes in the market value of investments; and (ii) to reflect the impact of a merger, acquisition or other significant corporate actions or events of or affecting one or more of the companies in the Portfolio. In addition, between the rebalancing dates, the Filer may sell Portfolio securities for working capital purposes or replace Portfolio securities with proceeds from the exercise of covered call options previously written.

10. The initial costs of formation and organization of the Filer, including the preparation and filing of the Preliminary Prospectus and final prospectus (the "**Expenses of the Offering**") will be borne by the Filer rather than the promoter or manager of the Filer.

11. The Filer intends to establish a credit facility which may be used by the Filer for working capital purposes. The Filer expects that the maximum amount it borrows thereunder will be limited to 5% of net asset value. The Filer may pledge Portfolio shares as collateral for amounts borrowed thereunder.

The Shares

12. The Shares are expected to be listed and posted for trading on the Toronto Stock Exchange (the "**TSX**"). An application requesting conditional listing approval has been made by the Filer to the TSX.

13. The Shares will be retractable at the option of the holder on a monthly and annual basis at a price computed by reference to the value of a proportionate interest in the net assets of the Filer. As a result, the Filer will be a "mutual fund" under applicable securities legislation.

14. The description of the retraction process in the Preliminary Prospectus contemplates that the retraction price for the Shares will be determined as of the valuation date, being the second last business day of the month (the "**Retraction Date**"). As requests for retractions may be made at any time during the month and are subject to a cut-off date (ten business days prior to the Retraction Date), and as the net asset value is calculated weekly, retractions may not be implemented at a price equal to the net asset value next determined after receipt of the retraction request.

15. The retraction procedures described in the Preliminary Prospectus provide that shareholders will receive payment on or before the tenth business day of the month following the Retraction Date (the "**Retraction Payment Date**").

16. The Preferred Shares have been provisionally rated Pfd-2 (low) by Dominion Bond Rating Service Limited in accordance with the rating criteria applicable to conventional preferred shares issued by a non-mutual fund issuer.

17. The Filer will make distributions to holders of the Preferred Shares on the last business day of January, April, July and October and monthly distributions to holders of the Class A Shares. The record date for shareholders entitled to receive such distributions will be determined in accordance with the requirements of the TSX.

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 from the following requirements of the Legislation:

(a) subsection 2.1(1) – to enable the Filer to invest all of its net assets in the Portfolio;

(b) clause 2.6(a) – to enable the Filer to obtain a credit facility for working capital purposes and provide a security interest over its assets, as stated in paragraph 11 above, so long as the outstanding amount of any such borrowings of the Filer does not exceed 5% of the net assets of the Filer taken at market value at the time of the borrowing;

(c) section 3.3 – to permit the Filer to bear the Expenses of the Offering as described in paragraph 10 above;

(d) section 10.3 – to permit the Filer to calculate the retraction price for the Class A Shares and Preferred Shares in the manner described in the Preliminary Prospectus and on the applicable Retraction Date;

(e) subsection 10.4(1) – to permit the Filer to pay the retraction price for the Class A Shares and the Preferred Shares on the Retraction Payment Date;

(f) subsection 12.1(1) – to relieve the Filer from the requirement to file the prescribed compliance reports; and

(g) section 14.1 – to relieve the Filer from the requirement relating to the record date for the payment of dividends or other distributions, provided that it complies with the applicable requirements of the TSX.

"Rhonda Goldberg"
Assistant Manager, Investment Funds
Ontario Securities Commission

2.1.9 RBC Asset Management Inc. et al. - s. 17.1 of NI Investment Fund Continuous Disclosure

Headnote

Mutual funds in Ontario (non-reporting issuers) granted an extension of the annual financial statement filing deadline and delivery requirement as they are wholly invested in offshore investment funds for which audited financial information not yet available.

Rules Cited

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 2.2, 5.1(2), 17.1.

March 30, 2007

IN THE MATTER OF
NATIONAL INSTRUMENT 81-106
INVESTMENT FUND CONTINUOUS DISCLOSURE

AND

IN THE MATTER OF
RBC ASSET MANAGEMENT INC.
(the Applicant)

AND

IN THE MATTER OF
RBC $C ARC FUND
RBC $U.S. ARC FUND
(the Funds)

DECISION DOCUMENT

Background

The Ontario Securities Commission has received an application from the Applicant, on behalf of the Funds for a decision pursuant to section 17.1 of National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) exempting the Funds from:

(a) the requirement in section 2.2 of NI 81-106 (the **Filing Requirement)** that the Funds file their audited annual financial statements on or before the 90th day after their most recently completed financial year (the **Filing Deadline**), and

(b) the requirement in subsection 5.1(2) of NI 81-106 that the Funds deliver their audited annual financial statements to securityholders by the Filing Deadline (the **Delivery Requirement**).

Representations

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

The Applicant

1. The Applicant is a corporation incorporated under the laws of Canada.

2. The Applicant is registered as an investment counsel and portfolio manager and as a limited market dealer under the *Securities Act* (Ontario) (the **Act**).

3. The Applicant is the manager of the Funds.

The Funds

4. Each of the Funds is a trust that is one of the RBC Absolute Return Concepts Funds established under a master trust agreement between the Applicant and The Royal Trust Company under the laws of Ontario. Each of the Funds is a mutual fund.

5. The RBC Absolute Return Concept Funds are offered only to clients (the **Clients**) of RBC Private Counsel Inc., RBC Dominion Securities Inc., other members of the RBC Financial Group or other entities permitted by the Applicant pursuant to exemptions from the prospectus requirement of the Act. Clients receive an offering memorandum (the **Offering Memorandum**), which describes the investment objectives, strategies, management and other relevant information about the Funds.

6. The investment objective of RBC $U.S. ARC Fund (**$U.S. ARC**) is to generate absolute returns, generally independent of market direction, through investments in hedge funds (the **Hedge Funds**) that employ a variety of alternative investment styles. $U.S. ARC is required to be invested in at least 15 Hedge Funds at any one time but may be invested in more than 15 Hedge Funds and is generally invested in approximately 20 to 40 Hedge Funds.

7. The investment objective of RBC $C ARC Fund (**$C ARC**) is to generate absolute returns, similar to the returns of $U.S. ARC, but hedged with respect to changes in the value of the Canadian dollar in relation to the value of the U.S. dollar. $C ARC invests in units of $U.S. ARC and uses derivative instruments to implement the hedge.

Preparing the Funds' Annual Financial Statements

8. The Funds have a financial year-end of December 31.

9. Section 2.2 and subsection 5.1(2) of NI 81-106 require the Funds to file and deliver their audited annual financial statements by the Filing Deadline.

10. Section 2.11 of NI 81-106 provides an exemption (the **Filing Exemption**) from the Filing Requirement if, among other things, the Funds deliver their annual financial statements in accordance with Part 5 of NI 81-106 by the Filing Deadline.

11. The Hedge Funds in which $U.S. ARC invests prepare annual audited financial statements in accordance with the applicable accounting principles – such as International Financial Reporting Standards or U.S. GAAP. Almost all of the Hedge Funds have a financial year end of December 31 and they are subject to financial reporting deadlines of varying length in the different jurisdictions outside Canada.

12. One of the key audit procedures that the auditor of $U.S. ARC relies on to obtain reasonable assurance whether the financial statements are free of material misstatement is to confirm the net asset values of the Hedge Funds in the valuation reports provided by the administrators of the Hedge Funds with the net asset values reported on their respective annual audited financial statements. The benchmark position for the auditor is to obtain confirmation of at least 80% of the net assets of $U.S. ARC. This requires a review of the audited financial statements of the Hedge Funds in which $U.S. ARC invests.

13. The auditor of the Funds is the same Canadian firm but it is not the auditor of the Hedge Funds. The Funds' auditors will not provide an audit opinion on the Funds' annual financial statements unless it can perform the audit procedures referred to in paragraph 12. Based on past experience, the Applicant expects that it will have the financial statements of most of the Hedge Funds by the end of May.

14. Given the above, it is expected that the Applicant will not be able to file the annual financial statements of $U.S. ARC by the Filing Deadline. As a result, the Funds will not be able to meet the Filing Deadline and will not be able to comply with the Delivery Requirement.

15. The Funds may want to rely on the Filing Exemption. Subsection 2.11(b) of the Filing Exemption requires that the Funds deliver the financial statements to securityholders in accordance with Part 5 of NI 81-106 by the Filing Deadline. As noted in paragraph 14, the Funds will not be able to meet the Filing Deadline and will not be able comply with the Delivery Requirement. As a result, the Funds will not be able to satisfy the condition in subsection 2.11(b) and therefore will not be able to rely on the Filing Exemption.

16. Since the $C ARC invests in $U.S. ARC, the auditor of $C ARC will not be able to complete the audit work for $C ARC until the financial statements of $U.S. ARC have been finalized.

17. The Funds will include a note in the Offering Memorandum of the Funds that they have received and intend to rely on relief from the Filing Requirement and the Delivery Requirement.

18. The Funds will notify Unitholders that they have received and intend to rely on relief from the Filing Requirement and the Delivery Requirement.

Decision

The Director is satisfied that the test contained in NI 81-106 that provides the Director with the jurisdiction to make the decision has been met.

The decision of the Director under NI 81-106 is that:

(a) the Funds are exempted from the Filing Requirement provided that:

(i) the audited annual financial statements of the Funds are filed on or before the 150th day after the Funds' most recently completed financial year, or

(i) the conditions in section 2.11 of NI 81-106 are met, except for subsection 2.11(b), and the audited annual financial statements of the Funds are delivered to securityholders in accordance with Part 5 of NI 81-106 on or before the 150th day after the Funds' most recently completed financial year; and

(b) the Funds are exempted from the Delivery Requirement provided that the audited annual financial statements of the Funds are delivered to securityholders in accordance with Part 5 of NI 81-106 on or before the 150th day after the Funds' most recently completed financial year.

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

2.1.10 ING Canada Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer making an issuer bid under a modified Dutch auction – issuer cannot disclose that it will take up and pay for shares deposited on a pro rata basis or the total number of shares it will acquire under the bid – issuer will disclose the maximum amount it will spend under the bid, and the minimum and maximum amount it will pay for shares tendered – as a result, the potential for confusion is minimal – relief granted.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 95.7.
General Regulation, R.R.O. 1990, Reg. 1015, as am., s. 189 and Form 33.

March 22, 2007

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

AND

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

AND

IN THE MATTER OF
ING CANADA INC. (Filer)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (Legislation) that, in connection with the proposed purchase by the Filer of a portion of its outstanding common shares (the Shares) pursuant to an issuer bid (the Offer), the Filer be exempt from the following requirements in the Legislation:

(a) to take up and pay for securities deposited pursuant to the Offer proportionately according to the number of securities deposited by each depositing security holder;

(b) to provide disclosure of the proportionate take-up and payment in the issuer bid circular (the Circular);

(c) to state the number of securities sought under the Offer in the Circular (the Number of Securities Requirement); and

(d) except in Ontario and Quebec, to obtain a formal valuation of the Shares and provide disclosure in the Circular of the valuation, or a summary thereof (the Valuation Requirement)

(collectively, the Requested Relief).

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 presented by the Filer:

1. the Filer is a corporation existing under the *Canada Business Corporations Act* and a reporting issuer in each of the Jurisdictions; the Filer is not in default of any requirement of the Legislation and is not on the list of defaulting reporting issuers maintained under the Legislation, where applicable;

2. the authorized share capital of the Filer consists of an unlimited number of common shares (Shares), an unlimited number of Class A Shares and one Special Share, of which 133,732,000 Shares, no Class A Shares and one Special Share were issued and outstanding at February 1, 2007;

3. ING Groep N.V. is the beneficial owner of 93,620,000 Shares (representing approximately 70% of the outstanding Shares) and one Special Share;

4. the Shares are listed on the Toronto Stock Exchange (TSX);

5. on February 1, 2007, the closing price of the Shares on the TSX was C$52.75 and on that date the Shares had an aggregate market value of approximately C$7.05 billion, based on the closing price;

6. the Filer has issued the Shares under the CDSX book entry system administered by CDS Clearing and Depositary Services Inc. (CDS);

7. the Filer intends to make the Offer by way a modified Dutch auction procedure as follows:

   (a) the Circular will specify that the maximum amount the Filer will purchase under the Offer is C$500,000,000 (the Specified Amount);

   (b) the Circular will specify the range of prices within which the Filer is prepared to purchase the Shares (the Price Range);

   (c) the Filer will pay for the Shares it acquires under the Offer, together with the fees and expenses of the Offer, from available cash on hand;

   (d) each holder of Shares (collectively, the Shareholders) wishing to tender to the Offer will have the right either to:

      (i) specify the lowest price within the Price Range at which that Shareholder is willing to sell its tendered Shares (an Auction Tender), or

      (ii) elect to retain the Shareholder's proportionate interest in the Filer following the Offer (a Proportionate Tender);

   (e) Shareholders may make multiple Auction Tenders but not in respect of the same Shares (that is, shareholders may tender different Shares at different prices but cannot tender the same Shares at different prices); Shareholders who make an Auction Tender may not make a Proportionate Tender; Shareholders who make a Proportionate Tender may not make an Auction Tender;

   (f) the purchase price per Share (the Purchase Price) for Shares tendered to the Offer and not withdrawn will be the lowest price that enables the Filer to purchase that number of Shares tendered pursuant to valid Auction Tenders having an aggregate purchase price not exceeding an amount (Auction Tender Limit Amount) equal to C$500,000,000 less the product of:

      (i) C$500,000,000; and

      (ii) a fraction, the numerator of which is the aggregate number of Shares owned by shareholders making valid Proportionate Tenders and the denominator of which is the

aggregate number of Shares outstanding at the time the Offer expires;

(g) if the aggregate purchase price for Shares tendered pursuant to valid Auction Tenders at or below the Purchase Price is equal to or less than the Auction Tender Limit Amount, the Filer will purchase at the Purchase Price all the Shares tendered pursuant to valid Auction Tenders;

(h) if the aggregate purchase price for Shares tendered pursuant to valid Auction Tenders at or below the Purchase Price is more than the Auction Tender Limit Amount, the Filer will purchase at the Purchase Price a portion of the Shares tendered pursuant to valid Auction Tenders as follows:

(i) first, the Filer will purchase all the Shares tendered by tendering Shareholders who hold in aggregate less than 100 Shares (Odd Lot Holders); and

(ii) second, the Filer will purchase on a pro rata basis that portion of the Shares tendered by the remaining tendering Shareholders having an aggregate purchase price equal to the Auction Tender Limit Amount less the amount paid by the Filer for the Shares tendered by Odd Lot Holders;

(i) the Filer will purchase at the Purchase Price that portion of the Shares owned by Shareholders making valid Proportionate Tenders that results in the tendering shareholders maintaining their proportionate Share ownership following completion of the Offer;

(j) the ownership of Shares not purchased under the terms of the Offer will continue to be reflected in the book entry system administered by CDS unaffected by the Offer;

(k) all Shares purchased by the Filer pursuant to the Offer (including Shares tendered at Auction Prices below the Purchase Price) will be purchased at the Purchase Price; Shareholders will receive the Purchase Price in cash; all Auction Tenders and Proportionate Tenders will be subject to adjustment to avoid the purchase of fractional Shares; all payments to shareholders will be subject to deduction of applicable withholding taxes;

(l) if the Offer is undersubscribed by the initial expiration date but all the terms and conditions have been complied with except those waived by the Filer, the Filer may extend the Offer for at least 10 days, but the Legislation would require the Filer to first take up and pay for all Shares deposited and not withdrawn; all Shares tendered at that time and not withdrawn will be taken up and paid for at the Purchase Price, which would also be the price applicable for the Offer during the extended period;

(m) by the time any extended period is over, the Offer may be oversubscribed, in which case the Filer intends to pro-rate only among the tendered Shares received during the extension and after the original expiration date (and subject to the exception relating to Odd Lots described in (h) above);

8. ING Groep N.V. (which beneficially owns approximately 70% of the outstanding Shares) has advised the Filer that it intends to make a Proportionate Tender;

9. until the expiry of the Offer, all information about the number of Shares tendered and the prices at which the Shares are tendered will be required to be kept confidential by the depositary and the Filer until the Purchase Price has been determined;

10. shareholders who do not accept the Offer will continue to hold the number of Shares owned before the Offer and their proportionate Share ownership will increase following completion of the Offer;

11. there is a “liquid market” in the Shares, as defined in OSC Rule 61-501 *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions* (OSC Rule 61-501):

(a) there is a published market for the Shares (on the TSX);

(b) during the 12-month period before December 31, 2006:

(i) the number of issued and outstanding Shares was at all times at least 5,000,000, excluding Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by related parties and Shares that were not freely tradeable;

(ii) the aggregate trading volume of the Shares on the TSX was at least 1,000,000 Shares;

(iii) there were at least 1,000 trades in Shares on the TSX; and

(iv) the aggregate value of trades on the TSX was at least C$15,000,000; and

(c) the market value of the Shares on the TSX (determined in accordance with applicable rules) was at least C$75,000,000 for December 2006;

12. the Filer has determined that it is reasonable to conclude that, following completion of the Offer, shareholders who do not tender to the Offer will continue to have available a market which is not materially less liquid than the market which exists prior to the Offer and the Filer intends to rely on the exemptions from the requirement to provide a formal valuation in section 3.4(3) of Ontario Securities Commission Rule 61-501 and section 3.4 of Regulation Q-27 (the Presumption of Liquid Market Exemptions);

13. the Filer cannot comply with the Number of Securities Requirement because it cannot specify the number of Shares it will acquire pursuant to the procedure described in paragraph 7 above;

14. the Circular will:

(a) disclose the mechanics for the take-up of and payment for Shares as described in paragraph 7 above;

(b) explain that, by tendering Shares at the lowest price in the Price Range under an Auction Tender or under a Proportionate Tender, a Shareholder can reasonably expect that the Shares so tendered will be purchased at the Purchase Price, subject to proration and the other terms of the Offer as described in paragraph 7 above;

(c) disclose that ING Groep has advised that it intends to make a Proportionate Tender:

(d) disclose the facts supporting the Filer's reliance on the Presumption of Liquid Market Exemptions as updated to the date of the announcement of the Offer; and

(e) except to the extent exemptive relief is granted by this decision, contain the disclosure prescribed by the Legislation for issuer bids.

Decision

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

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

(a) Shares deposited under the Offer and not withdrawn are taken up and paid for, or dealt with, in the manner described in paragraph 7 above; and

(b) for the Valuation Requirement, the Filer can rely on the Presumption of Liquid Market Exemptions.

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

2.1.11 NexGen Financial Limited Partnership et al. - MRRS Decision

Headnote

MRRS Exemption from subsection 2.1(1)(a) of National Instrument 81-105 Mutual Fund Sales Practices granted to permit a member of the organization of certain mutual funds to make a payment of money to participating dealers in connection with founders benefit that will also be paid to investors. Exemption also granted from subsection 2.2(1) of National Instrument 81-105 to permit participating dealers to accept the payment of founders benefit. Founders benefit is a temporary measure and the amount paid to participating dealers is subject to limits.

Applicable Legislative Provisions

National Instrument 81-105 Mutual Fund Sales Practices – ss. 2.1(1)(a), 2.2(1), 9.1.

March 7, 2007

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

AND

IN THE MATTER OF
NATIONAL INSTRUMENT 81-105 MUTUAL FUNDS
(NI 81-105)

AND

IN THE MATTER OF
NEXGEN FINANCIAL LIMITED PARTNERSHIP
(NexGen)

AND

IN THE MATTER OF
NEXGEN GLOBAL VALUE REGISTERED FUND AND
NEXGEN GLOBAL VALUE TAX MANAGED FUND
(collectively, the Global Funds)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from NexGen in respect of the Global Funds and all NexGen open-end mutual funds established from time to time (the Future Funds) for a decision under the securities legislation of the Jurisdictions (the Legislation) that:

(a) exempts NexGen from the prohibition in paragraph 2.1(1)(a) of National Instrument 81-105 – Mutual Fund Sales Practices (NI 81-105) in connection with the payment of the NexGen Founders' Benefit (the Benefit) in connection with the Global Funds and the Future Funds; and

(b) exempts dealers that are members of the Investment Dealers Association of Canada (IDA) or the Mutual Fund Dealers Association of Canada (MFDA) that will distribute securities of the Global Funds and the Future Funds (the Participating Dealers) from the prohibition in subsection 2.2(1) of NI 81-105 in connection with the Participating Dealers' acceptance of the Benefit (collective, 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 in Quebec Commission 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 NexGen:

1. NexGen Financial Limited Partnership (NexGen) is a limited partnership formed under the laws of the Province of Ontario having its head office in Toronto, Ontario. NexGen is registered in the Province of Ontario as an adviser in the categories of investment counsel and portfolio manager and as a dealer in the categories of mutual fund dealer and limited market dealer.

2. NexGen is the manager of the NexGen Funds, a group of 26 open-end mutual funds (the Existing Funds), whose securities are qualified for sale in the Jurisdictions pursuant to a simplified prospectus and annual information form dated May 5, 2006.

3. NexGen has filed a preliminary simplified prospectus and annual information form dated December 15, 2006 (the "Preliminary Prospectus") in respect of the Global Funds with the securities regulatory authorities of each of the Jurisdictions for which a preliminary receipt dated December 15, 2006 was issued. The Global Funds have similar characteristics to those of the Existing Funds.

4. The securities of the Global Funds and the Future Funds will be distributed through independent

third party brokers and dealers. In consideration for ongoing services, advisors will receive both a sales commission and ongoing trailer commission in respect of an investment in the Global Funds (as described in the Preliminary Prospectus) or the Future Funds. Specifically, a Participating Dealer shall be entitled to receive a 5% sales commission from NexGen in respect of sale of deferred load securities and 0% to 5% sales commission from the investor in respect of the sale of front load securities. In addition, a dealer is entitled to receive a trailer commission payment (the "Standard Trailer Payment") monthly based upon the value of securities held in an investor account of up to 1% for front load securities and .50% for deferred load securities.

5. In addition to the Standard Trailer Payment, investors of the Global Funds or the Future Funds who purchase the regular, loyalty, high net worth, ultra high net worth front load series or deferred load series of the Global Funds or the Future Funds, as the case may be, will be eligible to receive the Benefit. The Benefit will entitle such investors and their Participating Dealers to receive from NexGen a payment equal to a portion of the value of NexGen at the end of the seven year vesting period from the date of purchase or deemed date of purchase of such Global Fund or Future Fund securities, subject to the terms and conditions respecting the Benefit described in the applicable prospectus documents.

6. The Benefit will be temporary. NexGen may terminate the offering of the Benefit at any time, but will terminate the offering of the Benefit no later than 7 years from the date the applicable NexGen Fund receives a final receipt for its prospectus.

7. The Benefit does not share the attributes of a standard trailing commission as envisioned in section 3.2 of Part 3 of National Instrument 81-105 because it is not derived from the application of a fixed commission rate to the balance of NexGen Fund units held by the investor. The Benefit is calculated based upon the growth of NexGen, as manager of the NexGen Funds, and is contingent upon the performance of NexGen. Also, the Benefit, if paid, will be paid in a lump sum at the end of the 7 year vesting period rather than periodically.

8. An investor and their Participating Dealer are entitled to receive one Benefit payment for each 100 securities of NexGen Funds that the investor holds for 7 years. The value of a Benefit payment is based upon the growth in the value of NexGen over the 7 year holding period. The Benefit's value is equal to the fully diluted value of one NexGen common partnership unit on a payment date less an initial base price of $1 per Benefit and less a compounding inflator of 8% per annum applied in respect of the initial base price. NexGen will pay one half of the Benefit to investors in the form of additional securities of the NexGen Funds. NexGen will pay the remainder of the Benefit to Participating Dealers in cash.

9. The Participating Dealers' share of the Benefit is subject to the following limit in connection with front end load securities (the Front Load Maximum). Participating Dealers will receive a cash payment equal to the lesser of: (1) one half of the value of the Benefit, as calculated in paragraph 8 above; and (2) the difference obtained by subtracting the total Standard Trailer Payments paid over the 7 year period from the standard trailing commissions that NexGen would have paid over the 7 year period if the standard trailing commission rate was 1.25%. Consequently, the cash payment to Participating Dealers, comprised by the Benefit and the Standard Trailer Payment, will at all times be no more than the cash payment represented by a 1.25% standard trailing commission paid throughout the 7 year vesting period.

10. The Front Load Maximum will only be achieved assuming that NexGen has approximately $20 billion in assets under management at the end of its first 7 years of operation. If NexGen has approximately $10 billion in assets under management at the end of its first 7 years of operation, the value of the Benefit and the Standard Trailer Payment will be less than the cash payment represented by a 1.15% standard trailing commission paid throughout the 7 year vesting period. If NexGen has approximately $5 billion in assets under management, the value of the Benefit and the Standard Trailer Payment will be less than the cash payment represented by a 1.04% standard trailing commission paid throughout the 7 year vesting period.

11. The Participating Dealers' share of the Benefit is subject to the following limit in connection with deferred load securities (the Deferred Load Maximum). Participating Dealers will receive a cash payment equal to the lesser of: (1) one half of the value of the Benefit, as calculated in paragraph 8 above; and (2) the difference obtained by subtracting the total Standard Trailer Payments paid over the 7 year period from the standard trailing commissions that NexGen would have paid if the standard trailing commission rate was .75%. Consequently, the cash payment to Participating Dealers, comprised by the Benefit and the Standard Trailer Payment, will at all times be no more than the cash payment represented by a .75% standard trailing commission paid throughout the 7 year vesting period.

12. The Deferred Load Maximum will only be achieved assuming that NexGen has approximately $20 billion in assets under

management at the end of its first 7 years of operation. If NexGen has approximately $10 billion in assets under management at the end of its first 7 years of operation, the value of the Benefit and the Standard Trailer Payment will be less than the cash payment represented by a .65% standard trailing commission paid throughout the 7 year vesting period. If NexGen has approximately $5 billion in assets under management, the value of the Benefit and the Standard Trailer Payment will be less than the cash payment represented by a .54% standard trailing commission paid throughout the 7 year vesting period.

13. The Benefit is contingent and based upon the performance of NexGen, which will in turn be dependent upon numerous factors including superior investment performance of the NexGen Funds throughout the seven year vesting period of the Benefit.

14. The Benefit, unlike a standard trailing commission, provides a benefit to eligible investors of the NexGen Funds. The value of the Benefit to investors will be equal to the value of the Benefit paid to Participating Dealers. Investors, however, will be paid through the issuance of additional securities of the NexGen Funds rather than cash. The Benefit has been designed to reinforce the rewards provided to long-term investors of the Funds.

15. The Participating Dealers are registrants under the Legislation that are subject to an obligation to ensure that an investment in NexGen Funds is suitable and in keeping with the client's investment objective. The Participating Dealers are subject to "Know Your Product" obligations that require them to review each product including "an assessment of the commissions and other compensation to be paid to the dealer and the advisor for selling the product, and consideration of potential conflict issues that may arise under the compensation structure". The Benefit is required to be included in any such review as "other compensation".

16. The Preliminary Prospectus contained and the final simplified prospectus of the Global Funds and the Future Funds will contain full, true, and plain disclosure regarding the Benefit including how it is calculated. NexGen will also disclose the value of NexGen for purposes of the calculation of the Benefit on an annual basis in each applicable renewal simplified prospectus.

Decision

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

The Decision of the Decision Makers under the Legislation is that the Requested Relief is granted so long as:

1. The NexGen Global Funds and the Future Funds disclose the Benefit in each renewal simplified prospectus and annual information form;

2. NexGen discloses the value of NexGen for purposes of the calculation of the Benefit in the applicable NexGen fund renewal simplified prospectus and annual information form;

3. NexGen ceases to offer the Benefit with respect of the NexGen Global Funds and the Future Funds no later than 7 years after the date of the funds' first final prospectuses respectively;

4. The total cash payment to Participating Dealers is subject to the Front Load maximum and the Deferred Service Charge Maximum, as applicable;

5. NexGen provides each Participating Dealer with a copy of this Decision and specifically refers each Participating Dealer to paragraph 15 above;

6. NexGen pays at least one half of the value of the Benefit to investors.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

2.1.12 Tm Bioscience Corporation - s. 1(10)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10).

March 30, 2007

Blake, Cassels & Graydon LLP
Barristers & Solicitors
45 O'Connor Street, 20th Floor
Ottawa, ON K1P 1A4

Attention: Randy Proulx

Dear Sirs/Mesdames

Re: Tm Bioscience Corporation (the "Applicant")
Application for an order not to be a Reporting Issuer under the securities legislation of Alberta, Manitoba, Ontario and Quebec (collectively, 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 not to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that,

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

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

2.1.13 CI Investments Inc. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Short-term relief granted to mutual funds from requirement to disclose in mutual fund prospectus the equity interests held by the mutual fund organization in a participating dealer - Relief granted to participating dealer from the requirement to obtain the prior written consent of its clients to pre-authorized mutual fund trades to be carried out further to acquisition of equity interest by mutual fund organization in participating dealer - Mutual fund organization acquiring indirect control of participating dealer further to take-over bid - Change of control triggering requirement to disclose in mutual fund prospectus the equity interest held by the mutual fund organization in the participating dealer, and the requirement on the participating dealer to obtain the prior written consent of a client to trades in funds offered by the mutual fund organization - National Instrument 81-105 Mutual Fund Sales Practices.

Applicable Legislative Provisions

National Instrument 81-105 Mutual Fund Sales Practices, ss. 8.2(1)(a), 8.2(4), 9.1.

April 4, 2007

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

AND

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

AND

IN THE MATTER OF
THE MUTUAL FUNDS LISTED
IN APPENDIX "A" HERETO
(the Funds)

AND

CI INVESTMENTS INC.,
UNITED FINANCIAL CORPORATION
AND BLACKMONT CAPITAL INC.
(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 on behalf of the Filers for a decision under section 9.1 of National Instrument 81-105 – Mutual Fund Sales Practices (the Legislation) that:

(a) exempts each Fund until July 31, 2007 from the requirement in paragraph 8.2(1)(a) of the Legislation to disclose in its prospectus the equity interests of Canadian International LP (CI LP) and CI Financial Income Fund (CI Financial) in Blackmont Capital Inc. (Blackmont); and

(b) exempts Blackmont from the requirement in subsection 8.2(4) of the Legislation to obtain the prior written consent of each client of Blackmont (the Blackmont Clients) before completing the purchase of additional securities of a Fund for such Blackmont Client pursuant to a Pre-Authorized Trade (as defined below),

collectively, the Requested Relief.

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

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

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

Interpretation

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

Representations

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

1. CI Investments Inc. and United Financial Corporation (the CI Managers) are the managers of the Funds. The head office of each of the CI Managers is located in the province of Ontario.

2. Securities of the Funds currently are offered for sale in all the provinces and territories of Canada pursuant to simplified prospectuses and annual information forms dated July 28, 2006 and November 22, 2006, as amended from time to time, (the Prospectuses). The Legislation applies to the distribution of securities by each Fund.

3. Each CI Manager is a wholly-owned subsidiary of CI LP. CI LP, in turn, is controlled by CI Financial. Therefore, each of CI LP and CI Financial is a "member of the organization" of each Fund for purposes of the Legislation.

4. On February 22, 2007, CI Financial, through CI LP, made an offer (the Offer) by way of take-over bid to acquire all of the outstanding shares of Rockwater Capital Corporation (Rockwater). If the Offer is accepted by a sufficient number of shareholders of Rockwater and the other conditions of the Offer are either satisfied or waived, CI LP, and indirectly CI Financial, will acquire control of Rockwater (the Change of Control). The Change of Control is expected to occur on April 2, 2007.

5. Blackmont is a registered dealer under the securities legislation of all the provinces and territories of Canada and is an indirect, wholly-owned subsidiary of Rockwater. Blackmont has in the past, and may in the future, sell securities of some or all of the Funds. Blackmont therefore is a "participating dealer" of the Funds for purposes of the Legislation.

6. Upon the Change of Control, CI LP and CI Financial will acquire indirect control of Blackmont. This will result in CI LP and CI Financial each holding an "equity interest" in Blackmont for purposes of the Legislation.

7. After the Change of Control, Blackmont may sell additional securities of the Funds to Blackmont Clients. In some cases, the purchases will be made based on new instructions received from Blackmont Clients (New Trades). In other cases, the purchases will be made based on standing instructions received from Blackmont Clients prior to the Change of Control (Pre-Authorized Trades). Pre-Authorized Trades will arise in the following circumstances:

   (a) Pre-authorized purchase programs: The Funds offer investors the opportunity to enrol in programs pursuant to which investors provide their instructions to purchase a specified dollar amount of securities of one or more Funds on a regular basis selected by the investor. Cash to pay for the purchase are debited electronically from the investor's account at a financial institution until the investor changes his or her instructions.

   (b) Systematic transfer program: The Funds offer investors the opportunity to enrol in programs pursuant to which investors provide their instructions to transfer a predetermined dollar amount of investment from one Fund to another Fund with a frequency selected by the investor. These transfers are effected by redeeming securities from one Fund and immediately investing the redemption proceeds in securities of the next Fund until the investor changes his or her instructions.

(c) Account rebalancing programs: The Funds offer investors the opportunity to enrol in programs pursuant to which investors provide their target allocations among Funds in their account, together with the frequency with which they would like the current values of their holdings to be compared to their target allocations, and their range of permitted deviation from the target allocations. If, on the scheduled date selected by the investor, the current value of any individual holding deviates from its target allocation by more than the permitted deviation, redemption and purchase trades are effected to rebalance the investor's holdings to their target allocations. These rebalancing trades continue until the investor changes his or her instructions.

(d) Distribution/dividend reinvestment programs: Unless investors instruct the CI Manager otherwise, all distributions and dividends paid by the Funds are immediately reinvested in additional securities of the Fund that paid the distribution or dividend.

8. There currently are Blackmont Clients enrolled in each type of Pre-Authorized Trade program described above with respect to one or more Funds.

9. Following the Change of Control, Pre-Authorized Trades by Blackmont Clients will continue unless the Applicants disregard the standing instructions from Blackmont Clients for such Pre-Authorized Trades.

10. Each Pre-Authorized Trade constitutes a distribution of additional securities of a Fund to which the Legislation applies.

11. New Trades made by Blackmont for Blackmont Clients will comply with the requirements of section 8.2(3) and 8.2(4) of the Legislation.

12. Pre-Authorized Trades by Blackmont for Blackmont Clients will be made after Blackmont Clients have received the disclosure contemplated by section 8.2(3) of the Legislation. Such disclosure will include a statement reminding Blackmont Clients that they are permitted to provide instructions to terminate their participation in a Pre-Authorized Trade program.

13. It is not feasible for Blackmont to obtain the prior written consent of each Blackmont Client contemplated by section 8.2(4) of the Legislation prior to completing the next Pre-Authorized Trade for each Blackmont Client since many Blackmont Clients are likely to disregard the request to sign and return the consent form in a timely manner. Consequently, if the Requested Relief is not granted, Blackmont will be required to seek cancellation of all Pre-Authorized Trade instructions from Blackmont Clients until it is able to comply with subsection 8.2(4).

14. Blackmont Clients have enrolled in Pre-Authorized Trade programs prior to CI LP and CI Financial acquiring an equity interest in Blackmont. Accordingly, there was no actual or perceived conflict of interest at the time that Blackmont advised Blackmont Clients with respect to their investments in the Funds, including their enrolment in Pre-Authorized Trade programs. As the interests of Blackmont Clients were adequately protected from conflicts of interest at the time they decided to enrol in Pre-Authorized Trade programs, there is no conflict of interest with permitting such Pre-Authorized Trades to continue following the Change of Control.

15. Following the Change of Control, registered personnel of Blackmont who sell securities of the Funds will remain subject to the requirements in Canadian securities legislation to recommend to Blackmont Clients only investments which are suitable for them.

16. The information prescribed by paragraph 8.2(1)(a) of the Legislation will be included in the next annual renewal of the Prospectuses, which the CI Managers currently intend to complete by July 31, 2007.

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.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

Appendix "A"

CI American Equity Fund
CI American Equity Corporate Class
CI Alpine Growth Equity Fund
CI American Managers® Corporate Class
CI American Small Companies Fund
CI American Small Companies Corporate Class
CI American Value Fund
CI American Value Corporate Class
CI Can-Am Small Cap Corporate Class
CI Canadian Investment Fund
CI Canadian Investment Corporate Class
CI Canadian Small/Mid Cap Fund
CI Emerging Markets Fund
CI Emerging Markets Corporate Class
CI European Fund
CI European Corporate Class
CI Global Fund
CI Global Corporate Class
CI Global Biotechnology Corporate Class
CI Global Consumer Products Corporate Class
CI Global Energy Corporate Class
CI Global Financial Services Corporate Class
CI Global Health Sciences Corporate Class
CI Global High Dividend Advantage Fund
CI Global Managers® Corporate Class
CI Global Small Companies Fund
CI Global Small Companies Corporate Class
CI Global Science & Technology Corporate Class
CI Global Value Fund
CI Global Value Corporate Class
CI International Fund
CI International Corporate Class
CI International Value Fund
CI International Value Corporate Class
CI Japanese Corporate Class
CI Pacific Fund
CI Pacific Corporate Class
CI Value Trust Corporate Class
Harbour Fund
Harbour Corporate Class
Harbour Foreign Equity Corporate Class
Signature Canadian Resource Fund
Signature Canadian Resource Corporate Class
Signature Select Canadian Fund
Signature Select Canadian Corporate Class
Synergy American Fund
Synergy American Corporate Class
Synergy Canadian Corporate Class
Synergy Canadian Style Management Corporate Class
Synergy Focus Canadian Equity Fund
Synergy Focus Global Equity Fund
Synergy Global Corporate Class
Synergy Global Style Management Corporate Class

CI Canadian Asset Allocation Fund
CI Global Balanced Corporate Class
CI International Balanced Fund
CI International Balanced Corporate Class
Harbour Foreign Growth & Income Corporate Class
Harbour Growth & Income Fund
Harbour Growth & Income Corporate Class
Signature Canadian Balanced Fund
Signature Income & Growth Fund
Signature Income & Growth Corporate Class
Synergy Tactical Asset Allocation Fund

CI Canadian Bond Fund
CI Canadian Bond Corporate Class
CI Short-Term Bond Fund
CI Long-Term Bond Fund
CI Money Market Fund
CI US Money Market Fund
CI Short-Term Corporate Class
CI Short-Term US$ Corporate Class
CI Global Bond Fund
CI Global Bond Corporate Class
CI Mortgage Fund
Signature Corporate Bond Fund
Signature Corporate Bond Corporate Class
Signature Dividend Fund
Signature Dividend Corporate Class
Signature High Income Fund
Signature High Income Corporate Class

Portfolio Series Income Fund
Portfolio Series Conservative Fund
Portfolio Series Balanced Fund
Portfolio Series Conservative Balanced Fund
Portfolio Series Balanced Growth Fund
Portfolio Series Growth Fund
Portfolio Series Maximum Growth Fund

Select Income Managed Corporate Class
Select Canadian Equity Managed Corporate Class
Select U.S. Equity Managed Corporate Class
Select International Equity Managed Corporate Class
Select Staging Fund

Select 100i Managed Portfolio Corporate Class
Select 80i20e Managed Portfolio Corporate Class
Select 70i30e Managed Portfolio Corporate Class
Select 60i40e Managed Portfolio Corporate Class
Select 50i50e Managed Portfolio Corporate Class
Select 40i60e Managed Portfolio Corporate Class
Select 30i70e Managed Portfolio Corporate Class
Select 20i80e Managed Portfolio Corporate Class
Select 100e Managed Portfolio Corporate Class

Cash Management Pool
Short Term Income Pool
Canadian Fixed Income Pool
Global Fixed Income Pool
Enhanced Income Pool

Canadian Equity Value Pool
Canadian Equity Diversified Pool
Canadian Equity Growth Pool
Canadian Equity Small Cap Pool

US Equity Value Pool
US Equity Diversified Pool
US Equity Growth Pool
US Equity Small Cap Pool

International Equity Value Pool
International Equity Diversified Pool
International Equity Growth Pool
Emerging Markets Equity Pool

Real Estate Investment Pool

Artisan Canadian T-Bill Portfolio
Artisan Most Conservative Portfolio
Artisan Conservative Portfolio
Artisan Moderate Portfolio
Artisan Growth Portfolio
Artisan High Growth Portfolio
Artisan Maximum Growth Portfolio
Artisan New Economy Portfolio

Institutional Managed Canadian Equity Pool
Institutional Managed US Equity Pool
Institutional Managed International Equity Pool
Institutional Managed Income Pool

CI Global High Dividend Advantage Corporate Class
Signature Global Income & Growth Fund
Signature Global Income & Growth Corporate Class

2.1.14 Franchisee Extreme Buying Group Inc. - MRRS Decision

Headnote

Application for relief from registration and prospectus requirements – issuer incorporated to act as buying group for franchisee and franchisor shareholders – Current or new franchisees to initially subscribe on a voluntary basis for voting shares on a per retail outlet basis and non-voting shares on the basis of capital contributions – franchisee and franchisor not investors in the conventional sense and share issuance not a financing – relief granted subject to specific conditions.

Applicable Legislative Provisions

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

April 5, 2007

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

AND

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

AND

IN THE MATTER OF
FRANCHISEE EXTREME BUYING GROUP INC.
(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) that the proposed issuance of:

1) Class A common shares (Class A Shares) and class B common shares (Class B Shares) of the Filer to Canadian Franchisees (defined below); and

2) Class A Shares, class Ab common shares (Class Ab Shares) and class C common shares (Class C Shares) of the Filer to the Canadian Franchisor (defined below)

(collectively the Common Shares)

be exempt from the dealer registration requirement and the prospectus requirement (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications

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

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

Interpretation

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

Representations

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

1. The Filer was incorporated pursuant to the *Ontario Business Corporations Act* on July 13, 2006 and its principal and registered office is located at 8200 Jane Street, Concord, Ontario.

2. The Filer is not and has no current intention of becoming a reporting issuer in any Jurisdiction.

3. The authorized capital of the Filer consists of:

   (a) an unlimited number of Class A Shares to be issued at $2,500 each;

   (b) an unlimited number of Class Ab Shares to be issued at $2,500 each;

   (c) an unlimited number of Class B Shares to be issued at $0.01 each; and

   (d) an unlimited number of Class C Shares to be issued at $1.00 each.

4. There is no market for the Common Shares and the Common Shares are not traded on any marketplace as defined in National Instrument 21-101 *Marketplace Operation*.

5. As of the date of the Requested Relief, the Filer has commenced its operations.

6. The Filer's business is to act as a buying group for its shareholders. The initial shareholders of the Filer will be Buck or Two Extreme Retail Inc. (the "Canadian Franchisor") and franchisees in the Canadian Franchisor's franchise system (the "Canadian Franchisees"). The Canadian Franchisor and a large number of Canadian Franchisees have agreed to finance the incorporation of the Filer to buy inventory items for stores directly from offshore and domestic suppliers rather than domestic distributors so as to benefit from the more advantageous pricing Canadian Franchisees would enjoy if the Filer purchased inventory items directly from manufacturers.

7. The Canadian Franchisor, and the Canadian Franchisees that subscribe for Common Shares, will execute a unanimous shareholders' agreement (the "Shareholders' Agreement") that will govern the operations of the Filer and set out the terms for the mandatory redemption of any Common Shares of the Filer held by a Canadian Franchisee when it ceases to be a franchisee of the Filer.

8. New Canadian Franchisees or current Canadian Franchisees renewing their franchise agreements will be required to subscribe for Class A Shares whether purchasing a new franchise, renewing an existing franchise agreement or buying an existing franchise from a current Canadian Franchisee. Current Canadian Franchisees, however, are not required to subscribe for Common Shares unless they are required to renew their franchise agreement.

9. The Shareholders' Agreement provides that only the Canadian Franchisor or a Canadian Franchisee may hold Common Shares. Shareholders of the Filer may in no way sell, encumber or otherwise transfer the Common Shares to any party other than the Filer itself upon the termination of the Shareholders' Agreement or, with the approval of the Filer, another Canadian Franchisee.

10. Each certificate representing a Common Share will bear a legend stating that the Common Share represented by the certificate and the right to transfer the Common Share is subject to restrictions on transfer contained in the Filer's by-laws and in the Shareholders' Agreement.

11. No Canadian Franchisee is known to be, or is expected to be at the time it acquires a Common Share, an "accredited investor" as defined in Section 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106).

12. The Canadian Franchisor is not, nor is it expected to be at the time it acquires a Common Share, an "accredited investor" as defined in NI 45-106.

Decision

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

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

a) before the issuance of a Common Share to the Canadian Franchisor or a Canadian Franchisee as permitted by the decision, the Filer delivers to either, as applicable, a copy of

   i) the articles and by-laws of the Filer, the Shareholders' Agreement and all amendments thereto;

   ii) initially a pro forma balance sheet and after completion of its first fiscal year audited financial statements of the Filer;

   iv) this decision; and

   v) a statement to the effect that as a consequence of this decision , certain protections, rights and remedies provided by the Legislation, including statutory rights of rescission or damages will not be available to the Canadian Franchisor or any Canadian Franchisee and that certain restrictions are imposed on the subsequent disposition of Common Shares.

b) All share certificates representing the Common Shares bear a legend stating that the right to transfer the Common Shares is subject to restrictions contained in the bylaws of the Filer and the Shareholders' Agreement;

c) The exemptions contained in this decision cease to be effective if any one of the provisions of the articles or by-laws of the Filer or of any franchise agreement or the Shareholders' Agreement relevant to the exemptions granted herein are amended in any material respect without written notice to, and consent by, the Decision Makers;

d) The Filer prepares and sends audited financial statements to the Canadian Franchisor and each Canadian Franchisee on an annual basis;

e) The Filer conducts annual shareholder meetings; and

f) The first trade in any Common Share to a person or company other than the Filer upon the redemption of the Common Shares or to a Canadian Franchisee is deemed to be a distribution or primary distribution to the public.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

2.1.15 BMO Nesbitt Burns Inc. and Bank of Montreal - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Registered investment dealer exempted from section 228 of the Regulation for recommendations in respect of securities of its parent bank, subject to conditions – Decision permits the registrant to make recommendations in the circumstances contemplated by subsection 228(2) of the Regulation, but without having to comply with the requirement for (comparative) information, similar to that set forth in respect of the bank, for a substantial number of other persons or companies that are in the industry or business of the bank, to the extent that such comparative information is not known, or ascertainable, by the registrant – By incorporating other requirements from subsection 228(2), the decision also provides that the space and prominence restrictions in clause 228(2)(d) only relate to the information for which there is such comparative information.

Applicable Ontario Statutory Provisions

Ontario Regulation 1015, R.R.O. 1990, as am., ss. 228 and 233.

April 9, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, 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
BMO NESBITT BURNS INC. (the Filer) AND
BANK OF MONTREAL (the Bank)

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 (the **Legislation**) of the Jurisdiction that the provisions (the **Recommendation Prohibition**) in the Legislation which provide that no registrant shall, in any medium of communication, recommend, or cooperate with any person [or company] in the making of any recommendation, that the securities of the registrant, or a related issuer of the registrant, or, in the course of a distribution, the securities of a connected issuer of the registrant, be purchased, sold or held, shall not, in certain

circumstances, apply to the Filer, in respect of securities of its parent, the Bank;

Under the Mutual Reliance Review System for Exemptive Relief Applications

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

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

Interpretation

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

Representations

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

1. The Filer, a corporation incorporated under the laws of Canada, has its head office in Ontario.

2. The Bank is a Canadian chartered bank named in Schedule I of the *Bank Act* (Canada) (the **Bank Act**).

3. The Filer is an indirect wholly-owned subsidiary of the Bank and, as such, the Bank is a "related issuer" of the Filer for the purposes of the Recommendation Prohibition.

4. The Filer is registered in Ontario as a dealer in the categories of broker and investment dealer, and is registered under the Legislation of each of the Jurisdictions in an equivalent category.

5. The Filer acts as a full-service investment dealer and provides equity research report coverage on over 500 issuers, including the Bank, and all other banks currently named in Schedule 1 of the Bank Act.

6. As a member of the Investment Dealers Association of Canada (the **IDA**), the Filer is obliged to comply with the IDA Policy 11 *Research Restrictions and Disclosure Requirements* (**IDA Policy 11**).

7. Guideline No. 3 of IDA Policy 11 states: "Members should adopt standards of research coverage that include, at a minimum, the obligation to maintain and publish current financial estimates and recommendations on securities followed, and to revisit such estimates and recommendations within a reasonable time following the release of material information by an issuer or the occurrence of other relevant events."

8. In each of the Jurisdictions, the Legislation provides an exemption (the **Statutory Exemption**) from the Recommendation Prohibition for a recommendation (a **Recommendation**) to purchase, sell or hold securities of an issuer, that is contained in a circular, pamphlet or similar publication (a **Report**) that is published, issued or sent by a registrant and is of a type distributed with reasonable regularity in the ordinary course of its business, provided that the Report:

   (a) includes in a conspicuous position, in type not less legible than that used in the body of the Report:

      (i) a full and complete statement (a **Relationship Statement**) of the relationship or connection between the registrant and the issuer of the securities; and

      (ii) a full and complete statement of the obligations of the registrant under the Recommendation Prohibition and the Statutory Exemption;

   (b) includes information (**Comparative Information**) similar to that set forth in respect of the issuer for a substantial number of other persons or companies (**Competitors**) that are in the industry or business of the issuer; and

   (c) does not give materially greater space or prominence to the information set forth in respect of the issuer than to the information set forth in respect of any other person or company described therein.

9. So long as the Filer remains a related issuer of the Bank, the Filer cannot rely on the Statutory Exemption from the Recommendation Prohibition, to publish in a Report any Recommendation with respect to securities of the Bank, including a revision to a previous Recommendation, in response to:

   (a) the release of interim financial statements of the Bank or information concerning such financial statements, or

   (b) the release of information, or the occurrence of an event, that might reasonably be interpreted to have, or possibly have, a significant effect on the value of any securities issued by the Bank, or the continued validity of previously published financial estimates or recommendation issued by the Filer in

respect of any securities issued by the Bank,

unless, at the relevant time, the Filer has been able to ascertain, and is able to include in the Report, Comparative Information for a substantial number of Competitors of the Bank, and also satisfy the requirements of the Statutory Exemption relating to space and prominence of information, referred to in paragraph 8(c), above.

10. The Filer will be precluded from including in any Report Comparative Information for a substantial number of Competitors of the Bank if, at the relevant time:

(a) there is no Comparative Information for any Competitors that is known, or ascertainable, by the Filer, or

(b) there is no Comparative Information for a substantial number of Competitors of the Bank that is known, or ascertainable, by 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 Recommendation Prohibition shall not apply to Recommendations of the Filer in respect of securities of the Bank that are made by the Filer in a Report, in response to:

(i) the release of interim financial statements of the Bank or information concerning such financial statements, or

(ii) the release of information, or the occurrence of an event, that might reasonably be interpreted to have, or possibly have, a significant effect on the value of any securities issued by the Bank, or the continued validity of previously published financial estimates or recommendation issued by the Filer in respect of any securities issued by the Bank,

if, at the relevant time, Comparative Information for a substantial number of Competitors of the Bank is not known, or ascertainable, by the Filer, provided that:

(A) the Report includes in a conspicuous position in a type not less legible than that used in the body of the Report:

(I) a Relationship Statement concerning the relationship or connection between the Filer and the Bank; and

(II) a full and complete statement of the obligations of the Filer under the Recommendation Prohibition and this Decision;

(B) for any information in respect of the Bank that is included in the Report, for which there is Comparative Information for any Competitors that is known, or ascertainable, by the Filer, the Report includes such Comparative Information;

(C) for the information referred to in paragraph (B) above, the Report does not give greater prominence to the information in respect of the Bank than to the Comparative Information for any of the Competitors of the Bank that is included in the Report; and

(D) the decision shall terminate on the day that is two years after the date of this decision.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

2.1.16 American Association of Petroleum Geologists - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Acceptance as a professional organization under National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities - An entity wishes to be accepted as a "professional organization" under section 1.1(w)(iv)(B) of NI 51-101 - The entity admits members primarily on the basis of their educational qualifications; the entity requires its members to comply with professional standards of competence and ethics relevant to the estimation, evaluation, review or audit of reserves data; the entity has disciplinary powers, including the power to suspend or expel a member - Revocation of previous decision.

Applicable Ontario Statutory Provisions

National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

March 1, 2007

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

AND

IN THE MATTER OF
NATIONAL INSTRUMENT 51-101 STANDARDS OF DISCLOSURE FOR OIL AND GAS ACTIVITIES (NI 51-101)

AND

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

AND

IN THE MATTER OF
THE AMERICAN ASSOCIATION OF PETROLEUM GEOLOGISTS (AAPG)

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (the **Decision Maker)** in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Yukon, Northwest Territories and Nunavut (the **Jurisdictions**) has received the recommendation (collectively, the **Recommended Decision**) of the Canadian Securities Administrators staff committee responsible for NI 51-101 that:

   1.1 the Decision Makers in the Jurisdictions other than Québec, New Brunswick and Prince Edward Island revoke the MRRS Decision Document dated June 8, 2004 in a similar matter (the **Previous Decision**); and

   1.2 the Decision Makers in all Jurisdictions now accept the AAPG as a "professional organization" under NI 51-101, but only in respect of Certified Petroleum Geologists who are members of the AAPG's Division of Professional Affairs.

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

   2.1 the Alberta Securities Commission is the principal regulator for this matter, and

   2.2 this MRRS Decision Document evidences the decision of each Decision Maker.

Interpretation

3. Terms defined in National Instrument 14-101 Definitions or in Appendix 1 of Companion Policy 51-101CP have the same meaning in this decision unless they are otherwise defined in this decision.

Representations

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

   4.1 The Previous Decision accepted the AAPG as a "professional organization" under NI 51-101 in each Jurisdiction other than Québec, New Brunswick and Prince Edward Island on specified terms and conditions.

   4.2 The AAPG has requested that its acceptance as a "professional organization" be narrowed in scope to apply only in respect of Certified Petroleum Geologists who are members of the AAPG's Division of Professional Affairs and that such narrowed acceptance be granted in all Jurisdictions.

   4.3 Under the AAPG's Constitution and Bylaws, in respect of members of the AAPG's Division of Professional Affairs who qualify as Certified Petroleum Geologists, the AAPG:

4.3.1 admits members primarily on the basis of their educational qualifications;

4.3.2 requires its members to comply with the professional standards of competence and ethics prescribed by the AAPG that are relevant to the estimation, evaluation, review or audit of reserves data; and

4.3.3 has disciplinary powers, including the power to suspend or expel a member.

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 Recommended Decision is made and the acceptance so granted will continue for so long as the representations set out in paragraph 4.3 remain true.

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

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

2.1.17 Energy Institute and Its Members Who Are Members and Fellows - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Acceptance as a professional organization under National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities - An entity wishes to be accepted as a "professional organization" under section 1.1(w)(iv)(B) of NI 51-101 - The entity admits members primarily on the basis of their educational qualifications; the entity requires its members to comply with professional standards of competence and ethics relevant to the estimation, evaluation, review or audit of reserves data; the entity has disciplinary powers, including the power to suspend or expel a member.

Applicable Ontario Statutory Provisions

National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

March 1, 2007

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, YUKON, NORTHWEST TERRITORIES AND NUNAVUT (the Legislation)

AND

IN THE MATTER OF
NATIONAL INSTRUMENT 51-101
STANDARDS OF DISCLOSURE FOR
OIL AND GAS ACTIVITIES (NI 51-101)

AND

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

AND

IN THE MATTER OF
ENERGY INSTITUTE AND ITS MEMBERS WHO ARE MEMBERS AND FELLOWS

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (the **Decision Maker**) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Yukon, Northwest Territories, and Nunavut (the **Jurisdictions**) has received the

recommendation (collectively, the **Recommended Decision**) of the Canadian Securities Administrators staff committee responsible for NI 51-101 that the Decision Maker accept the Energy Institute as a "professional organization" under NI 51-101, but only for those members of the Energy Institute who are Members and Fellows in good standing.

2. Under the Mutual Reliance Review System for Exemptive 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. Terms defined in National Instrument 14-101 Definitions or in Appendix 1 of Companion Policy 51-101CP have the same meaning in this decision unless they are otherwise defined in this decision.

Representations

4. This decision is based on the representation by the Energy Institute that, under its Bye-Laws, Code of Ethics and Disciplinary Procedures, in respect of members who qualify as Members and Fellows, the Energy Institute:

   4.1 admits members primarily on the basis of their educational qualifications;

   4.2 requires its members to comply with the professional standards of competence and ethics prescribed by the Energy Institute that are relevant to the estimation, evaluation, review or audit of reserves data; and

   4.3 has disciplinary powers, including the power to suspend or expel a member.

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 Recommended Decision is made and the acceptance so granted will continue for so long as the representations set out in paragraph 4 remain true.

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

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

2.1.18 Energy Metals Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1 – Business Acquisition Report (BAR) – Issuer requires relief from the requirement to include certain financial statements in a BAR – Target company filed information circular before the date of the acquisition but Issuer did not - Information circular included financial information for a period that ended not more than one interim period before the financial information that the issuer would be required to include in its BAR - Issuer could rely on the exemptions in subsections 8.4(4) and (6) but for the fact that the target company, and not the issuer, filed the information circular - Issuer will file the information circular under its SEDAR profile and will include in the BAR all of the financial statements included in the information circular.

Applicable Ontario Statutory Provisions

National Instrument 51-102 Continuous Disclosure Obligations, ss. 8.4, 13.1.

April 3, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA AND ONTARIO
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
ENERGY METALS CORPORATION
(the Filer)

MRRS DECISION DOCUMENT

Background

1 The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting the Filer from the requirement in the Legislation to include certain financial statements in a business acquisition report relating to the January 19, 2007 acquisition of High Plains Uranium, Inc. (the Requested Relief).

Application of the Principal Regulator System

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

(a) the British Columbia Securities Commission is the principal regulator for the Filer;

(b) the Filer is relying on the exemption in Part 3 of MI 11-101 in Alberta and Quebec; and

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

Interpretation

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

Representations

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

1. the Filer was incorporated under the laws of the province of British Columbia on July 9, 1987;

2. the Filer's head office is located in Vancouver, British Columbia;

3. the authorized capital of the Filer consists of an unlimited number of common shares.

4. the common shares of the Filer are listed for trading on the Toronto Stock Exchange and NYSE Arca;

5. the Filer is a reporting issuer or the equivalent in the provinces of British Columbia, Alberta, Ontario and Quebec;

6. to its knowledge, the Filer is not in default of any of the requirements of the applicable securities legislation in any of the provinces in which it is a reporting issuer;

7. High Plains Uranium, Inc. (HPU) was incorporated under the laws of the province of New Brunswick on February 8, 2005;

8. on January 19, 2007, the Filer acquired all of the common shares of HPU (the Acquisition);

9. the Acquisition was carried out by way of plan of arrangement pursuant to the *Business Corporations Act* (New Brunswick) (the Arrangement);

10. under the terms of the Arrangement, the common shares of HPU were exchanged for common shares of the Filer and HPU became a wholly owned subsidiary of the Filer;

11. the Arrangement and the resulting Acquisition were approved by the Court of Queen's Bench of New Brunswick (the Court), the Toronto Stock Exchange and by special resolution of the shareholders of HPU;

12. HPU delivered an information circular (the Information Circular) describing the Acquisition to its shareholders prior to the meeting at which shareholder approval of the Acquisition was obtained;

13. the contents of the Information Circular and a draft order respecting the Arrangement were approved by the Court prior to delivery to the shareholders of HPU;

14. under National Instrument 51-102 – *Continuous Disclosure Obligations* (NI-51-102), the Information Circular was required to contain prospectus level disclosure and include or incorporate by reference the financial statements required by a prospectus;

15. HPU filed the Information Circular under its SEDAR profile on December 13, 2006; the Information Circular was, therefore, available to the public and to the shareholders of HPU and the Filer on the SEDAR website;

16. to the knowledge of the Filer, since the time the Information Circular was filed, there has not been any change in the HPU business that is material and adverse to the Filer, taken as a whole;

17. the Acquisition constitutes a "significant acquisition" for the Filer for the purposes of NI 51-102; consequently, under NI-51-102, the Filer is required to file a business acquisition report by April 4, 2007;

18. under NI 51-102, the business acquisition report must include the following financial statements:

    (a) the audited financial statements of HPU for the year ended March 31, 2006 and the period from incorporation on April 6, 2004 to March 31, 2005, together with the relevant notes and auditor's report ;

    (b) unaudited financial statements of HPU for the nine month interim period ended December 31, 2006 (the Interim Statements);

    (c) a pro forma consolidated balance sheet of the Filer as at December 31, 2006 and pro forma consolidated statements of operations of the Filer for the six months ended December 31, 2006 and the year ended June 30, 2006 (the Pro Forma Statements);

19. the exemption in s. 8.4(4) of NI 51-102 permits an issuer to include in its business acquisition report financial statements for a period ending not more than one interim period before the interim period for which financial statements would be required to be included in the business acquisition report, if

    (a) before the date of acquisition, the issuer filed a document that included financial statements for the acquired business that would have been required to be included if the document were a prospectus, and

    (b) those financial statements are for a period ending not more than one interim period before the interim period for which financial statements would be required to be included in the business acquisition report;

20. the exemption in s. 8.4(6) of NI 51-102 permits an issuer to include in its business acquisition report pro forma financial statements based on the interim financial statements permitted to be filed under s. 8.4(4);

21. because HPU, and not the Filer, filed the Information Circular as required under subparagraph 8.4(4)(c)(ii) of NI 51-102, the Filer is not able to rely on the exemptions in subsections 8.4(4) and 8.4(6) of NI 51-102; the Filer satisfies all the other conditions of these exemptions;

22. the Filer is seeking an exemption from the requirement under NI 51-102 to include the Interim Statements and the Pro Forma Statements in the business acquisition report.

Decision

5 The Decision Makers being satisfied that each has the jurisdiction to make this decision and that the relevant test under the Legislation has been met, the Requested Relief is granted, provided that:

(a) the Filer files the Information Circular under its SEDAR profile; and

(b) the Filer includes in its business acquisition report, and does not incorporate by reference, all of the financial statements that were included in the Information Circular.

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

2.1.19 Domtar Inc. and Domtar (Canada) Paper Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief from continuous disclosure, insider reporting, certification, audit committee and corporate governance requirements granted to an exchangeable share issuer, subject to conditions. Issuer technically unable to rely on statutory exemptions due to the issuance of preferred shares to a financial institution. Preferred shares are non-transferable and functionally equivalent to debt securities permitted under statutory exemptions.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 121(2)(a)(ii).
National Instrument 51-102 Continuous Disclosure Obligations.
National Instrument 55-102 System for Electronic Disclosure by Insiders.
Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.
Multilateral Instrument 52-110 Audit Committees.
National Instrument 58-101 Disclosure of Corporate Governance Practices.

March 30, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK, NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR, 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
DOMTAR INC. ("Domtar") AND
DOMTAR (CANADA) PAPER INC.
("Newco Canada Exchangeco")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of the Jurisdictions has received an application from Domtar with respect to Newco Canada Exchangeco for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") for the following relief:

1. an exemption from the requirements of the Legislation relating to continuous disclosure obligations (the "**Continuous Disclosure Relief**");

2. an exemption from the requirements of the Legislation relating to insider reporting requirement and filing of an insider profile (the "**Insider Reporting and Filing of Insider Profile Relief**");

3. an exemption from the requirements of the Legislation relating to audit committees (the "**Audit Committee Relief**");

4. an exemption from the requirements of the Legislation relating to certification of disclosure of annual and interim filings (the "**Certification Relief**"); and

5. an exemption from the requirements of the Legislation relating to disclosure of corporate governance practices (the "**Corporate Governance Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

1. the Autorité des marchés financiers is the principal regulator for Domtar; and

2. this MRRS decision document evidences the decision of each Decision Maker.

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 Domtar:

The Proposed Transaction and Mechanics of the Arrangement

1. Pursuant to a transaction agreement dated as of August 22, 2006 (as subsequently amended), Domtar and Weyerhaeuser Company ("**Weyerhaeuser**") agreed to combine Domtar with the Weyerhaeuser Fine Paper Business (the "**Proposed Transaction**").

2. The Proposed Transaction would, subject to applicable shareholder, regulatory and court approval and other conditions, effect a combination of Domtar with the Weyerhaeuser Fine Paper Business pursuant to a plan of arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* (the "**CBCA**"), utilizing a traditional cross-border "exchangeable share" structure, with the particularity, for United States tax purposes, of a "Reverse Morris Trust" feature which provides certain tax advantages to Weyerhaeuser's U.S. shareholders in the context of the spin-off or split-off of the Weyerhaeuser Fine Paper Business into a separate legal entity.

3. Upon completion of the Proposed Transaction, Domtar Corporation ("**Spinco**") will directly or indirectly own and operate the Weyerhaeuser Fine Paper Business and indirectly own all of the common shares of Domtar (the "**Domtar Common Shares**").

4. Below is a chronological step by step description of the material events relating to the Proposed Transaction.

The Canadian Asset Transfer

5. Weyerhaeuser Company Limited and Weyerhaeuser Saskatchewan Ltd., two Canadian subsidiaries of Weyerhaeuser, will transfer certain of their fine paper and related assets (the "**Canadian Fine Paper Assets**") to a subsidiary of Newco Canada Exchangeco and such subsidiary of Newco Canada Exchangeco will assume certain of Weyerhaeuser Company Limited's and Weyerhaeuser Saskatchewan Ltd.'s fine paper and related liabilities.

The Newco Contribution

6. Weyerhaeuser will transfer to Domtar Paper Company, LLC ("**Newco**"), a subsidiary of Weyerhaeuser, certain of Weyerhaeuser's U.S. fine paper and related assets (the "**U.S. Fine Paper Assets**", together with the Canadian Fine Paper Assets, the "**Weyerhaeuser Fine Paper Business**") in exchange for the issuance of additional limited liability company interests of Newco to Weyerhaeuser and the assumption by Newco of certain of Weyerhaeuser's fine paper and related liabilities.

The Interim Financing

7. Spinco, a subsidiary of Weyerhaeuser, will draw down US$1.35 billion under a three-month unsecured term loan facility.

The Spinco Contribution

8. Weyerhaeuser will transfer to Spinco all of the issued and outstanding limited liability company interests of Newco in exchange for (a) US$1.35 billion in cash; and (b) a number of shares of common stock of Spinco (the "**Spinco Common Stock**"), determined in accordance with a formula specified pursuant to the Proposed Transaction.

The Distribution

9. It is contemplated that Weyerhaeuser will distribute all the issued and outstanding shares of Spinco Common Stock to the Weyerhaeuser shareholders by way of an exchange offer whereby Weyerhaeuser shareholders will receive approximately US$1.11 of Spinco Common Stock for each US$1.00 of Weyerhaeuser shares so tendered, subject to a limit of 11.1442 shares of Spinco Common Stock for each Weyerhaeuser share.

The Arrangement

10. The Arrangement will be consummated on the effective date (the "**Effective Date**") pursuant to Section 192 of the CBCA which will include the following steps at closing:

    (a) all outstanding Domtar Common Shares (other than Domtar Common Shares held by holders who have exercised their dissent rights under the Arrangement) will be exchanged, on a one-for-one basis, for Class B common shares (the "**Class B Common Shares**") of a direct wholly-owned subsidiary of Newco Canada Exchangeco incorporated under the CBCA ("**Offerco**");

    (b) following the exchange contemplated in (a) above, the Class B Common Shares of Offerco held by former holders of Domtar Common Shares who are Canadian residents or who are partnerships at least one partner of which is a resident of Canada (other than any such holder or partner who is exempt from tax under the Income Tax Act (Canada)) will, at the holder's election, be transferred to Newco Canada Exchangeco for (i) shares of Spinco Common Stock; or (ii) exchangeable shares of Newco Canada Exchangeco (the "**Exchangeable Shares**") and ancillary rights, in each case on a one-for-one basis. The Exchangeable Shares will be substantially economically equivalent to shares of Spinco Common Stock, with the same or substantially economically equivalent dividend entitlement and voting rights. The Exchangeable Shares will be exchangeable at any time at the option of the holder into shares of Spinco Common Stock on a one-for-one basis;

    (c) Class B Common Shares of Offerco held by former holders of Domtar Common Shares with an address in Canada who do not make an election or whose election is not effective will be transferred to Newco Canada Exchangeco in exchange for the Exchangeable Shares on a one-for-one basis;

    (d) former holders of Domtar Common Shares who are not referred to in paragraph (b) or (c) above will transfer their Class B Common Shares of Offerco to Newco Canada Exchangeco in exchange for shares of Spinco Common Stock on a one-for-one basis. After this step, Spinco will indirectly own all of the outstanding common shares of Newco Canada Exchangeco which will own all of the Domtar Common Shares;

    (e) Spinco shall issue and deposit with the trustee under a voting trust agreement (the "**Voting Trust Agreement**") one share of special voting stock of Spinco to be held by the trustee for and on behalf of, and for the use and benefit of, the holders of the Exchangeable Shares in accordance with the Voting Trust Agreement;

    (f) the Series A preferred shares of Domtar (the "**Series A Preferred Shares**") and the Series B preferred shares of Domtar (the "**Series B Preferred Shares**", together with the Series A Preferred Shares, the "**Domtar Preferred Shares**") that are not held by a holder who has exercised its dissent rights under the Arrangement shall remain outstanding after the Effective Date;

    (g) Class B Common Shares of Offerco received by Newco Canada Exchangeco under the Arrangement (as referred in paragraph (b) above) will be converted into Class A common shares of Offerco under the Arrangement; and

    (h) the Domtar Options (as defined below) as well as other Domtar equity awards will be exchanged for options to purchase shares of Spinco Common Stock or other comparable securities of Spinco or Newco Canada Exchangeco pursuant to the terms set forth in the Arrangement.

11. Following the consummation of the Proposed Transaction (including the implementation of the Arrangement), Spinco will be owned approximately 55% by holders of Weyerhaeuser common shares or former holders of Weyerhaeuser common shares (including holders of shares exchangeable for common shares of Weyerhaeuser) and 45% by former holders of Domtar Common Shares (including through their

ownership of the Exchangeable Shares), in each case on a fully-diluted basis.

Securityholder Approval

12. The Arrangement will require the affirmative vote of not less than:

    (a) 66 2/3% of the votes cast on the special resolution by the holders of the Domtar Common Shares and the Domtar Preferred Shares (the "**Domtar Shares**") and holders of options to purchase Domtar Common Shares (the "**Domtar Options**") under Domtar's stock option plans, present in person or by proxy at the special meeting of holders of Domtar securityholders (the "**Domtar Meeting**"); and

    (b) 66 2/3% of the votes cast on the special resolution by holders of Domtar Shares present in person or by proxy excluding (i) holders of the Domtar Options; (ii) holders of Domtar Common Shares which are pledged to secure loans provided pursuant to a certain Domtar stock option and share purchase plan; and (iii) holders of Domtar Common Shares who also hold Domtar Options.

Court Approval

13. On January 26, 2007, the Superior Court of Québec (the "**Court**") granted an interim order (the "**Interim Order**") under the CBCA governing various procedural matters in connection with the approval of the Arrangement by Domtar securityholders, including the mailing of the management information circular prepared for the Domtar Meeting in connection with Proposed Transaction (the "**Domtar Circular**"). The Interim Order provides for the calling and holding of the Domtar Meeting on February 26, 2007. On February 26, 2007, the Arrangement was approved by the requisite number of votes of Domtar securityholders (as set forth above) and a final order of the Court approving the Arrangement was granted on February 27, 2007.

Spinco

14. Spinco is currently a wholly-owned subsidiary of Weyerhaeuser and was incorporated in its current form as a Delaware corporation in August 2006 to indirectly hold the Weyerhaeuser Fine Paper Business and consummate the Arrangement with Domtar.

15. The Weyerhaeuser Fine Paper Business is currently operated by Weyerhaeuser but will be transferred to subsidiaries of Spinco pursuant to the Proposed Transaction.

16. Spinco is an "SEC issuer" as such term is defined in National Instrument 52-107 – *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* as Spinco:

    (a) has a class of securities registered under Section 12 of the United States *Securities Exchange Act of 1934*, as amended (the "**1934 Act**") or will be required to file reports under Section 15(d) of the 1934 Act; and

    (b) is not registered or required to be registered as an investment company under the United States *Investment Company Act of 1940*, as amended.

17. Following the consummation of the Proposed Transaction, Spinco will become a reporting issuer under the securities legislation of applicable Jurisdictions where such concept exists.

18. Upon completion of the Proposed Transaction, Spinco Common Stock will be listed on the New York Stock Exchange (the "**NYSE**") and the Toronto Stock Exchange (the "**TSX**").

Newco Canada Exchangeco

19. Newco Canada Exchangeco, currently a subsidiary of Weyerhaeuser, is a corporation governed under the *Business Corporations Act* (British Columbia) for the purpose of implementing the Proposed Transaction. Newco Canada Exchangeco will undertake various issuances and exchanges of securities in connection with the Arrangement described herein. Newco Canada Exchangeco's registered office address is 925 West Georgia St., 5th Floor, Vancouver, British Columbia V6C 3L2.

20. In addition to the Exchangeable Shares, the authorized share capital of Newco Canada Exchangeco will, upon completion of the Proposed Transaction, consist of:

    (a) an unlimited number of common shares all of which such shares that are issued and outstanding will be held by Domtar Pacific Papers ULC ("**Newco Canada**"), an affiliate of Spinco. Newco Canada Exchangeco will be controlled by Newco Canada upon completion of the Proposed Transaction;

    (b) Class A preference shares (non-voting) (the "**Class A Preference Shares**") and Class B preference shares (non-voting) issuable in series upon terms and conditions to be fixed by the board of directors (the "**Class B Preference Shares**"). The Class A and Class B Preference Shares will not be issued in

connection with the Proposed Transaction (including the Arrangement); and

(c) Class C preference shares (non-voting) (the "**Class C Preference Shares**"), which will be issued to Newco Canada prior to the Effective Time of the Arrangement and which in turn will be sold to a third party, immediately before, or simultaneously with, the Effective Time of the Arrangement in connection with the Proposed Transaction.

21. The Class C Preference Shares (a) will be issued in connection with the Proposed Transaction; (b) will be non-voting and will not carry any of the ancillary rights which will be attached to the Exchangeable Shares; (c) will have an aggregate liquidation value of C$1,100,000 and will be mandatorily redeemable at that value, on the date which is seven years following their issuance unless there is a legal prohibition against such redemption; and (d) will be treated as long-term liabilities of Newco Canada Exchangeco for accounting purposes for a period of six years from the date of issuance.

22. The Continuous Disclosure Relief, the Insider Reporting and Filing of Insider Profile Relief, the Audit Committee Relief, the Certification Relief and the Corporate Governance Relief under the Legislation were each designed to apply to issuers of exchangeable securities in circumstances where the continuous disclosure, insider reporting, audited financial information and other information relevant to holders of securities of the issuer of the exchangeable shares is the information of the issuer of the underlying securities (which, in the current context, is Spinco). The aforementioned exemptions under the Legislation will technically not be available to Newco Canada Exchangeco upon completion of the Arrangement as a result of the issuance by Newco Canada Exchangeco of the Class C Preference Shares, which will be held upon completion of the Arrangement by a third party.

23. Holders of Exchangeable Shares will have a participating interest determined by reference to Spinco, rather than to Newco Canada Exchangeco, as a result of the substantial economic and voting equivalence between the Exchangeable Shares (and ancillary rights) and shares of Spinco Common Stock. The relevant continuous disclosure, insider reporting, audited financial information and other relevant information will be provided in respect of Spinco.

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 in the Jurisdictions under the Legislation is that the Continuous Disclosure Relief, the Insider Reporting and Filing of Insider Profile Relief, the Audit Committee Relief, the Certification Relief and the Corporate Governance Relief are granted to Newco Canada Exchangeco provided that:

1. Spinco is the beneficial owner of all of the issued and outstanding voting securities of Newco Canada Exchangeco;

2. Spinco and/or banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions are the beneficial owners of all the issued and outstanding Class C Preference Shares;

3. Spinco is an SEC issuer with a class of securities listed or quoted on a U.S. marketplace that has filed all documents it is required to file with the SEC;

4. Newco Canada Exchangeco does not issue securities, and does not have any securities outstanding, other than:

   (a) Exchangeable Shares;

   (b) securities issued to and held by Spinco or an affiliate of Spinco;

   (c) Class C Preference Shares issued in connection with the Proposed Transaction;

   (d) debt securities issued to and held by banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions; or

   (e) securities issued under exemptions from the registration and prospectus requirement in section 2.35 of National Instrument 45-106 *Prospectus and Registration Exemptions*;

5. Newco Canada Exchangeco files in electronic format:

   (a) a notice indicating that Newco Canada Exchangeco is relying on the continuous disclosure documents filed by Spinco and setting out where those documents can be found in electronic format; or

(b) copies of all documents Spinco is required to file with the SEC under the 1934 Act, at the same time as, or as soon as practicable after, the filing by Spinco of those documents with the SEC;

6. Newco Canada Exchangeco concurrently sends to all holders of Exchangeable Shares all disclosure materials that are sent to holders of shares of Spinco Common Stock in the manner and at the time required by U.S. laws and any U.S. marketplace on which securities of Spinco are listed or quoted;

7. Spinco:

(a) complies with U.S. laws and the requirements of any U.S. marketplace on which the securities of Spinco are listed or quoted in respect of making public disclosure of material information on a timely basis; and

(b) immediately issues in Canada and files any news release that discloses a material change in its affairs;

8. Newco Canada Exchangeco issues in Canada a news release and files a material change report in accordance with Part 7 of National Instrument 51-102 – *Continuous Disclosure Obligations* for all material changes in respect of the affairs of Newco Canada Exchangeco that are not also material changes in the affairs of Spinco; and

9. Spinco includes in all mailings of proxy solicitation materials to holders of Exchangeable Shares a clear and concise statement that:

(a) explains the reason the mailed material relates solely to Spinco;

(b) indicates that the Exchangeable Shares are the economic equivalent to the Spinco Common Stock; and

(c) describes the voting rights associated with the Exchangeable Shares.

The further decision of the Decision Makers in the Jurisdictions under the Legislation is that the Insider Reporting and Filing of Insider Profile Relief be granted to Newco Canada Exchangeco provided that:

1. if the insider is not Spinco:

(a) the insider does not receive, in the ordinary course, information as to material facts or material changes concerning Spinco before the material facts or material changes are generally disclosed; and

(b) the insider is not an insider of Spinco in any capacity other than by virtue of being an insider of Newco Canada Exchangeco;

2. Spinco is the beneficial owner of all of the issued and outstanding voting securities of Newco Canada Exchangeco;

3. if the insider is Spinco, the insider does not beneficially own any Exchangeable Shares other than securities acquired through the exercise of the exchange right and not subsequently traded by the insider;

4. Spinco and/or banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions are the beneficial owners of all the issued and outstanding Class C Preference Shares;

5. Spinco is a SEC issuer; and

6. Newco Canada Exchangeco does not issue securities and does not have any securities outstanding, other than:

(a) Exchangeable Shares;

(b) securities issued to and held by Spinco or an affiliate of Spinco;

(c) Class C Preference Shares issued in connection with the Proposed Transaction;

(d) debt securities issued to and held by banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions; or

(e) securities issued under exemptions from the registration and prospectus requirement in section 2.35 of National Instrument 45-106 *Prospectus and Registration Exemptions*.

"Josée Deslauriers"
Director of Capital Markets
Autorité des marches financiers

2.1.20 TD Asset Management Inc. et al.

Headnote

Mutual funds in Ontario (non-reporting issuers) granted an extension of the audited annual financial statement filing deadline and delivery requirement as they are wholly invested in offshore investment funds for which audited financial information is not yet available.

Rules Cited

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 2.2, 5.1(2), 17.1.

March 30, 2007

IN THE MATTER OF
NATIONAL INSTRUMENT 81-106
INVESTMENT FUND CONTINUOUS DISCLOSURE

AND

IN THE MATTER OF
TD ASSET MANAGEMENT INC.
(TDAM)

AND

DIVERSIFIED GLOBAL ASSET MANAGEMENT CORPORATION (DGAM)

AND

IN THE MATTER OF
DIVERSIFIED VALUE ADDED – REAL RETURN FUND
DIVERSIFIED VALUE ADDED – U.S. EQUITY FUND
DIVERSIFIED VALUE ADDED – LONG BOND FUND
(the Funds)

DECISION DOCUMENT

BACKGROUND

The Ontario Securities Commission has received an application from TDAM and DGAM (the **Applicants**) on behalf of the Funds, for a decision pursuant to section 17.1 of National Instrument 81-106 – *Investment Fund Continuous Disclosure* (**NI 81-106**) exempting the Funds from:

(a) the requirement in section 2.2 of NI 81-106 (the **Filing Requirement**) that the Funds file audited annual financial statements on or before the 90th day after their most recently completed financial year (the **Filing Deadline**); and

(b) the requirement in subsection 5.1(2) of NI 81-106 that the Funds deliver their audited financial statements to securityholders by the Filing Deadline (the **Delivery Requirement**).

REPRESENTATIONS

This Decision is based on the following facts represented by the Applicants:

The Applicants

1. TDAM is a corporation amalgamated under the *Business Corporations Act* (Ontario).

2. TDAM is registered as an investment counsel and portfolio manager and as a limited market dealer under the *Securities Act* (Ontario) (the Act).

3. DGAM is a corporation amalgamated under the *Companies Act* (Nova Scotia).

4. DGAM is registered as an investment counsel and portfolio manager and as a limited market dealer under the Act.

5. TDAM and DGAM are the managers of the Funds.

The Funds

6. Each of the Funds is a trust established under the laws of Ontario. Each of the Funds is a "mutual fund in Ontario" but is not a "reporting issuer" under the *Securities Act* (Ontario).

7. Securities of the Funds are distributed by TDAM or DGAM, as a limited market dealer, in Ontario, on a private placement basis pursuant to one or more exemptions from the prospectus requirement or otherwise in accordance with regulatory relief granted to TDAM and/or DGAM.

8. The investment objective of a Fund is to enhance the performance of the Fund in relation to a specified fixed-income or equity index (each, an **Index**) over the long term through economic exposure to the performance of an underlying fund managed by DGAM (the **DGAM Fund**) and the performance of the specified Index. A Fund's investment in the DGAM Fund will be in furtherance of the first element of economic exposure and a Fund's investment in an underlying fund managed by TDAM (the **TDAM Fund**) will be in furtherance of the second element of economic exposure.

9. The percentage of the assets of a Fund that are invested in securities of the DGAM Fund and the TDAM Fund will be determined by TDAM and DGAM jointly from time to time on a basis that TDAM and DGAM consider is appropriate for the Fund and is consistent with the investment objectives of the Fund.

10. The DGAM Fund in which a Fund currently invests is the DGAM Diversified Fund, which is governed by the laws of the Cayman Islands.

11. The DGAM Diversified Fund invests substantially all of its assets in the DGAM Partners' Fund which is also governed by the laws of the Cayman Islands.

12. The DGAM Partners' Fund invests in a diversified portfolio of hedge funds (the **Underlying Funds**).

13. A Fund may make investments in or that relate to other DGAM Funds that have substantially the same structure, investment objective, strategy and restrictions as the DGAM Diversified Fund.

14. Investors in a Fund (the **Unitholders**) receive an offering memorandum (the **Offering Memorandum**) that describes the Fund, the DGAM Diversified Fund and the DGAM Partners' Fund and that the Fund may make investments in or that relate to other DGAM Funds and other relevant information about the Fund.

Preparing the Funds' Annual Financial Statements

15. The Funds have a financial year-end of December 31.

16. The DGAM Partners' Fund, the DGAM Diversified Fund and any other DGAM Fund in which a Fund invests have a December 31 financial year-end and the Underlying Funds will likely have a December 31 financial year-end.

17. Section 2.2 and subsection 5.1(2) of NI 81-106 require the Funds to file and deliver their audited annual financial statements by the Filing Deadline.

18. Section 2.11 of NI 81-106 provides an exemption (the **Filing Exemption**) from the Filing Requirement if, among other things, the Funds deliver their annual financial statements in accordance with Part 5 of NI 81-106 by the Filing Deadline.

19. The annual audited financial statements of the DGAM Diversified Fund, the DGAM Partners' Fund and any other DGAM Fund are required to be prepared in accordance with U.S. GAAP and delivered to securityholders within 180 days of the year end.

20. The annual audited financial statements of the Underlying Funds are prepared in accordance with the accounting principles applicable to them, such as International Financial Reporting Standards, Canadian GAAP or U.S. GAAP, and delivered in accordance with the delivery requirements applicable to them, which is generally within 180 days of the year end.

21. TDAM and DGAM have been advised by the auditors of each of the Funds that compliance with Canadian GAAP requires a Fund to include certain information about its holdings in the DGAM Diversified Fund, and such information must be provided by the DGAM Diversified Fund.

22. TDAM and DGAM have also been advised by the auditors of each of the Funds that compliance with Canadian GAAS requires the auditors of a Fund, in auditing the information contained in the financial statements of the Fund that was provided by the DGAM Diversified Fund, to review the audited annual financial statements of the DGAM Diversified Fund.

23. TDAM and DGAM have also been advised by the auditors of the DGAM Diversified Fund that, for reasons similar to those provided in paragraphs 21 and 22 above, the audit of the DGAM Diversified Fund cannot be completed until the audit of the DGAM Partners' Fund is completed and the audit of the DGAM Partners' Fund cannot be completed until the audited financial statements of a significant portion of the Underlying Funds have been received.

24. Given the above, it is expected that TDAM and DGAM will not be able to file the financial statements of the Funds by the Filing Deadline. As a result, the Funds will not be able to meet the Filing Deadline and will not be able to comply with the Delivery Requirement.

25. The Funds may want to rely on the Filing Exemption. Subsection 2.11(b) of the Filing Exemption requires that the Funds deliver financial statements to securityholders in accordance with Part 5 of NI 81-106 by the Filing Deadline. As noted in paragraph 24 above, the Funds will not be able to meet the Filing Deadline and will not be able to comply with the Delivery Requirement. As a result, the Funds will not be able to satisfy the condition in subsection 2.11(b) and therefore will not be able to rely on the Filing Exemption.

26. The Funds will notify Unitholders that they have received and intend to rely on relief from the Filing Requirement and the Delivery Requirement.

DECISION

The Director is satisfied that the test contained in NI 81-106 that provides the Director with the jurisdiction to make the decision has been met.

The decision of the Director under NI 81-106 is that:

(a) the Funds are exempted from the Filing Requirement provided that:

(i) the audited annual financial statements of the Funds are filed on or before the 180th day after the Funds' most recently completed financial year, or

(ii) the conditions in section 2.11 of NI 81-106 are met, except for subsection 2.11(b), and the audited annual financial statements of the Funds are delivered to securityholders in accordance with Part 5 of NI 81-106 on or before the 180th day after the Funds' most recently completed financial year; and

(b) the Funds are exempted from the Delivery Requirement provided that the audited annual financial statements of the Funds are delivered to securityholders in accordance with Part 5 of NI 81-106 on or before the 180th day after the Funds' most recently completed financial year.

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

2.1.21 Front Street Small Cap Canadian Fund and Front Street Special Opportunities Canadian Fund Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Application – Exemptive relief granted to mutual funds allowing extension of prospectus lapse date to allow for proposed Reorganization to be voted on and completed and extension of distribution beyond previous lapse date- if Reorganization approved, funds would be sold under the renewed prospectus for a short period of time- granting the relief would not affect the currency or accuracy of the information provided to the market since amendments will be filed for any material changes to the affairs of the Funds unrelated to the Mergers, if any, since the filing of its prospectus- cancellation rights for new investors who purchased after the previous lapse date imposed as condition.

Applicable Legislative Provisions

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

April 5, 2007

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

AND

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

AND

**IN THE MATTER OF
FRONT STREET SMALL CAP CANADIAN FUND AND
FRONT STREET SPECIAL OPPORTUNITIES
CANADIAN FUND LTD.
(collectively, the "Filers")**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (each a "Decision Maker", and together, the "Decision Makers") in each of the Jurisdictions has received an application dated February 21, 2007 (the "Application") from the Filers for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the time limits for the renewal of the simplified prospectus of the Filers dated March 24, 2006 (the "2006 Prospectus") be extended to

those time limits that would be applicable if the lapse date of 2006 Prospectus of the Filers was May 15, 2007.

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, as applicable.

Interpretation

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

Representations

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

1. Front Street Capital 2004 (the "Manager") is the manager of the Filers.

2. The Filers currently distribute their securities in each of the provinces and territories of Canada pursuant to the 2006 Prospectus. The earliest lapse date of the 2006 Prospectus under the Legislation is March 24, 2007.

3. The Filers are reporting issuers (or the equivalent) as defined in the Legislation and except as described herein are not in default of any of the requirements of such Legislation.

4. There have been no material changes in the affairs of the Filers since the filing of the 2006 Prospectus, other than those changes or proposed changes for which amendments have been filed including filing of the financial statements and management report of fund performance for the financial year of the Front Street Special Opportunities Canadian Fund Ltd. ended October 31, 2006, which are incorporated by reference in the 2006 Prospectus. Accordingly, the 2006 Prospectus represents current information regarding each Filer.

5. The Manager had intended to seek approval from the securityholders of the Filers for a reorganization (the "Reorganization"), which would involve (a) a reorganization of the capital structure of Front Street Special Opportunities Canadian Fund Ltd. ("SOF") to convert it from a conventional mutual fund corporation into a "capital class fund" having multiple classes of shares each referable to a particular investment portfolio; (b) the merger of Front Street Small Cap Canadian Fund ("Small CAP"), into SOF; and (c) a change to the investment objectives, strategy and restrictions of SOF and each of its share classes to convert it from a mutual fund subject only to NI 81-102 in respect of its investment operations to a mutual fund subject to National Instrument 81-104 Commodity Pools ("NI 81-104").

6. To have filed a pro formal renewal simplified prospectus and annual information form for the Filers at a time when the Reorganization was contemplated would have been unduly costly and potentially confusing to investors in the Filers.

7. The Manager has now determined that it is not in the best interests of the unitholders of Small Cap to proceed with the merger of Small Cap into SOF at this time, and accordingly expects to file a pro forma renewal simplified prospectus and annual information form for Small Cap as soon as possible after this relief is granted, if granted (the "Small Cap Prospectus").

8. No material changes have occurred to Small Cap since the date of the 2006 Prospectus.

9. The Requested Relief as it relates to Small Cap is necessary to permit Small Cap to file the Small Cap Prospectus on a pro forma and then final basis.

10. The Manager does intend to proceed with the Reorganization as it relates to SOF and will seek the approval of the shareholders of SOF at a special meeting (the "Meeting") to be held on May 10, 2007.

11. On March 15, 2007, the Manager issued and filed on SEDAR a press release announcing the calling of the Meeting and describing the Reorganization.

12. The Manager will file on SEDAR a material change report and an amendment to the 2006 Prospectus as it relates to SOF as soon as possible after this relief is granted, if granted.

13. Shareholders of SOF of record on April 2, 2007 will receive a notice of the Meeting, form of proxy and information circular (collectively, the "Circular") describing in detail the changes in respect of which such shareholders will be asked to vote at the Meeting, which documents will also be filed on SEDAR.

14. The Manager intends to file a preliminary long form prospectus (the "81-104 Prospectus") relating to the offering of the various classes of shares of SOF, in accordance with the requirements of NI 81-104 and to seek such relief as may be required in respect of the Reorganization under NI 81-102. If the Reorganization is approved, it is anticipated that the changes will be fully implemented on or before May 31, 2007.

15. If the Reorganization is approved, the offering of shares of SOF will thereafter be effected pursuant

to the 81-104 Prospectus. If the Reorganization is not approved, a simplified prospectus and annual information form relating to the offering of the shares of SOF will be filed first on a preliminary and then on a final basis (the "81-101 Prospectus"). No offering of shares of SOF will be made under the 2006 Prospectus from and after the date a decision document is issued by the Decision Makers for the final Small Cap Prospectus, and the distribution of the shares of SOF shall cease from that date until the date a decision document is issued for the 81-104 Prospectus or for the 81-101 Prospectus.

16. The Manager will file an amendment to the 2006 Prospectus as it relates to SOF with respect to the proposed Reorganization and the consequences thereof as soon as possible after this relief is granted, if granted, and the consequences thereof and therefore the 2006 Prospectus, as so amended, will contain current information regarding SOF.

17. The Filers have continued to distribute their securities in anticipation of the Requested Relief being granted, and through inadvertence the 2006 Prospectus lapsed prior to this decision being granted.

18. The granting of the Requested Relief will not affect the accuracy of the information in the 2006 Prospectus and therefore will not be prejudicial to the public interest.

Decision

The decision of the Decision Makers pursuant to the Legislation is that the time limits provided by the Legislation as they apply to a distribution of securities under the 2006 Prospectus are hereby extended to those time limits that would be applicable if the lapse date of the 2006 Prospectus was May 15, 2007; provided that investors who purchased securities of the Filers after March 24, 2007 and before the date of this decision have the same rights against the Filers as would have been available to such investors under the Legislation, as referenced in the 2006 Prospectus under the heading "What are your legal rights?", had this decision been made prior to March 24, 2007.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

2.1.22 Bonavista Petroleum Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption from the requirements of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities for a reporting issuer that is a wholly owned subsidiary of a reporting issuer trust - Reporting issuer is exempt from continuous disclosure obligations on the basis that parent reporting issuer trust's disclosure record will be filed and delivered in place of the reporting issuer's disclosure record - the parent reporting issuer trust is subject to NI 51-101 and will provide all of the disclosure required in NI 51-101.

Applicable Legislative Provisions

National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities, s. 8.1.

March 16, 2007

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

AND

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

AND

IN THE MATTER OF
BONAVISTA PETROLEUM LTD. (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 and Québec (the **Jurisdictions**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the requirements contained in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* (**NI 51-101**) shall not apply to the Filer.

2. Pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the **MRRS**) established under National Policy 12-201:

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

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

Interpretation

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

Representations

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

(a) Bonavista Energy Trust (the **Trust**) was created pursuant to a plan of arrangement (the **Arrangement**) under Section 193 of the *Business Corporations Act* (Alberta) (the **ABCA**) involving the Trust, Bonavista Acquisition Corp. (**AcquisitionCo**), pre-amalgamation Bonavista Petroleum Ltd. (**Bonavista**), NuVista Energy Ltd. (**NuVista**), Bonavista ExchangeCo Ltd. (**ExchangeCo**), Bonavista Oil & Gas Ltd. and the securityholders of Bonavista.

(b) The Filer was formed upon the amalgamation of Bonavista and AcquisitionCo under the ABCA on July 2, 2003 in accordance with the terms of the Arrangement. As at February 5, 2007, 50 common shares of the Filer (the **Bonavista Shares**) were issued and outstanding, which are owned by the Trust and 12,294,025 exchangeable shares of the Filer (the **Exchangeable Shares**) were issued and outstanding, all of which are owned by former holders of common shares of Bonavista. Neither the common shares of the Filer, nor the Exchangeable Shares are listed or quoted on any marketplace.

(c) The head office and registered office of the Filer are located in Calgary, Alberta.

(d) The Filer is engaged in the exploration, development and production of natural gas and crude oil in Western Canada.

(e) The Filer became a reporting issuer in each of the Jurisdictions, or its equivalent, on July 2, 2003 when the Arrangement was completed because the Filer was the direct successor of Bonavista. As such, the Filer is subject to the requirements of NI 51-101.

(f) The Filer is an "exchangeable security issuer" as that term is defined in Section 13.3 of National Instrument 51-102 – *Continuous Disclosure Obligations* (**NI 51-102**), and exempt from the requirements of NI 51-102 as it meets all the conditions in subsection 13.3(2) of NI 51-102.

(g) Pursuant to section 4.3 of Multilateral Instrument 52-109 *Certification of Disclosure in Issuers Annual and Interim Filings* (**MI 52-109**), the Filer is also exempt from the requirements in MI 52-109 as long as it qualifies for the relief contemplated by, and is in compliance with the requirements and conditions set out in section 13.3 of NI 51-102.

(h) The Filer has not filed a Form 51-101F1 and is currently in default of its NI 51-101 obligations.

(i) The Trust became a reporting issuer in each of the Jurisdictions on July 2, 2003 concurrent with the completion of the Arrangement. The Trust is subject to the requirements of NI 51-102, NI 51-101 and to MI 52-109 and is not in default of the Legislation in the Jurisdictions.

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 pursuant to the Legislation is that the Requested Relief is granted, provided that:

(a) The requirements under NI 51-101 shall not apply to the Filer so long as:

(i) the Filer is an “exchangeable security issuer”, as defined in subsection 13.3(1) of NI 51-102 and continues to satisfy all the requirements of subsection 13.3(2) of NI 51-102; and

(ii) for the purposes of subparagraph 6 (a)(i), the reference to "continuous disclosure documents" in clause 13.3(2)(d)(ii)(A) of NI 51-102 includes documents filed in accordance with NI 51-101.

“Blaine Young”
Associate Director, Corporate Finance
Alberta Securities Commission

2.1.23 Supremex Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Filer not yet been required to file its current annual financial statements - Filer not qualify for new reporting issuer exemption - Relief granted from the requirement that an issuer has a current annual information form and current annual financial statements to file a short form prospectus, subject to conditions - Confidentiality of decision document and application granted for a limited period of time.

Applicable Ontario Rules

National Instrument 41-101 - Short Form Prospectus Distributions, Part 2.

Applicable Ontario Policies

National Policy 12-201 - Mutual Reliance Review System for Exemptive Relief Applications, s. 5.3.

November 8, 2006

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

AND

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

AND

IN THE MATTER OF
SUPREMEX INCOME FUND (THE FILER)

MRRS DECISION DOCUMENT

Background

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

(a) an exemption from the requirement of the Legislation that an issuer has a current annual information form (AIF) and current annual financial statements, at least in one jurisdiction in which it is reporting issuer, in order to qualify to file a short form prospectus under the National Instrument 44-101 Short Form Prospectus Distributions (the **Requested Relief**); and

(b) a decision in every Jurisdiction that the application for this decision and this decision be kept confidential until the earlier of:

(i) the date the Filer obtains a receipt for a preliminary short form prospectus; and

(ii) March 31, 2007 (the **Confidential Treatment**).

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 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 principal office and head office of the Filer are located at 7213 Cordner, LaSalle, Québec, Canada H8N 2J7.

2. The Filer's financial year end is December 31.

3. The Filer completed its initial public offering of 17,500,000 units on March 31, 2006 (the IPO). The Filer filed a final prospectus dated March 17, 2006 in order to qualify the distribution of those units (the Final Prospectus).

4. The Final Prospectus included the comparative financial statements of the operating entity, Supremex Inc., for its most recently completed financial year together with the Auditor's report accompanying those financial statements.

5. The Filer is, to the best of its knowledge, not in default of any requirement of Canadian securities law.

6. The Filer is an electronic filer under National Instrument 13-101 respecting the System for Electronic Documents Analysis and Retrieval (SEDAR).

7. The Filer is a reporting issuer in each of the Jurisdictions.

8. The Filer has filed with the securities regulatory authority in each of the jurisdictions in which it is a reporting issuer all periodic and timely disclosure

documents that it is required to have filed in that jurisdiction under applicable securities legislation.

9. Existing units are currently listed on the Toronto Stock Exchange under the symbol "**SXP.UN**" and the Filer's operations have not ceased.

10. The Filer wishes to file a short form prospectus.

11. Except for not having a current AIF and current annual financial statements, at least in one jurisdiction in which it is reporting issuer, the Filer would already be qualified to file a prospectus in the form of a short form prospectus under the Legislation.

12. The Filer has not been exempted from the requirement of the applicable continuous disclosure rule (the CD rule) to file annual financial statements and the Filer has not yet been required under the applicable CD rule to file such financial statements.

13. An issuer that has filed and obtained a receipt for a final prospectus that included the issuer's comparative annual financial statements for its most recently completed financial year is exempted from having a current AIF and current annual financial statements in order to be entitled to file a short form prospectus (the **New Reporting Issuer Exemption**). However, the comparative annual financial statements included in the Final Prospectus of the Filer are not financial statements of the Filer, but rather those of Supremex Inc., now a wholly-owned subsidiary of the Filer.

14. The Filer is the continuation of an existing business, Supremex Inc., that was previously operated under a different legal form, a corporation. The change in legal form does not alter the substance of the business operations and therefore does not prevent the Filer from presenting comparative financial information for the underlying business, Supremex Inc., during its initial interim and annual periods.

15. The comparative financial statements of Supremex Inc. for its most recently completed financial year which were filed and included in the Final Prospectus should be considered as being the annual financial statements of the Filer and the Filer should therefore be entitled to rely on the New Reporting Issuer Exemption.

Confidential Treatment

16. The Filer, as part of the IPO, entered into a registration rights agreement with Cenveo Corporation (**Cenveo**) (Registration Rights Agreement). Pursuant to the terms and conditions of the Registration Rights Agreement, among other things, Cenveo Corporation has been granted three demand registration rights by the Filer that will enable it to require the Filer to file a prospectus and otherwise assist with public offerings of units subject to certain limitations.

17. Although Cenveo and the Filer have had discussions, Cenveo has not yet definitively exercised its right to have the Filer file a prospectus.

18. The Filer anticipates filing a preliminary short form prospectus upon the exercise by Cenveo of its right to have the Filer to file a prospectus.

19. The details of the proposed offering have not been publicly disclosed and the Filer does not anticipate disclosing such information prior to Cenveo exercising its right to have the Filer file a prospectus.

20. Should Cenveo exercise its right to have the Filer file a prospectus after March 31, 2007, the Filer will likely not have to rely on the Requested Relief to file a short form prospectus as at that date, the Filer is required to file an AIF and current financial statements, at least in one jurisdiction in which it is reporting issuer, under applicable CD rule.

21. In these circumstances, the request for confidentiality is reasonable and is not prejudicial to the public interest.

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 pursuant to the Legislation is that the Requested Relief is granted provided that:

- the business of the Filer continues to be, in all material respect, the same as the business of Supremex Inc.

This decision is valid to the extent that the Filer is not exempt from the requirement in the applicable continuous disclosure rule to file annual financial statements within a prescribed period after its financial year end and the Filer has not yet been required under the applicable continuous disclosure rule to file annual financial statements.

"Louis Auger"
Manager of the Corporate Financing Department
Autorité des marchés financiers

The further decision of the Decision Makers under the Legislation is that the request for Confidential Treatment is granted.

"Anne-Marie Beaudoin"
Director , Secretariat
Autorité des marchés financiers

2.1.24 HSBC Securities (Canada) Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Registered dealer exempted from the requirements of section 36 of the Act, subject to certain conditions, to send trade confirmations for trades that the dealer executes on behalf of client where: client's account is fully managed by the dealer; account fees paid by the client are based on the amount of assets, and not the trading activity in the account; trades in the account are only made on the client's adviser's instructions; the client agreed in writing that confirmation statements will not be delivered to them; confirmations are provided to the client's adviser; and, the client is sent monthly statements that include the confirmation information.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 36, 147.

April 10, 2007

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

AND

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

AND

IN THE MATTER OF
HSBC SECURITIES (CANADA) INC. (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 an exemption from the requirements of the Legislation that a registered dealer send a written confirmation of any trade in securities (the Trade Confirmation Requirement) from transactions that the Filer conducts on behalf of its clients (Participating Clients) with respect to a managed account program (the Diamond Portfolios Platform) (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

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

Interpretation

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

Representations

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

1. The Filer is a dealer registered under the Legislation in the categories of broker and investment dealer, or the equivalent thereof, in the Jurisdictions, is a member of the Investment Dealers Association of Canada (the IDA) and has its head office in Ontario.

2. The Filer provides investment dealer and portfolio management services to individuals and corporate clients resident in the Jurisdictions and other jurisdictions where it is qualified to provide such services.

3. Accounts under the Diamond Portfolios Platform (each a Diamond Portfolios Account) are 'managed accounts' as defined under Regulation 1300 of the IDA and the Filer complies with the applicable IDA requirements with respect to managed accounts.

4. To participate in the Diamond Portfolios Platform, each Participating Client enters into a written Managed Account Agreement (MAA) with the Filer setting out the terms and conditions, and the respective rights, duties and obligations of the parties, regarding the Diamond Portfolios Platform in a form of agreement approved by the IDA.

5. For each Participating Client, the Filer:

   (a) makes inquiries to learn the essential facts about each Participating Client, to determine the general investment needs and objectives of, the appropriateness of the recommendations made to and the suitability of proposed transactions for the Participating Client, and to otherwise comply with the "know your client" obligations under the Legislation, and provides the information to each Sub-Adviser (defined below) who exercises discretionary authority over the assets of the Participating Clients; and

(b) sends quarterly statements and performance reports prepared by the Filer.

6. For each Participating Client, the Filer opens a Diamond Portfolios Account which is separate and distinct from any other accounts the Client may have through the Filer. Under the MAA:

(a) the Participating Client grants full discretionary authority to the Filer to make investment decisions and to trade in securities on behalf of the Participating Client without obtaining the specific consent of the Participating Client to individual trades, provided such investment decisions are made in accordance with the information obtained by the Filer referred to in paragraph 5 hereof;

(b) authorizes the Filer to delegate its discretionary authority over all or a portion of the Participating Client's assets to foreign portfolio managers and Canadian portfolio managers (collectively, the Sub-Advisers, each a Sub-Adviser)

7. Under the MAA, the Filer or another recognized securities custodian acts as custodian of the securities and other assets in each Diamond Portfolios Account. Furthermore, each Participating Client acknowledges and agrees that securities transactions in such Participating Client's Diamond Portfolios Account will generally be executed through the Filer. Unless a Participating Client requests otherwise, each Participating Client waives under the MAA receipt of all trade confirmations in respect of securities transactions conducted through the Filer for a Diamond Portfolios Account. Each Participating Client agrees to pay a fee to the Filer based on the assets of such Participating Client's Diamond Portfolios Account at the end of each quarterly period. Such fees include all professional or other fees of the participating Sub-Advisers, as well as custodial, transaction and brokerage fees and commissions and is not based on the volume or value of the transactions effected in the Participating Client's Account. The fees are not intended to cover charges for minor items such as wire transfer requests, account transfers, withdrawals, de-registration and other administrative services (Administrative Charges). The Filer provides a list of Administrative Charges information to all Clients.

8. The Filer provides to each Participating Client a monthly statement of account with respect to such Participating Client's Diamond Portfolios Account as required under the Legislation, including a list of all transactions undertaken in the Diamond Portfolios Account during the period covered by that statement and a statement of portfolio for the Diamond Portfolios Account at the end of such period.

9. The Filer provides trade confirmations required under the applicable Legislation to the Sub-Advisers directing a trade on behalf of Participating Clients through its Abacus system. Sub-Advisers are able to access trade confirmations electronically in a contemporaneous fashion as trades occur and run reports evidencing trade confirmations when desired.

10. The monthly statement of account will identify the asset being managed on behalf of the Participating Client including for each trade made during that month the information that the Filer would otherwise have been required to provide to that Participating Client in a trade confirmation in accordance with the Legislation, except for the following information (collectively, the Omitted Information):

(a) the stock exchange or commodity futures exchange upon which the trade took place;

(b) the fee or other charge, if any, levied by any securities regulatory authority in connection with the trade;

(c) the name of the salesman, if any, in the transaction;

(d) the name of the dealer, if any, used by the Filer or the Sub-Adviser as its agent to effect the trade; and

(e) if acting as agent in a trade upon a stock exchange, the name of the person or company from or to or through whom the security was bought or sold.

11. The Filer will maintain the Omitted Information with respect to a Participating Client in its books and records and will make the Omitted Information available to the Participating Client upon request.

12. The Filer performs daily reviews of all Diamond Portfolios Account transactions in respect of suitability.

13. The Filer cannot rely on any Trade Confirmation Requirement exemption in the Legislation and, in the absence of the requested relief, would be subject to the Trade Confirmation Requirement in the Jurisdictions.

14. IDA Regulation 200.1(h) prescribes circumstances in which the IDA permits the suppression of trade confirmations in respect of managed accounts (the IDA Trade Confirmation Exemption), which

circumstances are satisfied in respect of the Diamond Portfolios Platform.

Decision

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

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

(a) the Participating Client has previously informed the Filer that the Participating Client does not wish to receive trade confirmations for the Participating Client's Diamond Portfolios Account; and

(b) in the case of each trade for a Diamond Portfolios Account under the Diamond Portfolios Platform, the Filer sends to the Participating Client the corresponding statement of account that includes the information referred to in paragraph 10.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

2.1.25 Brompton Lifeco Split Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – exemption granted to permit a fund that uses specified derivatives to calculate its NAV once per week subject to certain conditions – relief needed from the requirement that an investment fund that uses specified derivatives must calculate its NAV daily – relief not prejudicial to the public interest because the NAV will be posted on a website and the units of the investment fund are expected to be listed on the TSX which will provide liquidity for investors – National Instrument 81-106 Investment Fund Continuous Disclosure.

Applicable Legislative Provisions

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

April 5, 2007

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

AND

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

AND

IN THE MATTER OF
BROMPTON LIFECO SPLIT CORP. (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 s. 17.1 of National Instrument 81-106 – *Investment Funds Continuous Disclosure* (the "**Legislation**") for an exemption from the requirement to calculate net asset value ("NAV") at least once every business day contained in paragraph 14.2(3)(b) of the Legislation (the "**Requested Relief**").

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

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

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

Interpretation

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

Representations

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

The Filer

1. The Filer is a mutual fund corporation established under the laws of Ontario.

2. Brompton Funds Management Limited (the "**Manager**") is the promoter and manager of the Filer and will perform administrative services on behalf of the Filer.

The Offering

3. The Filer will be making an offering (the "**Offering**") to the public of preferred shares (the "Preferred Shares") and class A shares (the "**Class A Shares**") (together, referred to as the "**Shares**"). One Class A Share and one Preferred Share will together make one notional unit (a "**Unit**").

4. The Offering of Shares by the Filer is a one-time offering and the Filer will not continuously distribute the Shares.

5. The Filer's investment objectives are: (i) to provide holders of Preferred Shares with fixed cumulative preferential quarterly cash distributions in the amount of $0.13125 per Preferred Share representing a yield on the issue price of the Preferred Shares of 5.25% per annum; (ii) to provide holders of Class A Shares with regular monthly cash distributions targeted to be $0.075 per Class A Share representing a yield on the issue price of the Class A Shares of 6.0% per annum; (iii) to return the original issue price to holders of Preferred Shares at the time of redemption of shares on April 30, 2014; and (iv) to provide holders of Class A Shares with the opportunity for growth in net asset value per Class A Share.

6. The net proceeds from the Offering will be invested in an equally weighted portfolio consisting of common shares of the four publicly traded Canadian life insurance companies (the "**Portfolio**").

7. The Filer may from time to time selectively write covered call options on the Shares included in the Portfolio in order to generate additional distributable income for the Filer.

8. A preliminary prospectus of the Filer dated February 22, 2007 (the "**Preliminary Prospectus**") has been filed with the securities regulatory authorities in each of the Provinces and Territories of Canada.

The Shares

9. The Shares are expected to be listed and posted for trading on the Toronto Stock Exchange (the "**TSX**"). An application requesting conditional listing approval has been made by the Filer to the TSX.

10. The Preferred Shares will be retractable at the option of the holder on a monthly basis and a holder of a Preferred Share may concurrently retract an equal number of Preferred Shares and Class A Shares on an annual basis at a price computed by reference to the value of a proportionate interest in the net assets of the Filer. As a result, the Filer will be a "mutual fund" under applicable securities legislation.

11. The description of the retraction process in the Preliminary Prospectus contemplates that the retraction price for the Shares will be determined as of the valuation date, being the second last business day of the month (the "**Retraction Date**").

12. The retraction procedures described in the Preliminary Prospectus provide that shareholders will receive payment on or before the tenth business day of the month following the Retraction Date.

13. The NAV per Unit and NAV per Class A Share will be calculated weekly. The Filer will make available to the financial press for publication on a weekly basis the NAV per Class A Share as well as through the Internet at www.bromptongroup.com.

Decision

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

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

(a) the final prospectus of the Filer discloses that the NAV per Unit and NAV per Class A Share will be provided by the Manager to the public on request and further discloses that the NAV per Unit and NAV per Class A Share are accessible to the public on the Internet at www.brompton group.com;

(b) the Shares are listed on the TSX; and

(c) the Filer calculates its NAV per Unit and NAV per Class A Share at least weekly.

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

2.1.26 Enervest Energy And Oil Sands Total Return Trust - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Application for relief from the requirement of an insider to file insider reports within 10 days of the date of each trade – reporting issuer is a closed-end investment trust that is required by its declaration of trust to repurchase for cancellation up to 1.25% of its outstanding trust units per calendar quarter in certain circumstances – Relief granted subject to conditions, including that the reporting issuer will file an insider report within 10 days after the end of each month in which a repurchase of trust units occurs.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 107.

February 15, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, 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
ENERVEST ENERGY AND OIL SANDS
TOTAL RETURN TRUST (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 pursuant to the securities legislation of the Jurisdictions (the **Legislation**) that the Filer be exempted from the reporting requirement under the Legislation to file an insider report (the **Insider Report**) within 10 days of a purchase of its own security in connection with the Filer's obligation to purchase for cancellation its own trust units (the **Requested Relief**).

2. Pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the **MRRS**) established under National Policy 12-201:

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

Representations

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

4.1 The Filer is a closed-end investment trust under the laws of Alberta governed by a declaration of trust dated February 22, 2006 (the **Declaration of Trust**).

4.2 The administrator of the Filer is EnerVest Oil Sands Management Inc., a corporation incorporated under the laws of Alberta (the **Administrator**).

4.3 The head and principal office of the Filer and the Administrator is located in Calgary, Alberta.

4.4 The Filer is a reporting issuer in each of each of the Provinces of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia and Newfoundland and Labrador.

4.5 To its knowledge, the Filer is not in default of any requirements under the Legislation.

4.6 Pursuant to the Filer's Declaration of Trust, if at any time during a calendar quarter the closing market price of the Filer's trust units (**Trust Units**) is less than 95% of the latest published net asset value per Trust Unit, the Filer is obligated to purchase for cancellation any Trust Units offered in the market at the prevailing market closing price up to a maximum amount in any calendar quarter of 1.25% of the number of Trust Units outstanding at the beginning of that calendar quarter.

4.7 The Filer's intention to purchase for cancellation its own Trust Units in accordance with the Declaration of Trust has been publicly disclosed on numerous occasions, including in the Filer's preliminary prospectus dated February 23, 2006, in its final prospectus dated March 31, 2006, in the marketing of the Filer's initial public offering to potential investors and in the filing of the Declaration of Trust on SEDAR pursuant to National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* (*NI 13-101*) .

4.8 The Filer, as an insider under the Legislation, must file an Insider Report within 10 days of each purchase of its own Trust Units.

4.9 As the Filer is purchasing Trust Units for cancellation on a regular basis, the constant filing of Insider Reports to reflect the purchase of Trust Units and their cancellation would be confusing to the public and potential investors and unduly onerous and burdensome for the Filer.

4.10 National Instrument 55-101 *Insider Reporting Exemptions* (**NI 55-101**) provides for exceptions to the requirement to file an Insider Report to reflect a change in direct or indirect beneficial ownership of or control over securities of a reporting issuer within 10 days of the date such change takes place, including a reporting exemption in Part 6 for an issuer acquiring securities of its own issue under a normal course issuer bid.

4.11 The obligation of the Filer to purchase for cancellation its own Trust Units is comparable to a normal course issuer bid as the Filer is acquiring securities of its own issue to a maximum in any calendar quarter of 1.25% of the number of Trust Units outstanding at the beginning of that calendar quarter.

4.12 The Filer wishes to be permitted to file an Insider Report within 10 days after the end of the month in which the purchase and cancellation of Trust Units by the Filer occurred, rather than being required to file an Insider Report within 10 days after each such purchase and cancellation.

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 pursuant to the Legislation is that the Requested Relief is granted, provided that:

6.1 the relief shall only relieve the Filer, as an insider of the Filer, from its obligation under the Legislation to report its purchase and cancellation of its own Trust Units pursuant to its Declaration of Trust within 10 days of the date the purchase and cancellation takes place, and will not apply to any other insider transaction of the Filer;

6.2 the purchase and cancellation of Trust Units by the Filer will be carried out in accordance with the terms and conditions of the Declaration of Trust;

6.3 the Filer remains the direct and beneficial owner of the Trust Units between the date of purchase from unitholders and the date the Trust Units are cancelled;

6.4 the Filer files an Insider Report, disclosing each acquisition of Trust Units by it under the Declaration of Trust, within 10 days of the end of the month in which the purchase of Trust Units by the Filer occurred;

6.5 the Filer remains a reporting issuer in each of the Jurisdictions and remains an electronic filer under NI 13-101; and

6.6 the Filer continues to comply with all other continuous disclosure and insider reporting requirements under the Legislation and files all other documents required to be filed by the Legislation.

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

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

2.2 Orders

2.2.1 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, AND MATTHEW NOAH COLEMAN

ORDER

WHEREAS on March 11, 2005 the Commission issued a Notice of Hearing pursuant to section 127 of the Securities Act (the "Act") in respect of trading in the shares of Visa Gold Explorations Inc.;

AND WHEREAS on March 11, 2005, Staff of the Commission filed a Statement of Allegations;

AND WHEREAS on September 25, 2006, Staff of the Commission filed an Amended Statement of Allegations;

AND WHEREAS on March 14, 2007, Staff of the Commission filed an Amended Amended Statement of Allegations dated March 7, 2007;

AND WHEREAS on March 26, 2007, Staff of the Commission filed an Amended Amended Amended Statement of Allegations;

AND WHEREAS Derek Reid entered into a Settlement Agreement dated March 30, 2007 (the "Settlement Agreement") in relation to the matters set out in the Amended Amended Amended Statement of Allegations;

AND WHEREAS the Commission issued a Notice of Hearing dated March 30, 2007 indicating that it proposed to consider the Settlement Agreement;

UPON reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations, and upon considering submissions of legal counsel for the Respondent and from Staff of the Commission;

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

IT IS HEREBY ORDERED, PURSUANT TO SECTIONS 127 AND 127.1 OF THE ACT, THAT:

(a) the Settlement Agreement is hereby approved;

(b) that the Respondent's registration will be restricted permanently to acting as a trader for a registered dealer in good standing, subject to the further restrictions set out in paragraph (c) below.

For greater certainty, the Respondent will not act as a salesperson or as a registered representative for client accounts in the future;

(c) trading, directly or indirectly, in any securities by the Respondent, for his own account or for the account of others, will cease for a period of 6 months, from the date of this Order. Thereafter, for a period of 5 years from the date of this Order, the Respondent's trading will be restricted as follows:

(1) the Respondent will be permitted to trade in securities on behalf of a registered dealer who provides Staff of the Commission with an undertaking to supervise the Respondent's trading activities, with the following restrictions:

(A) the Respondent will be permitted to act as an agent to input orders for client trades entered on behalf of retail clients by Registered Representatives at the registered dealer;

(B) The Respondent will be permitted to act as an agent to input orders for Toronto Stock Exchange or TSX Venture Exchange trades on behalf of 6 U.S. brokerage firms, which have been disclosed to Staff of the Commission, or any further U.S. brokerage firms that are disclosed to, and approved by, the Manager of Surveillance of the Commission;

(C) the Respondent will not be permitted to apply to be a specialist or market maker for any publicly traded security;

(D) the Respondent will be permitted to conduct trading in a firm inventory account at the registered dealer, provided that the securities:

(i) are debt instruments that cannot be converted (directly or indirectly) into shares;

(ii) are listed on the Toronto Stock Exchange, TSX Venture Exchange, NASDAQ, Amex and New York Stock Exchange;

(iii) are not exempt securities for purposes of the Ontario Securities Act; or

(iv) are securities in which the Respondent and the registered dealer, in the aggregate, do not hold an interest of 10% or more;

(2) the Respondent will be permitted trade in securities in one RRSP and one non-RRSP account, which he will identify in writing to the Staff of the Commission and, in those accounts, the Respondent will be permitted to trade in securities described in paragraph (1)(D)(i) to (iv) above;

(d) the Respondent will be permitted to exercise warrants for two securities currently held in broker warrant accounts, and to sell those securities, which he has identified in writing to Staff of the Commission;

(e) subject to being permitted to trade as contemplated by paragraphs (c) and (d) above, any exemptions contained in Ontario securities law do not apply to the Respondent for a period of 5 years from the date of this Order;

(f) that the Respondent will not act as an officer or director of any reporting issuer or registrant for a period of 5 years from the date of this Order;

(g) that the Respondent shall disgorge to the Commission the amount of $27,694.00 for allocation to or for the benefit of third parties pursuant to s. 3.4(2)(b) of the Act, and if such disgorgement is not paid within 2 years from the date of this Order, the 5 year trading restriction referred to in paragraph (c) above shall be extended to April 3, 2014; and

(h) that the Respondent will contribute to the Commission's costs of its investigation, in the amount of $10,000.

Dated at Toronto, Ontario this 3rd day of April, 2007

"Suresh Thakrar"

"Carol S. Perry"

"James E.A. Turner"

2.2.2 Frigate Ventures LP - s. 218 of the Regulation

Headnote

Application to the Commission for an order, pursuant to section 218 of Regulation 1015 of the Securities Act (Ontario), that the requirement in section 213 of the Regulation, which provides that a registered dealer that is not an individual must be a company incorporated, or a person formed or created, under the laws of Canada or a province or territory of Canada, shall not apply to the Applicant. Although the Applicant is not registered as a dealer in its home jurisdiction, it is registered as an adviser both in its home jurisdiction as well as in Ontario. The order imposes only those terms and conditions typically applicable to a non-resident limited market dealer that are not also imposed by virtue of the Applicant's registration as an adviser registered in Ontario.

Applicable Statutes

Ontario Regulation 1015, R.R.O. 1990, ss. 213, 218.

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

AND

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

AND

IN THE MATTER OF
FRIGATE VENTURES LP

ORDER
(Section 218 of the Regulation)

UPON the application (the **Application**) of Frigate Ventures LP (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for an order, pursuant to section 218 of the Regulation, exempting the Applicant from the requirement in section 213 of the Regulation that the Applicant be incorporated, or otherwise formed or created, under the laws of Canada or a province or territory of Canada, for the Applicant to be registered under the Act as a dealer in the category of limited market dealer;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a limited partnership formed under the laws of the State of Texas in the United States. The head office of the Applicant is located in Dallas, Texas.

2. The Applicant is registered as an investment adviser with the State Securities Board of Texas in the United States.

3. The Applicant will be registered as an adviser in the category of investment counsel and portfolio manager under the Act.

4. The Applicant has applied to the Commission for registration under the Act as a dealer in the category of limited market dealer.

5. The Applicant proposes, as a limited market dealer, to primarily offer privately placed securities to accredited investors in Ontario pursuant to the registration and the prospectus exemptions contained in National Instrument 45-106 *Prospectus and Registration Exemptions*.

6. Section 213 of the Regulation provides that a registered dealer that is not an individual must be a company incorporated, or a person formed or created, under the laws of Canada or a province or territory of Canada.

7. The Applicant is not resident in Canada and does not require a separate Canadian company to carry out its proposed limited market dealer activities in Ontario. It is more efficient and cost-effective to carry out those activities through the existing company.

8. Without the relief requested the Applicant would not meet the requirements of the Regulation for registration as a dealer in the category of limited market dealer as it is not a company incorporated, or a person formed or created, under the laws of Canada or a province or territory of Canada.

AND UPON being satisfied that to make this order would not be prejudicial to the public interest;

IT IS ORDERED THAT, pursuant to section 218 of the Regulation, and in connection with the registration of the Applicant as a dealer under the Act in the category of limited market dealer, section 213 of the Regulation shall not apply to the Applicant for a period of three years, provided that:

1. The Applicant maintains its registration under the Act as an adviser in the categories of investment counsel and portfolio manager.

2. The Applicant shall provide to each client resident in Ontario a statement in writing disclosing the non-resident status of the Applicant, the Applicant's jurisdiction of residence, the name and address of the agent for service of process of the Applicant in Ontario, and the nature of risks to clients that legal rights may not be enforceable.

3. The Applicant will inform the Director immediately upon the Applicant becoming aware:

(a) of its registration in any jurisdiction not being renewed or being suspended or revoked; or

(b) that it is the subject of an investigation or disciplinary action by any financial services or securities regulatory authority or self-regulatory authority; or

(c) that the registration of its salespersons or general partners who are registered in Ontario have not been renewed or have been suspended or revoked in any Canadian or foreign jurisdiction; or

(d) that any of its salespersons or general partners who are registered in Ontario are the subject of an investigation or disciplinary action by any financial services or securities regulatory authority or self-regulatory authority in any Canadian or foreign jurisdiction.

4. The Applicant will not have custody of, or maintain customer accounts in relation to securities, funds, and other assets of clients resident in Ontario.

March 26, 2007

"Wendell S. Wigle"

"Suresh Thakrar"

2.2.3 Hollinger Inc. et al.

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

AND

HOLLINGER INC., CONRAD M. BLACK,
F. DAVID RADLER, JOHN A. BOULTBEE,
AND PETER Y. ATKINSON

ORDER

WHEREAS on March 18, 2005 the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act") accompanied by a Statement of Allegations issued by Staff of the Commission ("Staff") with respect to Hollinger Inc. ("Hollinger"), Conrad M. Black ("Black"), F. David Radler ("Radler"), John A. Boultbee ("Boultbee") and Peter Y. Atkinson ("Atkinson") (collectively, the "Respondents");

AND WHEREAS the matter was set down for a hearing to commence on Wednesday, May 18, 2005;

AND WHEREAS the Commission granted a request for adjournment of this proceeding on consent of Staff and counsel for the Respondents from Wednesday, May 18, 2005 to Monday, June 27, 2005 in its Order dated May 10, 2005;

AND WHEREAS on June 27, 2005, the Commission granted a further request for adjournment of this proceeding on consent of Staff and counsel for the Respondents from Monday, June 27, 2005 to Tuesday, October 11, 2005 in its Order dated June 27, 2005;

AND WHEREAS the Commission held a contested hearing on October 11 and November 16, 2005, to determine the appropriate date for a hearing on the merits of the above matter;

AND WHEREAS on January 24, 2006, the Commission issued its Reasons and Order setting down the matter for a hearing on the merits commencing June 2007, subject to each of the individual respondents agreeing to execute an Undertaking to the Commission to abide by interim terms of a protective nature within 30 days of that Decision;

AND WHEREAS following the Reasons and Order dated January 24, 2006, all the individual respondents provided Undertakings in a form satisfactory to the Commission;

AND WHEREAS on March 30, 2006, the Commission issued an order with attached Undertakings provided by the individual respondents in a form satisfactory to the Commission, and ordered, among other things, that the hearing on the merits commence on Friday, June 1, 2007 at 9:30 a.m., or as soon thereafter as may be fixed by the Secretary to the Commission and agreed to by the parties;

AND WHEREAS Staff and the respondents have agreed to schedule the hearing on the merits for the following dates: Monday, November 12, 2007 to Friday, December 14, 2007 and Monday, January 7, 2008 to Friday, February 15, 2008;

AND WHEREAS the individual Respondents have provided Amended Undertakings in a form satisfactory to the Commission which are attached to this Order, and which include the interim terms in the Undertakings attached to the Order of the Commission made on March 30, 2006, and the additional term that the individual respondents agree to cease all trading in and all acquisitions of securities of Hollinger Inc., whether direct or indirect:

IT IS ORDERED THAT:

1. This matter is set down for a hearing on the merits for dates commencing on Monday, November 12, 2007 at 10:00 a.m. through to Friday, December 14, 2007, and Monday, January 7, 2008 at 10:00 a.m. to Friday, February 15, 2008, or such other dates as may be fixed by the Secretary to the Commission and agreed to by the parties, for as many consecutive days as possible thereafter to conclude the hearing, including final arguments.

DATED at Toronto this 4th day of April, 2007

“Lawrence E. Ritchie”

IN THE MATTER OF
HOLLINGER INC., CONRAD M. BLACK,
R. DAVID RADLER, JOHN A. BOULTBEE,
AND PETER Y. ATKINSON

AMENDED UNDERTAKING TO THE
ONTARIO SECURITIES COMMISSION

I, Conrad M. Black, am a Respondent to a Notice of Hearing dated March 18, 2005 (the "Notice of Hearing") issued by the Ontario Securities Commission. I undertake to the Ontario Securities Commission (the "Commission"), that pending the Commission's final decision on liability and sanctions in the proceeding commenced by the Notice of Hearing against me, or an Order of the Commission releasing me from this undertaking or aspects of the undertaking following an application made by me, I agree to refrain from:

A. (i) acting or becoming an officer or director of a "reporting issuer" or "affiliated company" of a reporting issuer, as these terms are defined in the *Securities Act* (Ontario) (the "Act"), and in particular, subsections 1(1) and 1(1.1) of the Act, respectively, with the exception that I am permitted to act as an officer or director of Conrad Black Capital Corporation during the time in which The Ravelston Corporation Limited, Ravelston Management Inc., Argus Corporation Limited, 509643 N.B. Inc., 509644 N.B. Inc., 509645 N.B. Inc., 509646 N.B. Inc. and 509647 N.B. Inc. (the "Companies") are subject to receivership pursuant to the Receivership Orders made by the Honourable Mr. Justice Farley dated April 20, 2005 and May 18, 2005;

(ii) applying to become a "registrant" or from being an employee, director or officer of a registrant or an affiliated company of a registrant, as that term is defined in the Act; and

(iii) engaging directly or indirectly in the solicitation of investment funds from the general public.

B. I further agree to cease all trading in and all acquisitions of securities of Hollinger Inc., whether direct or indirect.

C. I will notify forthwith, in writing, the Secretary's Office, OSC counsel and counsel for the Respondents in the event that there is any change in Mr. Greenspan's schedule in relation to the trials referred to in Mr. White's affidavit sworn October 28, 2005.

_____ _____
Witness Conrad M. Black

Date: Date:

Acknowledged as Received by,

_____
John Stevenson, Secretary to the
Ontario Securities Commission

**IN THE MATTER OF HOLLINGER INC.,
CONRAD M. BLACK, R. DAVID RADLER,
JOHN A. BOULTBEE, AND PETER Y. ATKINSON**

**UNDERTAKING TO THE
ONTARIO SECURITIES COMMISSION**

I, F. David Radler, am a Respondent to a Notice of Hearing dated March 18, 2005 (the “Notice of Hearing”) issued by the Ontario Securities Commission. I undertake to the Ontario Securities Commission (the “Commission”), that pending the Commission’s final decision on liability and sanctions in the proceeding commenced by the Notice of Hearing against me, or an Order of the Commission releasing me from this undertaking or aspects of the undertaking, I agree to refrain from:

A. (i) acting or becoming an officer or director of a "reporting issuer" or "affiliated company" of a reporting issuer, as these terms are defined in the *Securities Act* (Ontario) (the "Act"), and in particular, subsections 1(1) and 1(1.1) of the Act, respectively;

(ii) applying to become a "registrant" or from being an employee, director or officer of a registrant or an affiliated company of a registrant, as that term is defined in the Act; and

(iii) engaging directly or indirectly in the solicitation of investment funds from the general public.

B. I agree to cease all trading in and all acquisitions of securities of Hollinger Inc., whether direct or indirect.

_____ _____

Witness F. David Radler

Date: Date:

Acknowledged as Received by,

_____

John Stevenson, Secretary to the
Ontario Securities Commission

IN THE MATTER OF
HOLLINGER INC., CONRAD M. BLACK,
R. DAVID RADLER, JOHN A. BOULTBEE,
AND PETER Y. ATKINSON

AMENDED UNDERTAKING TO THE
ONTARIO SECURITIES COMMISSION

I, John A. Boultbee, am a Respondent to a Notice of Hearing dated March 18, 2005 (the "Notice of Hearing") issued by the Ontario Securities Commission. I undertake to the Ontario Securities Commission (the "Commission"), that pending the Commission's final decision on liability and sanctions in this proceeding commenced by the Notice of Hearing against me, or an Order of the Commission releasing me from this undertaking or aspects of the undertaking, I agree to refrain from:

A. (i) acting or becoming an officer or director of a "reporting issuer" or "affiliated company" of a reporting issuer, as these terms are defined in the *Securities Act* (Ontario) (the "Act"), and in particular, subsections 1(1) and 1(1.1) of the Act, respectively;

(ii) applying to become a "registrant" or from being a director or officer of a registrant or an affiliated company of a registrant, as that term is defined in the Act;

(iii) becoming an employee of a registrant or an affiliated company of a registrant, as this term is defined in the Act, without first notifying OSC Staff and seeking Commission approval of same; and

(iv) engaging directly or indirectly in the solicitation of investment funds from the general public; and

B. I agree to cease all trading in and all acquisitions of securities of Hollinger Inc., whether direct or indirect.

_____ _____
Witness John A. Boultbee

Date: Date:

Acknowledged as Received by,

_____
John Stevenson, Secretary to the
Ontario Securities Commission

IN THE MATTER OF
HOLLINGER INC., CONRAD M. BLACK,
R. DAVID RADLER, JOHN A. BOULTBEE,
AND PETER Y. ATKINSON

AMENDED UNDERTAKING TO THE
ONTARIO SECURITIES COMMISSION

I, Peter Y. Atkinson, am a Respondent to a Notice of Hearing dated March 18, 2005 (the "Notice of Hearing") issued by the Ontario Securities Commission. I undertake to the Ontario Securities Commission (the "Commission"), that pending the Commission's final decision on liability and sanctions in the proceeding commenced by the Notice of Hearing against me, or an Order of the Commission releasing me from this undertaking or aspects of the undertaking, I agree to refrain from:

A. (i) acting or becoming an officer or director of a "reporting issuer" or "affiliated company" of a reporting issuer, as these terms are defined in the *Securities Act* (Ontario) (the "Act"), and in particular, subsections 1(1) and 1(1.1) of the Act, respectively;

(ii) applying to become a "registrant" or from being an employee, director or officer of a registrant or an affiliated company of a registrant, as that term is defined in the Act;

(iii) engaging directly or indirectly in the solicitation of investment funds from the general public; and

B. I agree to cease all trading in and all acquisitions of securities of Hollinger Inc., whether direct or indirect.

_____ _____
Witness Peter Y. Atkinson

Date: Date:

Acknowledged as Received by,

_____
John Stevenson, Secretary to the
Ontario Securities Commission

2.2.4 Global Alpha Capital Management Ltd. and Connor, Clark & Lunn Global Absolute Return Strategy Fund

Headnote

Mutual fund in Ontario (non-reporting issuer) granted an extension of the annual financial statement filing deadline as substantially invested in offshore hedge funds for which audited financial information not available until 180 days after year end.

Rules Cited

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 2.2, 5.1(2).

IN THE MATTER OF
NATIONAL INSTRUMENT 81-106
INVESTMENT FUND CONTINUOUS DISCLOSURE

AND

IN THE MATTER OF
GLOBAL ALPHA CAPITAL MANAGEMENT LTD.
(the Applicant)

AND

IN THE MATTER OF
CONNOR, CLARK & LUNN GLOBAL ABSOLUTE RETURN STRATEGY FUND
(the Fund)

ORDER

Background

The Ontario Securities Commission received an application from the Applicant, on behalf of the Fund, for a decision pursuant to section 17.1 of National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106) exempting the Fund from:

(a) the requirement in section 2.2 of NI 81-106 that the Fund file its audited annual financial statements on or before the 90th day after its most recently completed financial year (the Filing Deadline); and

(b) the requirement in subsection 5.1(2) of NI 81-106 that the Fund deliver its audited annual financial statements to securityholders by the Filing Deadline (the Delivery Requirement).

Representations

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

1. The Applicant is a corporation incorporated under the laws of Canada.

2. The Applicant is registered as an investment counsel and portfolio manager and as a limited market dealer under the *Securities Act* (Ontario) (the Act).

3. The Fund is an open-ended mutual fund trust established under the laws of Ontario and is offered to investors pursuant to exemptions from the prospectus requirement under the Act. The Fund has a year-end of December 31 in each year.

4. The Fund's investment objective is to earn a positive and absolute attractive risk adjusted return over the long term while demonstrating low correlation with, and lower volatility than, traditional equity markets by investing in an actively managed portfolio of hedge funds (the Hedge Funds) managed by independent portfolio managers.

5. The Hedge Funds have varying financial year-ends and are subject to a variety of financial reporting deadlines. For example, some of the Hedge Funds are governed by the laws of the Cayman Islands which permit the financial statements to be sent within 180 days of the financial year end of the Hedge Fund.

6. The auditors will not provide their audit opinion on the financial statements of the Hedge Funds until the audited financial statements of Hedge Funds representing a significant majority of Hedge Funds that constitute a material portion of the net asset value of the Fund are available to them.

7. As the number of Hedge Funds in which the Fund invests changes according to the size of the Fund and according to the investment decisions of GACML, GACML can never be guaranteed that it will receive the audited financial statements of a Hedge Fund in advance of the Filing and Delivery Deadline for the Fund's audited financial statements in any year. Based on discussions with auditors and others, GACML believes that this will be a recurring problem in each financial year.

8. Section 2.2, and subsection 5.1(2) of NI 81-106 require the Fund to file and deliver its annual audited financial statements by March 31, 2007.

9. The Fund will not be able to meet the Filing Deadline and will not be able to comply with the Delivery Requirement.

10. The Fund will notify unitholders that it has received and intends to rely on relief from the Filing Requirement and the Delivery Requirement.

11. The Fund will include a note in the Offering Memorandum of the Fund that it has received and

intends to rely on relief from the Filing Requirement and the Delivery Requirement.

Order

The Director is satisfied that it would not be prejudicial to the public interest to grant the requested relief and orders that the Fund is exempt from the requirement to file its annual audited financial statements by the Filing Deadline and from the Delivery Requirement, provided that the audited annual financial statements are filed and delivered within 180 days of the Fund's financial year end.

Nothing in this Order precludes the Fund from relying on the exemption contained in section 2.11 of NI 81-106 provided the Fund's audited annual financial statements are delivered to unitholders within the time period specified above.

April 2, 2007

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

2.2.5 X and Y - s. 17

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

AND

IN THE MATTER OF
X AND Y

ORDER
(Section 17 of the Securities Act)

WHEREAS an application (the "Application") has been made by the Applicants, for an order pursuant to subsection 17(1) of the Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act"), authorizing the Applicants to use and disclose testimonial and documentary evidence of persons identified as A, B, C, D, E, F, G, H, I and J (the "Respondents") that was obtained by Staff of the Ontario Securities Commission ("Staff") under an order of the Ontario Securities Commission (the "Commission") made pursuant to section 11 of the Act, in order to provide the Applicants with the ability to make full answer and defence to criminal charges against them in the United States (the "U.S. Criminal Proceeding");

AND WHEREAS the Applicants are the subject of a Commission proceeding in Ontario, (the "Commission Proceeding"), commenced by a Notice of Hearing by the Commission pursuant to sections 127 and 127.1 of the Act, and accompanied by a Statement of Allegations issued by Staff;

AND WHEREAS the specific materials that are the subject of the Application are transcripts of examinations conducted under section 13 of the Act, documents that were the subject of the examinations, and documents produced at these examinations (the "Evidence");

AND WHEREAS the Commission heard the Application at a hearing held in camera on January 10 and 11, 2007;

AND WHEREAS the Commission considered the written and oral submissions of the Applicants, the written and oral submissions of the Respondents (except for Respondent H), and the written and oral submissions of Staff;

AND WHEREAS reasons and decisions of the Commission under section 17 of the Act are usually treated as confidential;

AND WHEREAS the Commission released its Confidential Reasons and Decision (the "Reasons") on February 7, 2007;

AND WHEREAS in a memorandum dated February 7, 2007 accompanying the Reasons, the Secretary to the Commission indicated that the Panel

wished to publish a redacted version of the Reasons and directed the parties to exchange comments for redacting the Reasons amongst themselves;

AND WHEREAS counsel for some of the parties to this Application have objected to the release of a redacted version of the Reasons on the ground that it would cause prejudice to the parties' ability to make full answer and defence in the U.S. Criminal Proceeding;

AND WHEREAS the Commission held a hearing in camera on April 3, 2007, on notice to all of the Respondents, to consider the written and oral submissions of the Applicants, the Respondent I and Staff in relation to the publication of the Commission's Reasons;

AND WHEREAS counsel for the Applicants, the Respondent I and Staff have agreed to the publication of a synopsis of the Reasons (the "Summary") attached as Schedule A to this Order, subject to the following terms:

(i) the full Reasons will be published at the completion of the U.S. Criminal Proceeding (i.e., the completion of the U.S. criminal trial, and for greater clarity, all matters up to the sentencing process, if any); and

(ii) further application to the Commission may be made at any time, including prior to the completion of the U.S. Criminal Proceeding, on notice to counsel for the Applicants and Respondent I, for an order for publication of the full Reasons or a redacted version of the Reasons.

AND WHEREAS the Commission has considered the submissions of the parties and is satisfied that this Order is in the public interest by providing transparency as to the existence of the Reasons while ensuring that the concerns raised by counsel for some of the parties to the Application are addressed;

IT IS ORDERED THAT the Commission will issue the Summary for immediate publication, subject to the following terms:

(i) the full Reasons will be published at the completion of the U.S. Criminal Proceeding (i.e., the completion of the U.S. criminal trial, and for greater clarity, all matters up to the sentencing process, if any); and

(ii) further application to the Commission may be made at any time, including prior to the completion of the U.S. Criminal Proceeding, on notice to counsel for the Applicants and Respondent I, for an order for publication of the full Reasons or a redacted version of the Reasons.

DATED at Toronto this 10th day of April, 2007.

"Patrick J. LeSage"

"Wendell S. Wigle"

"Carol S. Perry"

Schedule A

Synopsis of Confidential Reasons and Decision of the Ontario Securities Commission in respect of an application brought under section 17(1) of the *Securities Act* (Ontario)

On February 7, 2007, the Commission dismissed an application brought by persons under s. 17(1) of the *Securities Act* (the "Act") to use compelled information, including compelled testimony of witnesses and documents (the "Evidence"), obtained by OSC Staff pursuant to an Investigation Order under s. 11 of the Act for a collateral purpose (i.e. for a purpose other than to make full answer and defence to OSC Staff allegations in a proceeding before the Commission). The applicants (who are not persons responsible for criminal law enforcement or regulators) requested an order of the Commission authorizing use of the Evidence in a pending U.S. criminal proceeding subject to certain terms and conditions. The Evidence was obtained from certain parties, including an accused in the U.S. criminal proceeding, pursuant to the Investigation Order under s. 11 of the Act.

Submissions were considered from counsel for the applicants, counsel for the parties and Staff of the Commission in an in camera hearing on notice to interested parties. The Commission denied the application, with the exception of granting limited relief to permit use of certain documents in the U.S. criminal proceeding, subject to terms and conditions. The party that had produced these documents received notice of the application and did not oppose the requested relief.

It is anticipated that the full Reasons and Decision will not be published until the completion of the trial of the U.S. criminal proceeding, subject to any application that may be made regarding the need for publication to address matters raising similar issues in proceedings before the Commission or the Courts.

2.2.6 Hollinger Inc. - s. 144

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

AND

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

ORDER
(Section 144)

WHEREAS on April 30, 2004, the Applicant made an application to the Ontario Securities Commission (the "**Commission**") under OSC Policy 57-603 - *Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements* (the "**MCTO Policy**") requesting that a Management and Insider Cease Trade Order be issued as an alternative to an issuer cease trade order;

AND WHEREAS on May 18, 2004, the Commission ordered that certain directors, officers or insiders of the Applicant since September 30, 2003 who had, or may have had, access to material information regarding the Applicant since September 30, 2003, temporarily cease trading in any securities of the Applicant (subject to certain exceptions) (the "**Temporary Order**"), for a period of 15 days from the date of the Temporary Order, and that a hearing would be held to determine if it would be in the public interest to make a final order;

AND WHEREAS on June 1, 2004, the Commission ordered that certain directors, officers or insiders of the Applicant since September 30, 2003 who had, or may have had, access to material information with respect to the Applicant since September 30, 2003 who were the subject of the Temporary Order cease trading, directly or indirectly, in any securities of the Applicant (subject to certain exceptions) for a period of two full business days following the receipt by the Commission of all filings which the Applicant is required to make pursuant to Ontario securities law (the "**Initial MCTO**");

AND WHEREAS (i) on each of March 8, 2005 and April 28, 2006, the Commission varied the Initial MCTO to reflect certain changes to the class of persons and companies who are officers, directors or insiders of the Applicant since the date of the Initial MCTO and (ii) on August 10, 2005 the Commission varied the Initial MCTO to permit certain trades in shares of the Applicant in respect of the possible attachment and perfection of a security interest in such shares (the Initial MCTO, as so varied, the "**MCTO**");

AND WHEREAS the Applicant has made an application (the "**Application**") pursuant to section 144 of the Act to revoke the MCTO;

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a corporation continuing from an amalgamation under the *Canada Business Corporations Act* and its principal and registered office is located at 10 Toronto Street, Toronto, Ontario, M5C 2B7. The Applicant is a reporting issuer (or its equivalent) in each of the provinces and territories of Canada that recognizes such concept and is a foreign private issuer in the United States.

2. As at March 1, 2007, the Applicant's issued and outstanding share capital consisted of 34,945,776 Common Shares and 1,701,995 Exchangeable Non-Voting Preference Shares Series I (the "**Series II Preference Shares**").

3. The outstanding Common Shares and Series II Preference Shares are listed on the Toronto Stock Exchange under the symbols "HLG.C" and "HLG.PR.B", respectively.

4. Prior to March 7, 2007, the Applicant had not filed interim financial statements and interim management discussion & analysis related thereto since its interim financial statements for the nine-month period ended September 30, 2003 and had not filed annual audited financial statements and management discussion and analysis related thereto or an annual information form since the year ended December 31, 2002.

5. The Applicant has complied with Part 3 of the MCTO Policy and until March 7, 2007 provided bi-weekly updates on its affairs and progress with respect to remedying its continuous disclosure defaults by way of press release.

6. On September 1, 2006, the Applicant submitted an MRRS application requesting exemptive relief to facilitate the efficient curing of the Applicant's reporting defaults and to restore it as a reporting issuer in good standing.

7. On December 7, 2006, the Applicant received an MRRS decision (the "**December MRRS Decision**") from, among others, the Commission, granting the Applicant relief from certain filing requirements under applicable securities legislation, provided the Applicant filed with the applicable securities regulatory authorities certain continuous disclosure documents (collectively, the "**Required Filings**") on or before March 7, 2007, prepared as described in the December MRRS Decision.

8. On January 26, 2007, the Applicant announced that it had set May 7, 2007 as the date of the Applicant's annual meeting of shareholders.

9. On March 7, 2007, the Applicant made the Required Filings on the System for Electronic Document Analysis and Retrieval.

10. The Applicant has paid all outstanding fees in respect of the Required Filings in Ontario and each of the other jurisdictions in which it is a reporting issuer or the equivalent.

11. The Applicant acknowledges that the Required Filings made in accordance with the December MRRS Decision do not include certain of the Applicant's historical continuous disclosure documents, including:

    (a) unaudited interim financial statements and related interim management discussion & analysis for the interim periods from March 31, 2004 to September 30, 2005; and

    (b) annual information forms for the financial years ended December 31, 2003 and 2004;

    however, the Applicant submits that the filing of such historical disclosure documents would in large part repeat the information contained in the Required Filings and that the Required Filings include all financial and other material information needed for investor understanding of the Applicant.

AND WHEREAS the Commission considered the Application, the oral submissions of the Applicant, and the written and oral submissions of Staff of the Commission;

AND WHEREAS the Commission is of the opinion that it would not be prejudicial to the public interest to make this Order;

IT IS ORDERED, pursuant to section 144 of the Act, that the MCTO be and is hereby revoked.

DATED at the City of Toronto, this 10th day of April, 2007.

"Wendell S. Wigle"
Ontario Securities Commission

"David L. Knight"
Ontario Securities Commission

"Carol S. Perry"
Ontario Securities Commission

Schedule "A"

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

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

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

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

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 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

SETTLEMENT AGREEMENT BETWEEN
DEREK REID and STAFF OF THE
ONTARIO SECURITIES COMMISSION

I. INTRODUCTION

1. By Notice of Hearing dated March 30, 2007, the Commission announced that it proposed to hold a hearing to consider whether, pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5 (the "*Act*"), it is in the public interest for the Commission to make an order approving the settlement agreement entered into between Staff of the Commission and the respondent Derek Reid.

II. JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") recommend settlement with Derek Reid (also referred to hereafter as the "Respondent") in accordance with the terms and conditions set out below. The Respondent agrees to the settlement on the basis of the facts set out in Part III herein and consents to the making of an Order in the form attached as Schedule "A" on the basis of the facts set out in Part III herein.

3. The terms of this settlement agreement, including the attached Schedule "A" (collectively, the "Settlement Agreement") will be released to the public only if and when the Settlement Agreement is approved by the Commission.

III. AGREED FACTS

4. For the purposes of this settlement agreement only, the Respondent agrees with the facts set out in this Part III.

(a) Background

5. Visa Gold Explorations Inc. ("Visa Gold") was a reporting issuer that was involved in the recovery of underwater artefacts. Trading in Visa Gold's shares was first reported on the Canadian Dealing Network ("CDN") on August 25, 1999. Visa Gold common shares traded over the counter and were quoted on the CDN until October 10, 2000, when Visa Gold shares began trading on the CDNX. Visa Gold shares continued to trade on the CDNX until December 19, 2002 when trading in Visa Gold's shares was suspended. Visa Gold's shares were cease traded on May 28, 2003 and remain cease traded.

6. The respondent Robert Patrick Zuk ("Zuk") is an Ontario resident. He is a stock promoter who, to the knowledge of the Respondent, was hired by Visa Gold to generate investment interest in Visa Gold. Zuk had business and personal relationships of many years' duration with the Respondent, and referred new clients to him on an ongoing basis. The Respondent was aware that Zuk was an active trader and promoter of Visa Gold shares.

7. The respondent Derek Reid ("Reid") is 43 years old, and has been a registered representative since October 1987. Prior to commencing employment at Brant Securities in April 1998, the respondent had only acted as a trader and had never had client responsibility as a registered representative. At all material times, he was employed by Brant Securities Limited

("Brant Securities") simultaneously in the capacities of registered representative and trader. In addition to being a trader, Reid carried out the market making function on the CDN for Visa Gold on behalf of Brant Securities. The Respondent is currently registered as a salesperson at Union Securities Ltd.

8. Visa Gold originated as a privately-held company. In February 1998, Visa Gold entered into a joint venture agreement with a Cuban state-owned entity to explore historic shipwrecks and recover artefacts within Cuba's territorial waters. Visa Gold became a public company on or about August 25, 1999, and its trades were reported to the public on the CDN and subsequently, the CDNX.

(b) Client Trading Activity in Visa Gold shares

(i) Brokerage Accounts

9. In the period between August 1999 and November 2001, Visa Gold shares were traded in 11 brokerage accounts (the "Client Accounts") at Brant Securities over which the Respondent had client responsibility as registered representative. The Client Accounts included 1 in Zuk's name and 1 account in the name of a company over whose account Zuk held and exercised trading authority: Chinggis Capital Corporation Limited (collectively, the "Zuk Accounts"). The Client Accounts also included accounts in the names of the following individuals and companies: Louise Zuk (1 account), 1402185 Ontario Inc. (1 account), 1249443 Ontario Ltd. (1 account), Christine Sheehan (1 account), Wilkinson International Ltd. (1 account), Redcap Management & Consulting (1 account), Paul Frustaglio (1 account), Bruce Hodgman (1 account), and 1125590 Ontario Limited also known as Del Mar Ventures (1 account) (collectively, the "Zuk-Related Clients"). The trading in two of the Zuk-Related Client accounts was infrequent and low in volume.

10. Of the Zuk-Related Clients Accounts, Zuk gave trading instructions in the account of his wife, Louise Zuk, without a proper third party trading authorization in place. The remaining Zuk-Related Clients gave trading instructions in their respective accounts; however, from time to time, Zuk gave trading instructions in certain of those accounts without a proper third party trading authorization in place. The Respondent was aware that each of the remaining Zuk-Related Clients were related to Visa Gold or Zuk by employment or by providing investor relations services pertaining to Visa Gold.

(ii) Trading Activity in Client Accounts

11. The Respondent regularly processed trades in Visa Gold shares in the Client Accounts at or near month end. The sole purpose of those trades, which were reported in the CDN or CDN-X markets, was the elimination of debit balances that had accumulated in one or more of the Client Accounts. In the relevant period, Brant Securities required that debit balances in client accounts be cleared by the end of each month. This could be accomplished by depositing funds to pay for shares; if, however, the client was not willing or able to deposit funds, the firm would sell the shares in the open market to eliminate the debit balance. In order to avoid a sell-out of Visa Gold shares by the firm at month end, the Client Account sold the shares in order to eliminate debit balances from the Client Accounts over month end. Visa Gold shares were often purchased in one of the Client Accounts early in the next month, again creating a debit balance. By participating in this repetitive pattern in the Client Accounts, the Respondent knew that the Client Accounts were engaged in free riding or, alternatively stated, were using Brant Securities' capital to finance their trading activities in Visa Gold shares.

12. The Client Accounts were involved in hundreds of trades, which were reported to the public on the CDN or CDNX. The total volume of trading in Visa Gold shares in the Client Accounts exceeded 10 million shares on the buy side and 13 million shares on the sell side. As a registered representative, the Respondent acted for both the buying and selling accounts at Brant Securities ("Cross Trades") for 7 trades of Visa Gold shares that involved the Client Accounts. Those trades included 3 trades among the Client Accounts and two purchases by Client Accounts that resulted in High Closes[1] for Visa Gold. Because he was the registered representative for the Client Accounts and also a trader, the identity of the parties to these trades and the nature of these 7 trades was apparent to the Respondent. During the period between August 1999 and November 2001, the Respondent was involved as registered representative in 27 Uptick[2] purchases and in 10 additional purchases by a Client Account that resulted in High Closes for Visa Gold.

13. As a trader, the Respondent also effected Cross Trades of Visa Gold shares involving the Brant Securities inventory account that he operated and used to fulfill his market maker role; in particular, the Respondent sold Visa Gold stock from his firm's inventory account or bought Visa Gold shares as a trader on behalf of his firm's inventory account for 6 trades that resulted in High Closes of Visa Gold shares and a number of Uptick Trades involving the Client Accounts for which he was registered representative. In the high close trades involving the Brant Securities inventory account, the inventory account was the seller. The Respondent also entered into one trade in Visa Gold shares between his personal account and his firm's inventory account.

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1 High Close Trades are defined as entering into trades at or near the end of the trading day which result in a higher closing price for the shares.

2 Uptick Trades are defined as entering into orders to buy or sell shares at a price higher than the last reported trades.

14. The Respondent was also aware that share certificates for 580,000 Visa Gold shares were deposited into the Robert Zuk, Louise Zuk and/or Chinggis Capital Accounts in furtherance of the trading activities described herein, and that Visa Gold share certificates were also deposited into the Zuk-Related Client Accounts to further the trading in those accounts.

15. The Respondent ought to have recognized that since Zuk was acting as a stock promoter for Visa Gold, he would benefit from an increased trading price and/or the appearance of interest in Visa Gold shares that an increase in trading volume could create. Further, the Respondent ought to have been aware that the Zuk-Related Clients, by virtue of their relationships to Zuk and Visa Gold, as described above, each had a similar interest. The Respondent ought to have been aware that the trading in the Client Accounts, specifically as described in paragraphs 11 to 13, could cause a misleading appearance of the market for Visa Gold's shares.

16. The Respondent's firm was an approved market maker for Visa Gold shares, with the Respondent carrying out the daily function of market maker for Visa Gold. The function of a market-maker is to maintain liquidity and stability in the trading activity of over-the-counter shares. The trading activity described above involving clients related to the promoter and issuer was inconsistent with the expectation that the market maker be free from conflict of interest.

(iii) Market price of Visa Gold shares

17. At the commencement of public trading, the common shares of Visa Gold were trading in the range of $1.50-$1.70 per share on August 25, 1999. The stock peaked at $2.05 per share on September 9, 1999. Other than this initial price increase and a short-lived increase in February 2000, during the period when the Respondent was a market maker, the shares of Visa Gold did not increase or decline precipitously and traded within relatively narrow price bands for extended periods.

18. The Client Accounts paid Brant Securities commissions of $55,388.00, of which the Respondent earned $27,694.00 in commissions on the total trading activity in Visa Gold shares in the Client Accounts.

IV. THE RESPONDENT'S POSITION

19. The Respondent acknowledges that Zuk has admitted in this proceeding that his intention in conducting the trading in Visa Gold shares included supporting the price of Visa Gold shares and preventing the price of those shares from dropping substantially. The Respondent should have but did not recognize a repetitive pattern in respect of trading in the Client Accounts such as to make him alert to Zuk's intentions as set out above. The Respondent also did not receive any complaints from the holders of the Client Accounts, nor was he questioned by compliance at Brant Securities.

20. For his trading activities, the Respondent focused on the bid-ask spreads posted by the various market makers for Visa Gold and not on the price of the last reported trade. The Respondent realizes with hindsight that he ought to have also considered the last reported trading price and to have made more detailed inquiries of his clients.

21. The Respondent's firm, Brant Securities, permitted the debit balances to accrue in the Client Accounts, provided that the debits were resolved by the end of the month.

22. The Respondent has worked diligently with Staff of the Commission to resolve this matter without the need for a full hearing.

23. The Respondent has not previously been subject to disciplinary proceedings.

V. CONDUCT CONTRARY TO THE PUBLIC INTEREST

24. The Respondent ought to have known that the Visa Gold trades in the Client Accounts for which he was the registered representative, and the Visa Gold trades that he participated in as a trader, as described above, could create a misleading appearance as to the market for Visa Gold shares.

25. In addition, the Respondent failed in his role as a gatekeeper in the capital markets by allowing the trading described above.

26. The Respondent's conduct was contrary to the public interest.

VI. TERMS OF SETTLEMENT

27. The Respondent agrees to the following terms of settlement, to be set out in an order by the Commission pursuant to s. 127(1) of the Act, as follows:

(a) that the Respondent's registration will be restricted permanently to acting as a trader for a registered dealer in good standing, subject to the further restrictions set out in paragraph (b) below. For greater certainty, the Respondent will not act as a salesperson or as a registered representative for client accounts in the future;

(b) trading, directly or indirectly, in any securities by the Respondent, for his own account or for the account of others, will cease for a period of 6 months. Thereafter, for a period of 5 years from the date of the Order, the Respondent's trading will be restricted as follows:

(1) the Respondent will be permitted to trade in securities on behalf of a registered dealer who provides Staff of the Commission with an undertaking to supervise the Respondent's trading activities, with the following restrictions:

(A) the Respondent will be permitted to act as an agent to input orders for client trades entered on behalf of retail clients by Registered Representatives at the registered dealer;

(B) The Respondent will be permitted to act as an agent to input orders for Toronto Stock Exchange or TSX Venture Exchange trades on behalf of 6 U.S. brokerage firms, which have been disclosed to Staff of the Commission, or any further U.S. brokerage firms that are disclosed to, and approved by, the Manager of Surveillance of the Commission;

(C) the Respondent will not be permitted to apply to be a specialist or market maker for any publicly traded security;

(D) the Respondent will be permitted to conduct trading in a firm inventory account at the registered dealer, provided that the securities:

(i) are debt instruments that cannot be converted (directly or indirectly) into shares;

(ii) are listed on the Toronto Stock Exchange, TSX Venture Exchange, NASDAQ, Amex and New York Stock Exchange;

(iii) are not exempt securities for purposes of the Ontario Securities Act;

(iv) are securities in which the Respondent and the registered dealer, in the aggregate, do not hold a 10% interest;

(2) the Respondent will be permitted trade in securities in one RRSP and one non-RRSP account, which he will identify in writing to the Staff of the Commission and, in those accounts, the Respondent will be permitted to trade in securities described in paragraph (1)(D)(i) to(iv) above;

(c) the Respondent will be permitted to exercise warrants for two securities currently held in broker warrant accounts, and to sell those securities, which he has identified in writing to Staff of the Commission;

(d) subject to paragraph (b) above, any exemptions contained in Ontario securities law do not apply to the Respondent for a period of 5 years from the date of the Order;

(e) that the Respondent will not act as an officer or director of any reporting issuer or registrant for a period of 5 years from the date of the Order;

(f) that the Respondent disgorge to the Commission the amount of $27,694.00 for allocation to or for the benefit of third parties pursuant to s. 3.4(2)(b) of the Act, within 2 years of the date of this Agreement, failing which the trading restrictions set out in paragraph (b) above will continue for a further period of 2 years;

(g) that the Respondent will contribute to the Commission's costs of its investigation, in the amount of $10,000; and

(h) that the Respondent will cooperate with Staff in its investigation of trading in Visa Gold shares, including testifying as a witness for Staff at any proceedings commenced by Staff and meeting with Staff in advance of that proceeding to prepare for that testimony.

VII. STAFF COMMITMENT

28. If this Settlement Agreement is approved by the Commission, Staff will not initiate any proceeding under Ontario securities law in respect of any conduct or alleged conduct of the Respondent in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 32 below.

VIII. PROCEDURE FOR APPROVAL OF SETTLEMENT

29. Approval of this Settlement Agreement shall be sought at a hearing of the Commission on a date agreed to by Staff and the Respondent.

30. Staff and the Respondent may refer to any part, or all, of the Settlement Agreement at the Settlement Hearing. Staff and the Respondent also agree that if this Settlement Agreement is approved by the Commission, it will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter, and the Respondent agrees to waive his rights to a full hearing, judicial review or appeal of the matter under the Act.

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

32. If this Settlement Agreement is approved by the Commission and, at any subsequent time, the Respondent fails to honour any of the Terms of Settlement set out in Part VI herein, Staff reserve the right to bring proceedings under Ontario securities law against the Respondent based on, but not limited to, the facts set out in Part III of the Settlement Agreement, as well as the breach of the Settlement Agreement.

33. If, for any reason whatsoever, this Settlement Agreement is not approved by the Commission or an Order in the form attached as Schedule "A" is not made by the Commission, each of Staff and the Respondent will be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Notice of Hearing and Statement of Allegations, unaffected by this Settlement Agreement or the settlement negotiations.

34. Whether or not this Settlement Agreement is approved by the Commission, the Respondent agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any allegation against the Commission of lack of jurisdiction, bias, appearance of bias, unfairness, or any other remedy or challenge that may otherwise be available.

IX. DISCLOSURE OF AGREEMENT

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

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

X. EXECUTION OF SETTLEMENT AGREEMENT

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

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

Dated this 30th March, 2007

"Anne Paiement"
Witness

"Derek Reid"
Derek Reid

Dated this 30th day of March, 2007

STAFF OF THE ONTARIO SECURITIES COMMISSION

"Kelley McKinnon"
per: Michael Watson
Director, Enforcement Branch

Schedule A

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

AND

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

ORDER

WHEREAS on March 11, 2005 the Commission issued a Notice of Hearing pursuant to section 127 of the *Securities Act* (the "Act") in respect of trading in the shares of Visa Gold Explorations Inc.;

AND WHEREAS on March 11, 2005, Staff of the Commission filed a Statement of Allegations;

AND WHEREAS on September 25, 2006, Staff of the Commission filed an Amended Statement of Allegations;

AND WHEREAS on March 14, 2007, Staff of the Commission filed an Amended Amended Statement of Allegations, dated March 7, 2007;

AND WHEREAS on March 26, 2007, Staff of the Commission filed an Amended Amended Amended Statement of Allegations;

AND WHEREAS Derek Reid entered into a settlement agreement dated March 20, 2007 (the "Settlement Agreement") in relation to the matters set out in the Amended Statement of Allegations;

AND WHEREAS the Commission issued a Notice of Hearing dated March 21, 2007 setting out that it proposed to consider the Settlement Agreement;

UPON reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations, and upon considering submissions from Derek Reid and from Staff of the Commission;

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

IT IS HEREBY ORDERED, PURSUANT TO SECTIONS 127 AND 127.1 OF THE ACT, THAT:

(a) the Settlement Agreement dated March 20, 2007 between Staff of the Commission and Derek Reid is approved;

(b) that the Respondent's registration will be restricted permanently to acting as a trader for a registered dealer in good standing, subject to the further restrictions set out in paragraph (c) below. For greater certainty, the Respondent will not act as a salesperson or as a registered representative for client accounts in the future;

(c) trading, directly or indirectly, in any securities by the Respondent, for his own account or for the account of others, will cease for a period of 6 months. Thereafter, for a period of 5 years from the date of the Order, the Respondent's trading will be restricted as follows:

(1) the Respondent will be permitted to trade in securities on behalf of a registered dealer who provides Staff of the Commission with an undertaking to supervise the Respondent's trading activities, with the following restrictions:

(A) the Respondent will be permitted to act as an agent to input orders for client trades entered on behalf of retail clients by Registered Representatives at the registered dealer;

(B) The Respondent will be permitted to act as an agent to input orders for Toronto Stock Exchange or TSX Venture Exchange trades on behalf of 6 U.S. brokerage firms, which have been disclosed to Staff of the Commission, or any further U.S. brokerage firms that are disclosed to, and approved by, the Manager of Surveillance of the Commission;

(C) the Respondent will not be permitted to apply to be a specialist or market maker for any publicly traded security;

(D) the Respondent will be permitted to conduct trading in a firm inventory account at the registered dealer, provided that the securities:

(i) are debt instruments that cannot be converted (directly or indirectly) into shares;

(ii) are listed on the Toronto Stock Exchange, TSX Venture Exchange, NASDAQ, Amex and New York Stock Exchange;

(iii) are not exempt securities for purposes of the Ontario Securities Act;

(iv) are securities in which the Respondent and the registered dealer, in the aggregate, do not hold a 10% interest;

(2) the Respondent will be permitted trade in securities in one RRSP and one non-RRSP account, which he will identify in writing to the Staff of the Commission and, in those accounts, the Respondent will be permitted to trade in securities described in paragraph (1)(D)(i) to(iv) above;

(d) the Respondent will be permitted to exercise warrants for two securities currently held in broker warrant accounts, and to sell those securities, which he has identified in writing to Staff of the Commission;

(e) subject to paragraph (c) above, any exemptions contained in Ontario securities law do not apply to the Respondent for a period of 5 years from the date of the Order;

(f) that the Respondent will not act as an officer or director of any reporting issuer or registrant for a period of 5 years from the date of the Order;

(g) that the Respondent disgorge to the Commission the amount of $27,694.00 for allocation to or for the benefit of third parties pursuant to s. 3.4(2)(b) of the Act, within 2 years of the date of this Agreement, failing which the trading restrictions set out in paragraph (b) above will continue for a further period of 2 years;

(h) that the Respondent will contribute to the Commission's costs of its investigation, in the amount of $10,000.

Dated at Toronto, Ontario this 3rd day of April, 2007

"Suresh Thakrar"

"Carol S. Perry"

"James E.A. Turner"

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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
CIC Mining Resources Ltd.	25 Jan 07	06 Feb 07	06 Feb 07	11 Apr 07
S.C.O. Medallion Healthy Homes Ltd.	09 Apr 07	20 Apr 07		

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
DEQ Systems Corp.	05 Apr 07	18 Apr 07			
Hollinger Inc.	18 May 04	01 Jun 04	01 Jun 04	10 Apr 07	
Radiant Energy Corporation	06 Mar 07	19 Mar 07	19 Mar 07	28 Mar 07	
Sierra Minerals Inc.	04 Apr 07	17 Apr 07			
SR Telecom Inc.	05 Apr 07	18 Apr 07			

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		
CoolBrands International Inc.	30 Nov 06	13 Dec 06	13 Dec 06		
DEQ Systems Corp.	05 Apr 07	18 Apr 07			
Eurasia Gold Inc.	03 Apr 07	16 Apr 07			
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		
Hollinger Inc.	18 May 04	01 Jun 04	01 Jun 04	10 Apr 07	
IMAX Corporation	03 Apr 07	16 Apr 07			
Radiant Energy Corporation	06 Mar 07	19 Mar 07	19 Mar 07	28 Mar 07	
Research In Motion Limited	24 Oct 06	07 Nov 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
Sierra Minerals Inc.	04 Apr 07	17 Apr 07			
SR Telecom Inc.	05 Apr 07	18 Apr 07			

Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
03/22/2007 to 03/23/2007	4	Affinium Pharmaceuticals, Inc. - Common Shares	9,666,180.00	N/A
08/31/2006	1	Agile Systems Inc. - Warrants	57,000.00	57,000.00
03/30/2007	1	Alliance Mining Corp. - Units	100,000.00	N/A
03/28/2007	1	AmberCore Software Inc. - Debentures	1,300,000.00	N/A
03/19/2007	37	ART Advanced Research Technologies Inc. - Common Shares	4,569,285.00	10,879,242.00
03/20/2007	21	Artek Exploration Ltd. - Flow-Through Shares	3,360,000.00	120,000.00
03/09/2007	98	Aurcana Corporation - Units	16,000,000.00	12,800,000.00
03/21/2007	84	Australian Mineral Fields Inc. - Units	5,545,577.50	11,091,155.00
03/17/2007	4	Bayview Commercial Asset Trust 2007-CAD1 - Notes	116,950,000.00	168,610,000.00
03/22/2007	1	BE Aerospace, Inc. - Common Shares	370,624.00	10,000.00
12/18/2006	64	Belmont Resources Inc. - Common Shares	811,250.00	6,490,000.00
03/23/2007 to 03/30/2007	253	Blue Sky Uranium Corp. - Units	3,300,000.00	3,300,000.00
03/23/2007	4	Bordeaux Energy Inc. - Options	0.00	1,843,710.00
01/05/2006	2	Briar House Capital Corporation - Preferred Shares	16,800.00	16,800.00
02/10/2006 to 02/14/2006	4	Briar House Capital Corporation - Preferred Shares	146,582.00	146,582.00
03/01/2006	1	Briar House Capital Corporation - Preferred Shares	12,500.00	12,500.00
03/20/2007	25	British Columbia Ferry Services Inc. - Bonds	250,000,000.00	N/A
03/21/2007	3	Canadian Trading and Quotation System Inc. - Units	1,838,432.00	N/A
03/13/2007	67	Canasil Resources Inc. - Units	1,600,000.00	4,000,000.00
03/29/2007	14	CareVest Blended Mortgage Investment Corporation - Preferred Shares	330,909.00	330,909.00
03/29/2007 to 03/30/2007	38	CareVest First Mortgage Investment Corporation - Preferred Shares	1,299,316.00	1,299,316.00
03/27/2007	45	Carpathain Gold Inc. - Units	12,000,000.00	12,000,000.00
03/21/2007	212	Centillion Industries Inc. - Receipts	39,376,050.00	112,503,000.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
03/15/2007 to 03/20/2007	2	Clearly Canadian Beverage Corporation - Common Shares	2,926,436.20	833,000.00
03/23/2007	5	Cline Mining Corporation - Units	750,000.00	1,875,000.00
03/23/2007	33	CMC Markets Canada Inc. - Contracts for Differences	130,900.00	33.00
03/21/2007	19	Columbia Goldfields Ltd. - Common Shares	10,441,550.00	9,020,000.00
03/23/2007	27	Comaplex Minerals Corp. - Common Shares	26,700,000.00	6,000,000.00
03/22/2007	58	Connor, Clark & Lunn Global Financials Fund II - Units	3,133,800.00	313,380.00
03/01/2007	1	Daly Grove (2007) Limited Partnership - Loans	25,000.00	N/A
03/30/2007	5	Davis-Rea Ltd. Balanced Pooled Fund - Units	484,005.13	42,100.95
03/30/2007	57	DB Mortgage Investment Corporation #1 - Common Shares	11,679,000.00	11,679.00
03/26/2007	103	Diaz Resources Ltd. - Debentures	7,085,000.00	7,085.00
03/26/2007	40	Dynamite Resources Ltd. - Units	2,000,000.00	10,000,000.00
02/28/2007	21	Empire and Fovere Fund V, L.P. - Limited Partnership Units	3,430,000.00	100.00
03/23/2007	3	Endurance Gold Corporation - Units	85,000.18	369,566.00
03/20/2007	16	Endurance Gold Corporation - Units	1,476,600.00	2,080,000.00
03/30/2007	10	EUROFIMA - Units	199,870,000.00	N/A
03/23/2007	72	Excelsior Energy Ltd - Common Shares	3,089,799.80	9,293,332.00
03/23/2007	42	Exelsior Energy Ltd. - Flow-Through Shares	2,808,849.80	N/A
03/28/2007	20	Extract Resources Limited - Units	14,006,999.99	18,750,000.00
03/15/2007	2	Gafisa S.A. - Common Shares	5,046,903.56	N/A
03/30/2007	28	GBS Gold International Inc. - Notes	46,000,000.00	583,694.00
03/19/2007 to 03/23/2007	18	General Motors Acceptance Corporation of Canada, Limited - Notes	4,563,708.98	45,637.09
03/26/2007 to 03/30/2007	16	General Motors Acceptance Corporation of Canada, Limited - Notes	5,493,571.97	54,935.71
03/20/2007	1	GMO Developed World Equity Inv. PLC - Units	97,206.76	2,749.12
03/29/2007	43	Golden Dawn Minerals Inc. - Common Shares	185,062.05	2,285,285.00
03/30/2007	10	Golden Dawn Minerals Inc. - Special Warrants	285,000.00	2,025,000.00
03/22/2007	1	Goldeye Explorations Limited - Units	71,500.00	650,000.00
03/20/2007	27	Grandcru Resources Corporation - Units	753,764.80	3,768,824.00
03/23/2007	24	Great Bear Resources plc - Warrants	450,325.00	N/A

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
03/29/2007	1	ICG European Fund 2006, Limited Partnership - Limited Partnership Interest	61,760,000.00	N/A
03/23/2007	31	ImmunoVaccine Technologies Inc. - Common Shares	825,462.00	825,462.00
03/27/2007	28	Intrepid Energy Corporation - Flow-Through Shares	5,573,000.00	2,064,078.00
03/22/2007	101	Jaguar Mining Inc. - Units	86,250,000.00	86,250.00
03/20/2007	1	Jig-A-Loo World Inc. - Common Shares	1,500,000.00	1,666,667.00
03/22/2007	95	JNR Resources Inc. - Common Shares	3,386,410.00	N/A
03/27/2007	1	KBSH Enhanced Income Fund - Units	40,000.00	326.42
03/27/2007	1	KBSH Private - Canadian Equity Fund - Units	850,000.00	46,203.19
03/27/2007	1	KBSH Private - International Fund - Units	100,000.00	8,005.76
03/27/2007	1	KBSH Private - Special Equity Fund - Units	300,000.00	10,703.20
03/22/2007	3	Klondike Gold Corp. - Common Shares	20,725.00	245,000.00
03/23/2007	1	Komag Incorporated - Bonds	1,160,900.00	1,000.00
03/30/2007	3	KWG Resources Inc. - Units	42,105.00	842,100.00
03/28/2007	5	MacDonald Mines Exploration Ltd. - Units	800,000.00	8,000,000.00
03/27/2007	27	Mansfield Minerals Inc. - Common Shares	16,500,000.00	5,500,000.00
03/01/2007	4	MCAN Performance Strategies - Limited Partnership Units	4,598,921.49	N/A
03/20/2007	3	Metrus Eastern Properties Limited - Bonds	16,900,000.00	16,900,000.00
03/20/2007	3	Metrus South Properties Limited - Bonds	10,000,000.00	10,000,000.00
03/20/2007	14	Module Resources Incorporated - Units	400,000.00	2,666,666.00
03/25/2007	7	Moncoa Corporation - Units	500,000.00	2,000,000.00
03/16/2007	63	Naikun Wind Energy Group Inc. - Flow-Through Shares	3,999,999.10	N/A
03/30/2007	5	NETISTIX TECHNOLOGIES CORPORATION - Debentures	959,965.75	N/A
03/23/2007	105	New Guinea Gold Corporation - Units	4,247,250.00	10,257,190.00
03/19/2007	1	New Solutions Financial (II) Corporation - Debentures	75,392.25	1.00
04/01/2007	44	New World Lenders Corp. - Bonds	2,136,480.00	N/A
03/22/2007	22	Newport Diversified Hedge Fund - Units	943,579.25	6,877.11
03/22/2007	11	Nexient Learning Inc. - Debentures	864,101.96	N/A
03/26/2007	79	OPEL International Inc. - Units	5,852,132.00	8,336,370.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
03/21/2007	17	OptiSolar Inc. - Preferred Shares	9,085,025.04	N/A
03/23/2007	13	Paradym Ventures Inc. - Units	109,000.00	2,180,000.00
03/30/2007	95	Paramount Gold Mining Corp. - Units	25,175,694.39	10,398,496.00
02/28/2007	25	PetLynx Corporation - Common Shares	450,297.44	5,628,718.00
03/24/2007	4	Phoenix Matachewan Mines Inc. - Flow-Through Shares	1,200,000.00	8,000,000.00
03/23/2007	1	Polar Structured Products Inc. - Bonds	31,000,000.00	31,000,000.00
03/23/2007	3	Prominex Resource Corp. - Common Shares	200,000.00	N/A
03/30/2007	1	PVELOCITY INC. - Debentures	1,500,000.00	1,500,000.00
03/06/2007	1	Queen Street Entertainment Capital Inc. - Common Shares	289,847.00	750,000.00
03/28/2007	16	Reno Gold Corp. - Common Shares	225,000.00	2,250,000.00
03/29/2007	54	Resin Systems Inc. - Common Shares	35,000,000.00	35,000,000.00
03/16/2007	2	Rocket Trust - Notes	10,245,654.00	102,456.54
04/02/2007	45	Ross River Minerals Inc. - Units	808,800.00	8,088,000.00
03/29/2007	4	Savers Plus International Inc. - Common Shares	145,000.00	N/A
03/22/2007	30	Searchlight Minerals Corp. - Units	6,678,486.00	N/A
03/14/2007	33	Sigma Ventures Inc. - Common Shares	4,653,682.20	5,148,535.00
03/30/2007	2	SKETCH2 CORP - Common Shares	250,010.00	30.00
03/06/2007	1	Skye Resources Inc. - Common Shares	0.00	1,746,463.00
03/26/2007	1	SMART Trust - Notes	562,028.03	1.00
03/22/2007	54	Southhampton Ventures Inc. - Flow-Through Shares	9,454,500.00	6,000,000.00
04/01/2007	2	Stacey Investment Limited Partnership - Limited Partnership Units	50,011.80	1,230.00
03/26/2007	11	Stellarton Technologies Inc. - Common Shares	5,099,200.00	2,549,600.00
03/29/2007	22	Student Transportation of America Ltd. - Common Shares	20,016,500.00	3,010,000.00
03/30/2007	1	TCM Small Cap Growth Fund - Common Shares	4,900,000.00	N/A
03/21/2007	28	Terra Nova Gold Corp. - Units	1,275,000.00	12,750,000.00
03/14/2007	13	The Brick Group Income Fund - Notes	83,000,000.00	N/A
03/16/2007	19	Thunderbird Energy Corporation - Units	1,049,949.60	3,499,832.00
03/22/2007	36	TireStamp Inc. - Common Shares	6,471,885.77	3,388,352.00
03/27/2007	19	Titan Uranium Inc. - Units	9,000,062.50	3,272,750.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
03/13/2007	1	Trez Capital Corporation - Mortgage	300,000.00	3,000,000.00
03/29/2007	135	TriStar Oil & Gas Ltd. - Receipts	40,420,000.00	11,000,000.00
03/30/2007 to 04/02/2007	6	TrueContext Corporation - Units	1,152,890.00	N/A
01/26/2007	4	Truition Inc. - Preferred Shares	1,999,998.19	3,004,489.00
03/23/2007	10	Ucore Uranium Inc. - Units	3,375,000.00	2,700,000.00
03/27/2007	25	Walton AZ Sunland Ranch Investment Corporation - Common Shares	899,240.00	89,924.00
03/28/2007	25	Walton AZ Sunland Ranch Limited Partnership - Units	1,549,741.90	133,633.00
03/26/2007	19	Walton International Group Inc. - Notes	1,795,000.00	N/A
03/19/2007	95	WBIC Canada Ltd. - Common Shares	1,587,518.01	774,399.00
03/30/2007	2	Xceed Mortgage Trust - Notes	109,650,930.58	N/A

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Alberta Clipper Energy Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
$55,020,000.00 - 13,100,000 Subscription Receipts, each representing the right to receive one Common Share Price: $4.20 per Subscription Receipt
Underwriter(s) or Distributor(s):
GMP Securities LP
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
FirstEnergy Capital Corp.
Promoter(s):
-
Project #1079957

Issuer Name:
Anatolia Minerals Development Limited
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 9, 2007
Mutual Reliance Review System Receipt dated April 9, 2007
Offering Price and Description:
$90,000,000.00 - 4.75% Convertible Senior Unsecured Debentures due April 30, 2012 Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Dundee Securities Corporation
Haywood Securities Inc.
Promoter(s):
-
Project #1080740

Issuer Name:
Anderson Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
$30,015,000.00 - 6,900,000 Common Shares Price: $4.35 per Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Tristone Capital Inc.
GMP Securities L.P.
Promoter(s):
-
Project #1079419

Issuer Name:
Bayshore Senior Loan Split Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated April 2, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
$ * (Maximum) * Preferred Shares and * Class A Shares Price: $ per Preferred Share and $ * per Class A Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Richardson Partners Financial Limited
Canaccord Capital Corporation
Dundee Securities Corporation
Blackmont Capital Inc.
Raymond James Ltd.
Wellington West Capital Inc.
Promoter(s):
Bayshore Asset Management Inc.
Project #1079005

Issuer Name:
BioMS Medical Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 9, 2007
Mutual Reliance Review System Receipt dated April 9, 2007
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Orion Securities Inc.
Desjardins Securities Inc.
Versant Partners Inc.
Promoter(s):
-
Project #1080910

Issuer Name:
Black Diamond Income Fund
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 2, 2007
Mutual Reliance Review System Receipt dated April 2, 2007
Offering Price and Description:
$13,350,000.00 - 1,500,000 Units Price: $8.90 per Unit
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
GMP Securities L.P.
Canaccord Capital Corporation
Acumen Capital Finance Partners Limited
Promoter(s):
Trevor Haynes
Steven Stein
Project #1077908

Issuer Name:
Chartwell Seniors Housing Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
$200,925,000.00 - 14,100,000 Units; and $75,000,000.00 - 5.9% Convertible Unsecured Subordinated Debentures Due May 1, 2012 Units Price: $14.25 Per Unit Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
National Bank Financial Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Promoter(s):
-
Project #1079254

Issuer Name:
Claude Resources Inc.
Principal Regulator - Saskatchewan
Type and Date:
Preliminary Short Form Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
$20,000,000.00 - 12,500,000 Common Shares Price: $1.60 per Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
RBC Dominion Securities Inc.
Toll Cross Securities Inc.
Promoter(s):
-
Project #1079990

Issuer Name:
Crystallex International Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
$53,125,000.00 - 12,500,000 Common Shares Price: $4.25 per Common Share
Underwriter(s) or Distributor(s):
Orion Securities Inc.
Haywood Securities Inc.
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1079814

Issuer Name:
CU Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
$115,000,000.00 - (4,600,000 shares) Cumulative Redeemable Preferred Shares Series 1 Price: $25.00 per share to yield 4.60% per annum
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Promoter(s):
-
Project #1079213

Issuer Name:
Dynamic Global Value Balanced Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated March 30, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
Series A, F, I, O and T Units
Underwriter(s) or Distributor(s):
Goodman & Company, Investment Counsel Ltd.
Promoter(s):
Goodman & Company, Investment Counsel Ltd.
Project #1077919

Issuer Name:
First Calgary Petroleums Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
$152,400,000.00 - 30,000,000 Common Shares Price: $5.08 per Common Share
Underwriter(s) or Distributor(s):
UBS Securities Canada Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #1079469

Issuer Name:
Gammon Lake Resources Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated April 9, 2007
Mutual Reliance Review System Receipt dated April 10, 2007
Offering Price and Description:
$200,000,000.00 - 10,000,000 Common Shares Price: $20.00 Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Promoter(s):
-
Project #1080856

Issuer Name:
Geovic Mining Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated April 10, 2007
Mutual Reliance Review System Receipt dated April 10, 2007
Offering Price and Description:
$ * - * Units Price: $ * per Unit
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Promoter(s):
-
Project #1081170

Issuer Name:
Gold Eagle Mines Ltd.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
$80,100,000 - 8,900,000 Common Shares
Price: $9.00 per Share
Underwriter(s) or Distributor(s):
Orion Securities Inc.
WestWind Partners Inc.
BMO Nesbitt Burns Inc.
Dundee Securities Corporation
Genuity Capital Markets
Promoter(s):
-
Project #1079085

Issuer Name:
Intrinsyc Software International, Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated April 10, 2007
Mutual Reliance Review System Receipt dated April 10, 2007
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Paradigm Capital Inc.
Raymond James Ltd.
GMP Securities L.P.
Promoter(s):
-
Project #1081370

Issuer Name:
LifePoints Balanced Portfolio
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 9, 2007
Offering Price and Description:
Class B, F, F-6 and I-6 Units
Underwriter(s) or Distributor(s):
Russell Investments Canada Limited
Promoter(s):
Russell Investments Canada Limited
Project #1080715

Issuer Name:
Manitoba Telecom Services Inc.
Principal Regulator - Manitoba
Type and Date:
Preliminary Short Form Shelf Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
$350,000,000.00 Medium Term Notes
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Promoter(s):
-
Project #1079677

Issuer Name:
North American Palladium Ltd.
Type and Date:
Preliminary Short Form Shelf Prospectus dated April 3, 2007
Receipted on April 5, 2007
Offering Price and Description:
$ * - 70,227 Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1079898

Issuer Name:
Painted Pony Petroleum Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated April 5, 2007
Mutual Reliance Review System Receipt dated April 9, 2007
Offering Price and Description:
Minimum Offering: 10,000 Units ($10,000,000.00); Maximum Offering: 12,000 Units ($12,000,000.00) Price: $1,000 Per Unit - Minimum Subscription: Five Units ($5,000)
Underwriter(s) or Distributor(s):
Blackmont Capital Inc.
Cormark Securities Inc.
FirstEnergy Capital Corp.
Promoter(s):
Patrick R. Ward
Project #1080559

Issuer Name:
Petro Andina Resources Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 5, 2007
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
FirstEnergy Capital Corp.
CIBC World Markets Inc.
Scotia Capital Inc.
Tristone Capital Inc.
Promoter(s):
-
Project #1079632

Issuer Name:
Saskatchewan Wheat Pool Inc.
Principal Regulator - Saskatchewan
Type and Date:
Preliminary Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
$275,400,000.00 - 34,000,000 Class 2 Subscription Receipts, each representing the right to receive one common Share Price $8.10 per Class 2 Subscription Receipt
Underwriter(s) or Distributor(s):
Genuity Capital markets
TD Securities Inc.
National Bank Financial Inc.
Promoter(s):
-
Project #1079228

Issuer Name:
Skybridge Development Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary CPC Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
Offering: $200,000.00 (2,000,000 Common Shares) - Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Promoter(s):
Patrick Morris
Project #1079879

Issuer Name:
SL Resources Inc.
Type and Date:
Preliminary Prospectus dated April 9, 2007
Receipted on April 10, 2007
Offering Price and Description:
$200,000.00 - 2,000,000 Shares $0.10 per Common Share
Underwriter(s) or Distributor(s):
Northern Securities Inc.
Promoter(s):
Robert L. Gordon
Project #1081029

Issuer Name:
Alter Nrg Corp.
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated April 10, 2007
Mutual Reliance Review System Receipt dated April 10, 2007
Offering Price and Description:
Minimum Offering: $30,000,006.00 or 13,333,336 Common Shares; Maximum Offering: $35,000,001.00 or 15,555,556 Common Shares Price: $2.25 Per Common Share
Underwriter(s) or Distributor(s):
Wellington West Capital Markets Inc.
Canaccord Capital Corporation
Raymond James Inc.
TD Securities Inc.
Paradigm Capital Inc.
Promoter(s):
Mark A. Montemurro
Michael E. Heier
Project #1056296

Issuer Name:
Appleton Exploration Inc.
Principal Regulator - British Columbia
Type and Date:
Final Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 10, 2007
Offering Price and Description:
Cdn$750,000.00 - 3,000,000 Common Shares P RICE : $0.2 5 per Share
Underwriter(s) or Distributor(s):
Union Securities Ltd.
Promoter(s):
R. Timothy Henneberry
Frederick J. Sveinson
Rolland Menard
Paul S. Cowley
Project #1062729

Issuer Name:
BMO Short-Term Income Class
BMO Global Balanced Class
of BMO Global Tax Advantage Funds Inc .
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated March 22, 2007 to the Simplified Prospectuses dated May 10, 2006
Mutual Reliance Review System Receipt dated April 9, 2007
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
BMO Investments Inc.
Promoter(s):
BMO Investments Inc.
Project #917382

Issuer Name:
Capital Wapiti Inc.
Principal Regulator - Quebec
Type and Date:
Final CPC Prospectus dated April 5, 2007
Mutual Reliance Review System Receipt dated April 5, 2007
Offering Price and Description:
Minimum Offering: $1,000,000.00 or 5,000,000 common shares; Maximum Offering: $1,500,000.00 or 7,500,000 common shares Price: $0.20 per common share
Underwriter(s) or Distributor(s):
National Bank Financial
Promoter(s):
Gregory J. Koegl
Project #1062663

Issuer Name:
Claymore Europe Fundamental Index ETF
Claymore Global Balanced ETF
Claymore Global Balanced Growth ETF
Claymore Global Balanced Income ETF
Claymore Global Monthly Yield Hog ETF
Claymore S&P/TSX CDN Preferred Share ETF
Claymore S&P Global Water ETF
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated April 5, 2007
Mutual Reliance Review System Receipt dated April 9, 2007
Offering Price and Description:
Common Units and Advisor Class Units
Underwriter(s) or Distributor(s):
Claymore Investments, Inc.
Promoter(s):
-
Project #1038459

Issuer Name:
Enerplus Resources Fund
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
$200,677,500.00 - 4,050,000 Trust Units Price at $49.55 per Trust Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
National Bank Financial Inc.
TD Securities Inc.
Raymond James Ltd.
Canaccord Capital Corporation
FirstEnergy Capital Corp.
HSBC Securities (Canada) Inc.
Desjardins Securities Inc.
Tristone Capital Inc.
Promoter(s):
-
Project #1069682

Issuer Name:
General Motors Acceptance Corporation of Canada, Limited
Principal Regulator - Ontario
Type and Date:
Final Short Form Base Shelf Prospectus dated April 5, 2007
Mutual Reliance Review System Receipt dated April 10, 2007
Offering Price and Description:
$7,000,000,000.00 - Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1029464

Issuer Name:
High Arctic Energy Services Trust
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
$28,396,539.60 - 10,921,746 Trust Units Price: $2.60 per Trust Unit
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Promoter(s):
High Arctic Energy Services Inc.
Project #1072143

Issuer Name:
Lake Shore Gold Corp.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated April 5, 2007
Mutual Reliance Review System Receipt dated April 5, 2007
Offering Price and Description:
$13,750,000.00 - 6,875,000 Units and $15,000,000.00 - 6,000,000 Flow-Through Shares Price:
$2.00 per Unit $2.50 per Flow-Through Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Haywood Securities Inc.
Raymond James Ltd.
Promoter(s):
-
Project #1069850

Issuer Name:
Liquor Barn Income Fund
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
$33,432,000.00 - 3,980,000 Units Price: $8.40 per Unit
Underwriter(s) or Distributor(s):
TD Securities Inc.
Raymond James Ltd.
Canaccord Capital Corporation
National Bank Financial Inc.
Blackmont Capital Inc.
Dundee Securities Corporation
Promoter(s):
-
Project #1068985

Issuer Name:
Series A, F, I, O and R Shares of:
Mackenzie Cundill Emerging Markets Value Class
of Mackenzie Financial Capital Corporation
and
Mackenzie Cundill International Class
of Mackenzie Financial Capital Corporation
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated March 30, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
Mutual fund securities at net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Mackenzie Financial Corporation
Project #1064892

Issuer Name:
Nightingale Informatix Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated April 3, 2007
Mutual Reliance Review System Receipt dated April 4, 2007
Offering Price and Description:
$10,000,000.00 -25,000,000 Subscription Receipts Price: $0.40 per Subscription Receipt
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
Clarus Securities Inc.
Raymond James Ltd.
Promoter(s):
Samer Chebib
Project #1055397

Issuer Name:
Series A and Series F Units of :
RBC Investments Focus List Trust
(formerly RBC Investments Focus List Trust , 2001 Portfolio)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated April 5, 2007
Mutual Reliance Review System Receipt dated April 5, 2007
Offering Price and Description:
Mutual fund trust units at net asset value
Underwriter(s) or Distributor(s):
First Defined Portfolio Management Co.
Promoter(s):
First Defined Portfolio Management Co.
Project #1061805

Issuer Name:
Real Estate Asset Liquidity Trust
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated April 5, 2007
Mutual Reliance Review System Receipt dated April 5, 2007
Offering Price and Description:
$481,898,000.00 - (Approximate) Commercial Mortgage Pass-Through Certificates, Series 2007-1
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Promoter(s):
Royal Bank of Canada
Project #1070199

Issuer Name:
Rider Resources Ltd.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated April 10, 2007
Mutual Reliance Review System Receipt dated April 10, 2007
Offering Price and Description:
$54,375,000.00 - 7,500,000 Subscription Receipts, each representing the right to receive one common share
Underwriter(s) or Distributor(s):
FirstEnergy Capital Corp.
GMP Securities L.P.
Scotia Capital Inc.
Tristone Capital Inc.
Orion Securities Inc.
Promoter(s):
-
Project #1071063

Issuer Name:
Sentry Select Balanced Class
Sentry Select Canadian Energy Growth Class
Sentry Select Canadian Income Class
Sentry Select Canadian Resource Class
Sentry Select Mining Opportunities Class
Sentry Select Money Market Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated April 5, 2007
Mutual Reliance Review System Receipt dated April 9, 2007
Offering Price and Description:
Series A Shares
Underwriter(s) or Distributor(s):
Sentry Select Capital Corp.
Promoter(s):
-
Project #1055855

Issuer Name:
Sentry Select China Fund
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 10, 2007
Offering Price and Description:
Maximum Offering: $200,000,000.00 (20,000,000 Units); Minimum Offering: $40,000,000.00 (4,000,000 Units) Price: $10.00 per Unit Minimum Purchase: 200 Units
Underwriter(s) or Distributor(s):
TD Securities Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
HSBC Securities (Canada) Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Canaccord Capital Corporation
Raymond James Ltd.
Blackmont Capital Inc.
Dundee Securities Corporation
Berkshire Securities Inc.
Desjardins Securities Inc.
IPC Securities Corporation
Research Capital Corporation
Wellington West Capital Inc.
Promoter(s):
Sentry Select Capital Corp.
Project #1062338

Issuer Name:
Sprott Molybdenum Participation Corporation
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated April 4, 2007
Mutual Reliance Review System Receipt dated April 5, 2007
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Canaccord Capital Corporation
Fort House Inc.
TD Securities Inc.
Dundee Securities Corporation
Promoter(s):
Sprott Asset Management
Project #1059425

Issuer Name:
Trimark Canadian Focus Class
(Series A, Series F and Series I Shares)
Trimark Canadian Plus Dividend Class
(Series A, Series F, Series F4, Series F6, Series F8, Series I, Series T4, Series T6 and Series T8 Shares)
Trimark Global Dividend Class
(Series A, Series F, Series F4, Series F6, Series F8, Series I, Series T4, Series T6 and Series T8 Shares)
of
AIM Trimark Corporate Class Inc .
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated April 3, 2007
Mutual Reliance Review System Receipt dated April 3, 2007
Offering Price and Description:
Series A, Series F and Series I Shares, Series F4, Series F6, Series F8, Series T4, Series T6 and Series T8 Shares @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
AIM Funds Management Inc.
Project #1046590

Issuer Name:
First Trust/Highland Capital Senior Loan Income Fund 2007
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Prospectus dated December 21st, 2006
Withdrawn on April 4th, 2007
Offering Price and Description:
$ * - * Units
Price: * Per Unit
Minimum Purchase: 200 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.
Canaccord Capital Corporation
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Blackmont Capital Inc.
Desjardins Securities Inc.
Wellington West Capital Inc.
Promoter(s):
FT (NSI) Management Co.
First Defined Portfolio Management Co.
Project #1034966

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Consent to Suspension (Rule 33-501 – *Surrender of Registration*	Grosvenor Park Securities Inc.	Limited Market Dealer	April 11, 2007
New Registration	The Launch Factory Inc.	Limited Market Dealer	April 5, 2007
Consent to Suspension (Rule 33-501 - *Surrender of Registration*)	Morgan Stanley DW Inc.	International Adviser and International Dealer	April 4, 2007
New Registration	Setanta Asset Management Limited	International Adviser	April 3, 2007
Amalgamation	I.G. Investment Management, Ltd. And Investors Group Investment Management (Quebec) Ltd. To Form: I.G. Investment Management, Ltd.	Investment Counsel and Portfolio Manager	April 1, 2007

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Central Regional Council Hearing Panel Makes Findings Against Jean-Pierre Groulx

NEWS RELEASE
For immediate release

MFDA CENTRAL REGIONAL COUNCIL HEARING PANEL MAKES FINDINGS AGAINST JEAN-PIERRE GROULX

April 3, 2007 (Toronto, Ontario) – A disciplinary hearing in the Matter of Jean-Pierre Groulx was held today before a Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada ("MFDA") in Toronto, Ontario. At the hearing, the Hearing Panel reviewed an Agreed Statement of Facts entered into by Mr. Groulx with staff of the MFDA, in which Mr. Groulx admitted to the misconduct as alleged in the Notice of Hearing. The Hearing Panel also received joint submissions of the parties with respect to the appropriate penalty.

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

- A permanent prohibition on the authority of Mr. Groulx to conduct securities-related business in any capacity while in the employ of, or associated with, any MFDA Member, pursuant to s. 24.1.1(e) of MFDA By-law No. 1.

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

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 163 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Shaun Devlin
Vice-President, Enforcement
(416) 943-4672 or sdevlin@mfda.ca

13.1.2 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures Relating to Delivery Services Participant Procedures

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

DELIVERY SERVICES PARTICIPANT PROCEDURES

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE RULE AMENDMENT

Background

On October 20th, 2006, CDS's regulators approved proposed amendments to the CDS Rules in respect of Delivery Services. Notice was given of CDS's intention to incorporate the Delivery Services into the CDS Participant Rules on July 12, 2006, and Requests for Comments were published by the Ontario Securities Commission and l'Autorité des marchés financiers (Québec), respectively, on July 21, 2006.

The proposed amendments to CDS Procedures are made in order to ensure consistency as between the CDS Participant Rules and CDS Participant Procedures. In addition, they are intended to codify and clarify CDS's responsibilities as well as those of the participants using the services.

The Procedures marked for the amendments may be accessed on the CDS website at:

http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-070209blacklined?Open

Description of Proposed Amendments

The proposed amendments contained in the new guide, entitled CDS Delivery Services Participant Procedures, incorporate existing operational practices. The new guide contains a consolidation of the following information:

- A service description for each of the seven service options offered under the umbrella of CDS Delivery Services. These seven services have been offered to participants by CDS, and its predecessor, The Canadian Depository for Securities Limited, for over 20 years; the service descriptions have not, as yet, been incorporated into post-transition CDSX® procedures. The service options are as follows:
    - Same-city transfer envelope
    - Inter-city transfer envelope
    - Remote transfer service
    - Branch-to-branch
    - Settlement envelopes
    - Consolidated Courier
    - International deliveries
- A detailed description of each service offering, including the types of documents that the service is intended to deliver, the individual steps taken in the course of a delivery, instructions for the preparation of transfer envelopes, and pick-up and delivery times for each service.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as they are amendments required to ensure consistency with an existing rule, securities legislation, or other regulatory requirement.

C. EFFECTIVE DATE OF THE RULE

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the OSC Recognition and Designation Order, as amended 1 November, 2006, and *Annexe A* (*"Protocole d'examen et d'approbation des Règles de Services de Dépôt et de Compensation CDS Inc. par l'Autorité des marchés financiers"*) of AMF Decision 2006-PDG-0180, made effective on 1 November, 2006, CDS has determined that these amendments will be effective on April 23, 2007.

D. QUESTIONS

Questions regarding this notice may be directed to:

Tony Hoffmann
Legal Counsel
The Canadian Depository for Securities Limited
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416-365-3768
Fax: 416-365-1984
e-mail: attention@cds.ca

JAMIE ANDERSON
Managing Director, Legal

13.1.3 IDA – Membership Application Process – Amendments To By-law Nos. 2 and 20

INVESTMENT DEALERS ASSOCIATION OF CANADA –
MEMBERSHIP APPLICATION PROCESS –
AMENDMENTS TO BY-LAW NOS. 2 AND 20

I OVERVIEW

The role of Association member regulation staff in the new member application process is to investigate and gather the facts that will enable the applicable District Council to make a recommendation to the Association's Board of Directors (formerly the Executive Committee of the Board of Directors). It is important that this role be detailed in the rules describing the membership application review and application approval processes.

A Current Rules

By-law No. 2 and sections of By-law No. 20 describe the new member application and application approval processes. These rules describe the responsibilities of the Association Secretary, the applicable District Council, the Executive Committee of the Board of Directors and the Board Review Panel (in the case where an applicant requests a review of an Executive Committee decision) in the new member application and application approval processes. The most significant sections are as follows:

- Current By-law No. 2.1 - Mandate of Executive Committee to consider membership applications after the application has been considered by the appropriate District Council
- Current By-law No. 2.2 - General membership eligibility requirements
- Current By-law No. 2.4 - Application must be in the form and manner prescribed by the Board of Directors and must be completed within six months to ensure $10,000 deposit is not forfeited
- Current By-law No. 2.5 - Non mandatory requirement for a proposer and a seconder
- Current By-law No. 2.8 - Role of Association Secretary in reviewing application
- Current By-law No. 2.9 - Notification of Members of membership application and process for Members to submit objections to membership application
- Current By-law No. 2.10 - Specific financial documents to be filed with application
- Current By-law No. 2.13 - Notifications and documents required prior to the commencement of the membership approval process set out in By-law No. 20
- Current By-law No. 20.20 - District Council process for developing a membership application recommendation for Executive Committee of the Board consideration
- Current By-law No. 20.21 - Executive Committee of the Board process for considering membership application for approval or refusal
- Current By-law No. 20.22 - Process for reviewing appeals of Executive Committee of the Board decisions on membership applications

B The Issue(s)

The important role played by Association member regulation staff in the new member application review and application approval processes is not currently detailed in By-law No. 2. There are also certain steps in the new member application and application approval processes that are now redundant or that could be made clearer as follows:

- Current By-law No. 2.1 - Since the Executive Committee of the Board of Directors no longer exists this section needs to be corrected to reflect the fact that membership application approval is now a Board of Director responsibility.
- Current By-law No. 2.2 - The general membership eligibility requirement language is out of date. The current language contemplated that individual sole proprietorships (s. 2.2(a)) could be members of the Association. There are no current sole proprietorship members of the Association and we do not believe this is a business model that would result in appropriate segregation of duties, as required by various Association rules. This section therefore needs to be updated.

- Current By-law No. 2.5 - The requirement for a membership application to have a proposer and a seconder is non mandatory and rightly has limited bearing on whether or not an application is approved. The section is therefore not required.

- Current By-law No. 2.8 - The Association Secretary performs more of an application process management role than a detailed rule compliance review role. The detailed compliance review role is conducted by Association member regulation staff. This section therefore needs to be updated.

- Current By-law No. 2.10 - There is no need to list certain specific financial documents to be filed with the membership application since pursuant to By-law No. 2.4 the form and manner of the membership application is prescribed by the Board of Directors. This section should therefore be repealed.

- Current By-law No. 2.13 - The notifications and documents required prior to the commencement of the membership approval process set out in By-law No. 20 needs to be clarified and need to specifically reference the membership application recommendation that is prepared by Association member regulation staff.

- Current By-law No. 20.20 - The District Council process for developing a membership application recommendation needs to be amended to reflect that the recommendation is now being provided to the Association Board of Directors. Subparagraph (c)(i) needs to be clarified to state that an application can be refused if the firm is not in substantial compliance with Association rules.

- Current By-law No. 20.21 - The process formerly used by the Executive Committee of the Board of Directors needs to be updated as this is now a Association Board of Directors process. The application refusal criteria should also be made consistent with those used by the District Councils.

- Current By-law No. 20.22 - With the elimination of the Executive Committee of the Board the process for reviewing appeals of Executive Committee decisions on membership applications has been made redundant. This section should therefore be repealed.

C Objective(s)

The objective of the proposed amendments is to include details of the role played by Association member regulation staff in the new member application process and to more clearly describe the new member application review and application approval processes generally.

D Effect of Proposed Rules

Since the intent of the proposed amendments is to better describe the existing new member application review and application approval processes, these proposals will have no effect other than to provide greater process clarity.

II DETAILED ANALYSIS

A Present Rules, Relevant History and Proposed Policy

Present rules and relevant history

By-law No. 2 and sections of By-law No. 20 describe the new member application review and application approval processes. These processes are an important component of the Association's regulatory mandate. It is critical that Association member regulation staff ensure new member applicant firms are organized and staffed in a manner designed to comply with Association requirements and to minimize regulatory issues down the road.

District Councils and the Association Board of Directors rely significantly on the Association member regulation staff recommendation to approve or refuse a new member application. To rely on the Association member regulation staff recommendation, the applicable District Council and the Association Board of Directors must be assured that staff are applying only the relevant criteria and are doing so consistently.

New member applications are reviewed by Association member regulation staff to ensure the applicant has the integrity, solvency and experience to conduct business in accordance with Association rules, the applicant will comply with the rules and that approval of the application is in the public interest. The "public interest" assessment is not an invitation to introduce extraneous, irrelevant or unsubstantiated considerations. To the extent that general conduct concerns issues arise during this review, Association member regulation staff must determine whether:

(1) the alleged conduct has been proven on a balance of probabilities based on clear and convincing proof,

(2) the alleged conduct reflects adversely on the applicant's current suitability to be a member (e.g., nature of the conduct, reasons for the conduct, age of the conduct, frequency and persistence of the conduct, role of the individuals in the applicant's firm who engaged in the conduct, etc.), and

(3) the public interest can be adequately protected by membership terms and conditions.

The applicable District Council and the Association Board of Directors must have confidence that only relevant criteria are considered and that those criteria are consistently interpreted and applied on a national basis. In practice, the recommendation concerning the application is developed by Association member regulation staff and assembled for distribution to the applicable District Council by the Association Secretary and his or her staff.

Proposed rule amendments

The important role played by Association member regulation staff in the new member application review and application approval processes is not currently detailed in By-law No. 2. To address this existing shortcoming in By-law No. 2 the following amendment is proposed:

- Proposed new By-law No. 2.9 - This section is being established to detail the review procedures followed by Association member regulation staff that are reviewing a membership application.

- There are also certain steps in the new member application and application approval processes that are now redundant or that could be made clearer as follows:

- Proposed amended By-law No. 2.1 - This section has been amended to reflect the fact that membership application approval is now a Board of Director responsibility.

- Proposed amended By-law No. 2.2 - This section has been amended to remove the option for an individual sole proprietorship to apply to be a member firm of the Association and reflect the fact that entities incorporated in territories of Canada are eligible to be member firms of the Association.

- Proposed amended By-law No. 2.3 - This section has been amended to conform to proposed amended By-law No. 2.2 by removing language that refers to individuals.

- Proposed amended By-law No. 2.4 - This section has been amended to clarify that Association staff make the recommendation to the applicable District Council to approve of refuse the membership application.

- Proposed repealed By-law No. 2.5 - This section has been repealed in order to remove a non mandatory requirement for a membership application to have a proposer and a seconder.

- Proposed renumbered By-law Nos. 2.5 and 2.6 - Proposed that current sections 2.6 and 2.7 be renumbered.

- Proposed amended and renumbered By-law No. 2.7 (current By-law No. 2.8) - Proposed that this section be reworded to better reflect the membership application process management role that the Association Secretary performs.

- Proposed amended and renumbered By-law No. 2.8 (current By-law No. 2.9) - Proposed that this section be amended to clarify that the existing membership is informed of the receipt of the membership application by the Association Secretary once he/she has determined that the application is complete.

- Proposed repealed By-law No. 2.10 - Proposed that this section be repealed as there is no need to list certain specific financial documents to be filed with the membership application since pursuant to By-law No. 2.4 the form and manner of the membership application is prescribed by the Board of Directors.

- Proposed amended and renumbered By-law Nos. 2.10 and 2.11 (current By-law Nos. 2.11 and 2.12) - Proposed that minor conforming and renumbering changes be made.

- Proposed amended and renumbered By-law No. 2.12 (current By-law No. 2.13) - Proposed that this section be reworded to more clearly detail the notifications and documents required prior to the commencement of the membership approval process set out in By-law No. 20 needs to be clarified and need to specifically reference the membership application recommendation that is prepared by Association member regulation staff.

- Proposed amended and renumbered By-law No. 2.13 (current By-law No. 2.14) - Proposed that this section be amended to reflect that others in the Association (other than the Association Secretary) calculate the annual fee payable by the membership applicant.

- Proposed amended and renumbered By-law Nos. 2.14 through 2.16 (current By-law Nos. 2.15 through 2.17) - Proposed that minor conforming and renumbering changes be made.

- Proposed amended By-law No. 20.20 - Proposed that this section be amended to reflect that the District Council recommendation is now being provided to the Association Board of Directors. It is also proposed that subparagraph (c)(i) be clarified to state that an application can be refused if the firm is not in substantial compliance with Association rules.

- Proposed amended By-law No. 20.21 - Proposed that this section be amended to stipulate that membership application approval or refusal is now an Association Board of Directors function. It is also proposed that the application refusal criteria be made consistent with those used by the District Councils.

- Proposed repealed By-law No. 20.22 - Proposed that this section be repealed since membership application approval or refusal is now an Association Board of Directors function, making an appeal of a board decision to a board panel redundant.

- Proposed amended By-law 20.23 - Proposed that minor conforming amendments be made

B Issues and Alternatives Considered

No alternatives were considered since the only intent of the proposed amendments is to better describe the existing new member application review and application approval processes of the Association.

C Comparison with Similar Provisions

No comparisons have been made with similar provisions of securities regulators in the United Kingdom and the United States since the only intent of the proposed amendments is to better describe the existing new member application review and application approval processes of the Association.

D Systems Impact of Rule

There will be no systems impact resulting from the implementation of these proposed amendments.

E Best Interests of the Capital Markets

The Board has determined that these public interest rule amendments are not detrimental to the best interests of the capital markets.

F Public Interest Objective

According to the Association's Order of Recognition as a self regulatory organization, the Association shall, where requested, provide in respect of a proposed rule change "a concise statement of its nature, purposes (having regard to paragraph 13 above) and effects, including possible effects on market structure and competition". Statements have been made elsewhere as to the nature and effects of the proposals with respect to the membership application process. The purpose of these proposals is to "provide for the administration of the affairs of the IDA".

The proposal does not permit unfair discrimination among customers, issuers, brokers, dealers, members or others. It does not impose any burden on competition that is not necessary or appropriate in furtherance of the above purposes.

III COMMENTARY

A Filing in Other Jurisdictions

These proposed amendments will be filed for approval in Alberta, British Columbia, Quebec and Ontario and will be filed for information in Manitoba, Newfoundland and Labrador, Nova Scotia and Saskatchewan.

B Effectiveness

It is believed that these amendments will be effective in detailing the role played by Association member regulation staff in the new member application process and in more clearly describing the new member application review and application approval processes generally.

C Process

These proposed amendments were developed by Association member regulation staff for direct consideration by the Association's Board of Directors.

IV SOURCES

References:

- IDA By-law 2 and 20

V OSC REQUIREMENT TO PUBLISH FOR COMMENT

The Association is required to publish for comment the accompanying proposed rule amendments.

The Association has determined that the entry into force of the proposed rule amendments would be in the public interest. Comments are sought on the proposed rule amendments. Comments should be made in writing. One copy of each comment letter should be delivered within 30 days of the publication of this notice, addressed to the attention of Richard J. Corner, Vice President, Regulatory Policy, Investment Dealers Association of Canada, Suite 1600, 121 King Street West, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of the Manager of Market Regulation, Ontario Securities Commission, 20 Queen Street West, 19th Floor, Box 55, Toronto, Ontario, M5H 3S8.

Questions may be referred to:

Richard J. Corner
Vice President, Regulatory Policy
Investment Dealers Association of Canada
416.943.6908
rcorner@ida.ca

INVESTMENT DEALERS ASSOCIATION OF CANADA
MEMBERSHIP APPLICATION PROCESS -
AMENDMENTS TO BY-LAW NOS. 2 AND 20
BOARD RESOLUTION

THE BOARD OF DIRECTORS of the Investment Dealers Association of Canada hereby makes the following amendments to the By-laws, Regulations, Forms and Policies of the Association:

1. By-law No. 2.1 is amended by deleting the following words:

   (a) "Executive Committee of the";

   (b) "or approve"; and

   (c) "or approved".

2. By-law No. 2.2 is amended as follows:

   (a) Deleting the words "individual," and "or corporation" that appear in the section preamble;

   (b) In the case of section 2.2(a):

      (i) Deleting the words "In the case of an individual, the applicant is a resident of Canada; in the case of a firm," from the beginning of the section;

      (ii) Replacing the words "in the case of" with the words "where the firm is"; and

      (iii) Adding the words "or territories" at the end of the section.

   (c) In the case of section 2.2(b) deleting the words "The applicant" from the beginning of the section; and

   (d) In the case of section 2.2(c):

      (i) Deleting the words "The applicant and" from the beginning of the section; and

      (ii) Replacing the words "By-laws and Regulations and Rulings and Policies and Forms" with the words "By-laws, Regulations, Policies, Forms and Rulings".

3. By-law No. 2.3 is amended by replacing the words "an individual, firm or corporation" with the words "a firm".

4. By-law No. 2.4 is amended as follows:

   (a) Replacing the words "Association Secretary" with the word "Secretary"; and

   (b) Replacing the word "staff" with the word "Association member regulation staff".

5. By-law No. 2.5 is repealed.

6. By-law Nos. 2.6 through 2.9 are renumbered 2.5 through 2.8.

7. Renumbered By-law No. 2.7 is repealed and replaced with the following:

   "2.7. An application for Membership with any accompanying material shall be submitted to the Secretary. The Secretary shall perform a preliminary review of the application to ensure content completeness and either:

   (a) Where the application is complete, forward the application to Association member regulation staff to perform a compliance review; or

   (b) Where the application is incomplete, provide the applicant with a deficiency letter listing the items missing from or incomplete in the application and, once the Secretary has determined that the deficiencies have been addressed, forward the application to Association member regulation staff to perform a compliance review."

8. Renumbered By-law No. 2.8 is amended as follows:

   (a) Adding the words “Once the application for Membership has been determined to be complete pursuant to By-law No. 2.7,” to the beginning of the section;

   (b) Replacing the words “The objection” with the words “Any objections”; and

   (c) Replacing the word “application” with the word “applicable”.

9. New By-law No. 2.9 is added as follows:

   “2.9. Once the application for Membership has been determined to be complete pursuant to By-law No. 2.7 and the application has been forwarded to Association member regulation staff, Association member regulation staff shall perform a review of the same and either:

   (a) If such review discloses substantial compliance and willingness to comply with the requirements of the By-laws, Regulations, Policies, Forms and Rulings of the Association and approval of the application is considered to be in the public interest, forward an Association member regulation staff recommendation to approve the application to the applicable District Council for consideration along with the Membership application; or

   (b) If such review discloses any substantial non-compliance or unwillingness to comply with the requirements of the By-laws, Regulations, Policies, Forms and Rulings of the Association, notify the applicant as to the nature of such non-compliance or unwillingness and request that the application for Membership be amended and refiled or be withdrawn. Once Association member regulation staff have determined that the necessary amendments have been made to the refiled application for Membership, forward an Association member regulation staff recommendation to approve the application to the applicable District Council for consideration along with the Membership application. If the applicant declines to amend the application for Membership or to withdraw the same, forward an Association member regulation staff recommendation to refuse the application to the applicable District Council for consideration along with the Membership application; or

   (c) If such review indicates that approval of the application is not in the public interest, notify the applicant as to the nature of the public interest concerns and request that the application for Membership be withdrawn. If the applicant declines to withdraw the application for Membership, forward an Association member regulation staff recommendation to refuse the application to the applicable District Council for consideration along with the Membership application.”

10. By-law No. 2.10 is repealed.

11. By-law Nos. 2.11 through 2.17 are renumbered 2.10 through 2.16.

12. Renumbered By-law No. 2.10 is amended by deleting the words “Notwithstanding the provisions of By-law 2.10,” from the beginning of the section.

13. Renumbered By-law No. 2.11 is amended by replacing the words “By-law 2.10” with the words “By-law 2.4”.

14. Renumbered By-law No. 2.12 is repealed and replaced with the following:

   “2.12. The Membership approval process as set out in By-law 20 shall apply once the applicable District Council receives:

   (a) The Membership application from the Secretary;

   (b) Notification from the Secretary that the fifteen day period referred to By-law 2.8 has expired;

   (c) Copies of any objection letters referred to in By-law 2.8 that have been submitted relating to the application; and

   (d) The Association member regulation staff recommendation to either approve or refuse the application pursuant to By-law 2.9.”

15. Renumbered By-law No. 2.13 is amended as follows:

    (a) Replacing the word “Secretary” with the words “Association”; and

    (b) Replacing the word “application” with the word “applicable”.

16. Renumbered By-law No. 2.15 is amended by deleting the words “and of their respective Annual Fees. The Annual Fees of Members shall not be made public by the Association” from the end of the section.

17. By-law No. 20.20 is repealed and replaced with the following:

    “20.20 Recommendation of District Council

    (1) The District Council, or a sub-committee of the District Council comprised of three industry members established pursuant to By-law 11, shall make a recommendation to the Board of Directors to:

        (a) approve an application for Membership made pursuant to By-law 2;

        (b) approve the application subject to such terms and conditions as may be considered just and appropriate; or

        (c) refuse the application if, in the opinion of the District Council or the sub-committee of the District Council:

            (i) the Applicant is not substantially compliant with all of the requirements prescribed by the By-laws, Regulations, Policies, Forms and Rulings of the Association;

            (ii) the By-laws, Regulations, Policies, Forms and Rulings of the Association will not be complied with by the Applicant;

            (iii) the Applicant is not qualified for approval by reason of integrity, solvency, or experience; or

            (iv) such approval is otherwise not in the public interest.”

18. By-law No. 20.21 is amended by:

    (a) Deleting the words “Executive Committee of the” that appear in the section title and section paragraph 20.21(1);

    (b) Adding the word “or” after section paragraph 20.21(1)(b);

    (c) Adding new section paragraph 20.21(1)(c)(i) as follows:

        “(i) the Applicant is not substantially compliant with all of the requirements prescribed by the By-laws, Regulations, Policies, Forms and Rulings of the Association;” and

    (d) Renumbering existing section paragraphs 20.21(1)(c)(i) through (iii) as paragraphs 20.21(1)(c)(ii) through (iv).

19. By-law No. 20.22 is repealed.

20. By-law No. 20.23 is amended by:

    (a) Replacing the words “By-law 20.20, By-law 20.21 and By-law 20.22” with the words “By-law 20.20 and By-law 20.21”; and

    (b) Deleting the words “Executive Committee of the”.

BE IT RESOLVED THAT the Board of Directors adopt, on this 28th day of March, 2007, the English and French versions of these amendments. The Board of Directors also authorizes the Association Staff to make the minor changes that shall be required from time to time by the securities administrators with jurisdiction. These amendments shall take effect on the date determined by the Association Staff.

INVESTMENT DEALERS ASSOCIATION OF CANADA
MEMBERSHIP APPLICATION PROCESS -
AMENDMENTS TO BY-LAW NOS. 2 AND 20
BLACK-LINE COPY
BY-LAW NO. 2
MEMBERSHIP

2.1. The ~~Executive Committee of the~~ Board of Directors shall, in its discretion and pursuant to By-law 20, decide upon all applications for Membership but shall not consider ~~or approve~~ any application unless and until it has been considered ~~or approved~~ by the applicable District Council.

2.2. Any ~~individual,~~ firm ~~or corporation~~ shall be eligible to apply for Membership if:

~~(a) In the case of an individual, the applicant is a resident of Canada; in the case of a firm,~~

(a) ~~i~~It is formed under the laws of one of the provinces or territories of Canada and, ~~in the case of~~where the firm is a corporation, it is incorporated under the laws of Canada or one of its provinces or territories;

(b) ~~The applicant~~It carries on, or proposes to carry on, business in Canada as a securities dealer to an extent acceptable to the applicable District Council and is registered or licensed in each jurisdiction in Canada where the nature of its business requires such registration or licensing, and is in compliance with such legislation and the requirements of any securities commission having jurisdiction over the applicant; and

(c) ~~The applicant and i~~Its directors, officers, partners, investors and employees, and its holding companies, affiliates and related companies (if any), would comply with the By-laws, Regulations, Policies, Forms and Rulings ~~By-laws and Regulations and Rulings and Policies and Forms~~ of the Association that would apply to them if the applicant were a Member.

2.3. For the purposes of this By-law, the business of a~~n individual,~~ firm ~~or corporation~~ having a head office or principal place of business outside of Canada but carrying on business at one or more branch offices in Canada or through a subsidiary in Canada means only the portion of the business relating to operations in Canada.

2.4. An application for Membership shall be in such form and executed in such manner as the Board of Directors may prescribe and shall contain or be accompanied by such information and material as the By-laws, the Board of Directors and the applicable District Council may require. Furthermore, where for any reason the application process (excluding alternative trading system applications) has not been completed within six months from the date the application was submitted to and accepted for review by the ~~Association~~ Secretary, the $10,000 deposit shall be forfeited to the Association and the applicant shall be required to start the application process over by resubmitting the application for Membership accompanied by an additional $10,000 non refundable deposit. For the purposes of this section, the application process shall be considered to be completed, when Association member regulation staff are in a position to recommend to the applicable District Council the approval or refusal of the application.

~~2.5. The application for Membership shall be signed by the applicant and by a proposer and seconder who are partners or directors of Members but not members of the Board of Directors. An application for Membership without a proposer and seconder can be considered by the District Council and approved by the Executive Committee of the Board of Directors but they can take into consideration the absence of a proposer and seconder in exercising their respective powers regarding the application.~~

2.6~~5~~5. An application for Membership shall be accompanied by a non-refundable deposit of $10,000 on account of the Entrance Fee.

2.~~7~~6. If a District Council or the Board of Directors is of the opinion that the nature of the applicant's business, its financial condition, the conduct of its business, the completeness of the application, the basis on which the application was made or any staff review in respect of the application in accordance with the By-laws of the Association has required, or can reasonably be expected to require, excessive attention, time and resources of the Association, such District Council or the Board of Directors may require the applicant to reimburse the Association for its costs and expenses which are reasonably attributable to such excessive attention, time and resources or provide an undertaking or security in respect of such reimbursement. If an applicant is to be required to make such reimbursement of costs and expenses, the Association shall provide to the applicant a breakdown and explanation of such costs and expenses in sufficient detail to permit the applicant to understand the basis on which the costs and expenses are to be calculated.

2.~~8~~7. An application for Membership with any accompanying material shall be submitted to the Secretary. The Secretary shall perform a preliminary review of the application to ensure content completeness~~, who shall make a preliminary review of the same~~ and either:

(a) ~~If such review discloses substantial compliance with the requirements of the By-laws and Regulations, transmit a copy to the Chair of the applicable District Council~~Where the application is complete, forward the application to Association member regulation staff to perform a compliance review; or

(b) ~~If such review discloses any substantial non-compliance with the requirements of the By-laws and Regulations, notify the applicant as to the nature of such non-compliance and request that the application for Membership be amended in accordance with the notification of the Secretary and refiled or be withdrawn. If the applicant declines so to amend the application for Membership or to withdraw the same, the Secretary shall forward the same to the Chair of the applicable District Council together with any accompanying material and a copy of the notification to the applicant.~~Where the application is incomplete, provide the applicant with a deficiency letter listing the items missing from or incomplete in the application and, once the Secretary has determined that the deficiencies have been addressed, forward the application to Association member regulation staff to perform a compliance review.

2.~~9~~8. Once the application for Membership has been determined to be complete pursuant to By-law No. 2.7, t~~T~~he Secretary shall notify all Members of the receipt of the application for Membership. Any Member may within fifteen days from the date of the mailing of such notification lodge with the Secretary, a written objection to the admission of the applicant. ~~The~~ Any objections shall be forwarded to the ~~application~~ applicable District Council for consideration along with the Membership application.

2.9. Once the application for Membership has been determined to be complete pursuant to By-law No. 2.7 and the application has been forwarded to Association member regulation staff, Association member regulation staff shall perform a review of the same and either:

(a) If such review discloses substantial compliance and willingness to comply with the requirements of the By-laws, Regulations, Policies, Forms and Rulings of the Association and approval of the application is considered to be in the public interest, forward an Association member regulation staff recommendation to approve the application to the applicable District Council for consideration along with the Membership application; or

(b) If such review discloses any substantial non-compliance or unwillingness to comply with the requirements of the By-laws, Regulations, Policies, Forms and Rulings of the Association, notify the applicant as to the nature of such non-compliance or unwillingness and request that the application for Membership be amended and refiled or be withdrawn. Once Association member regulation staff have determined that the necessary amendments have been made to the refiled application for Membership, forward an Association member regulation staff recommendation to approve the application to the applicable District Council for consideration along with the Membership application. If the applicant declines to amend the application for Membership or to withdraw the same, forward an Association member regulation staff recommendation to refuse the application to the applicable District Council for consideration along with the Membership application; or

(c) If such review indicates that approval of the application is not in the public interest, notify the applicant as to the nature of the public interest concerns and request that the application for Membership be withdrawn. If the applicant declines to withdraw the application for Membership, forward an Association member regulation staff recommendation to refuse the application to the applicable District Council for consideration along with the Membership application.

~~2.10. The Secretary shall request the applicant to submit:~~

~~(a) Financial statements of the applicant as of a date not more than 90 days prior to the date of application for Membership (or as of such other date as the Association may require), prepared in accordance with Form 1 and audited by a panel auditor;~~

~~(b) Interim unaudited monthly financial statements, prepared in accordance with Form 1, for the period following the date of the audited financial statement submitted under subparagraph (a) up to the most recent month prior to the date of the Membership application;~~

~~(c) An additional report by the applicant's auditor to the effect that, based on his examination of the affairs of the applicant, the applicant keeps a proper system of books and records; and~~

~~(d) Such additional financial information, if any, relating to the applicant as the Association may, in its discretion, request.~~

2.~~11~~ 10. ~~Notwithstanding the provisions of By-law 2.10, i~~If an applicant qualifies for exemption from payment of the Entrance Fee pursuant to By-law 3, the applicable District Council may waive any of the conditions relating to an application for Membership that it considers appropriate in the circumstances of the particular case.

2.~~12~~ 11. Notwithstanding the provisions of By-law 2.~~10~~4, if an applicant for Membership is a related company of a Member which confirms its intention to continue its Membership in the Association, the Vice-President, Financial Compliance may determine, in his or her discretion, what financial information is required.

2.~~13~~12. The Membership approval process as set out in By-law 20 shall apply once the applicable District Council receives:

(a) The Membership application from the Secretary;

(~~a~~b) Notification from the Secretary ~~has notified Members pursuant~~that the fifteen day period referred to By-law 2.~~9~~8 ~~and the fifteen day period referred to therein~~ has expired;

~~(b) the applicable District Council receives the Membership application from the Secretary; and~~

(c) Copies of any objection letters referred to in By-law 2.8 that have been submitted relating to the application; and

(~~c~~d) ~~a period of six months or such lesser period as the District Council may in any particular case determine has expired.~~The Association member regulation staff recommendation to either approve or refuse the application pursuant to By-law 2.9.

2.~~14~~13. The ~~Secretary~~ Association shall compute the Annual Fee payable by the ~~application~~ applicant pursuant to By-law 3.2 and provide such computation to the Board of Directors.

2.~~15~~14. The applicant shall become a Member if and when:

(a) The application has been approved by the Board of Directors;

(b) ~~the~~ The applicant has been duly licensed or registered to carry on business as a securities dealer under the applicable law of the province or provinces or territories in which the applicant carries on or proposes to carry on business; and

(c) ~~the~~ The Entrance Fee and Annual Fee have been paid in full.

2.~~16~~15. The Secretary shall keep a register of the names and business addresses of all Members ~~and of their respective Annual Fees. The Annual Fees of Members shall not be made public by the Association~~.

2.~~17~~16. The Secretary shall furnish to the securities commissions of all the provinces of Canada a list of Members and from time to time as changes occur in the Membership shall communicate such changes to such commissions.

MEMBERSHIP APPLICATIONS

20.20 Recommendation of District Council

(1) The District Council, or a sub-committee of the District Council comprised of three industry members established pursuant to By-law 11, shall make a recommendation to the ~~Executive Committee of the~~ Board of Directors to:

(a) approve an application for Membership made pursuant to By-law 2;

(b) approve the application subject to such terms and conditions as may be considered just and appropriate; or

(c) refuse the ~~Application~~ application if, in the opinion of the District Council or the Subsub-committee of the District Council:

(i) the Applicant ~~does not meet any~~is not substantially compliant with all of the requirements prescribed by the By-laws, Regulations, Policies, Forms and Rulings of the Association~~IDA By-laws, Regulations, Rulings of Policies~~;

(ii) the By-laws, Regulations, Policies, Forms and Rulings ~~By-laws, Regulations, Rulings and Policies~~ of the Association will not be complied with by the Applicant;

(iii) the Applicant is not qualified for approval by reason of integrity, solvency, or experience; or

(iv) such approval is otherwise not in the public interest.

20.21 Powers of the ~~Executive Committee of the~~ Board of Directors

(1) The ~~Executive Committee of the~~ Board of Directors shall have the power to:

(a) approve an application for Membership made pursuant to By-law 2;

(b) approve the application subject to such terms and conditions as may be considered just and appropriate; or

(c) refuse the application if, in its opinion:

(i) the Applicant is not substantially compliant with all of the requirements prescribed by the By-laws, Regulations, Policies, Forms and Rulings of the Association;

(ii) the By-laws, Regulations, Rulings and Policies of the Association will not be complied with by the Applicant;

(iii) the Applicant is not qualified for approval by reason of integrity, solvency, or experience; or

(~~iii~~iv) such approval is otherwise not in the public interest.

20.22 Review Hearings

[repealed]

~~(1) Association Staff or the Applicant may request a review of a membership approval decision by a Board Panel within thirty business days after release of the decision.~~

~~(2) If a review is not requested within thirty business days after release of the decision, the membership approval decision becomes final.~~

~~(3) The review hearing shall be presided over by a Panel of the Board of Directors comprised of one independent member of the Board of Directors and two industry members of the Board of Directors, and where the Applicant is a Quebec firm, at least two of the members of the Board Panel shall be resident in Quebec. No member of the Executive Committee of the Board of Directors who participated in the making of the membership approval decision shall be a member of the Board Panel.~~

~~(4) A review hearing held under this Part shall be held in accordance with the IDA Rules of Practice and Procedure.~~

~~(5) The Board Panel may:~~

~~(a) affirm the decision;~~

~~(b) quash the decision;~~

~~(c) vary or remove any terms and conditions imposed on Membership;~~

~~(d) limit the ability to re-apply for approval for such period of time as it determines just and appropriate; and~~

~~(e) make any decision that could have been made by the Executive Committee pursuant to By-law 20.21.~~

~~(6) No appeal shall be available from the decision of the Board Panel.~~

20.23 District Council Powers-Exemption for Payment of Entrance Fee

(1) Notwithstanding By-law 20.20~~,~~ and By-law 20.21 ~~and By-law 20.22~~, if an Applicant is exempted from payment of the Entrance Fee pursuant to By-law 3.4 and has met all Membership application conditions pursuant to By-law 2, except any conditions the District Council has waived in the circumstances, the District Council may approve the application for Membership without referral to the ~~Executive Committee of the~~ Board of Directors for final decision.

13.1.4 CDS Notice and Request for Comments – Material Amendments to CDS Rules Relating to Failure-to-Receive in CCP Services

CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

MATERIAL AMENDMENTS TO CDS RULES

FAILURE-TO-RECEIVE IN CCP SERVICES

REQUEST FOR COMMENTS

A. DESCRIPTION OF THE PROPOSED AMENDMENTS

CDS proposes to amend the CDS Participant Rules to permit participants to make an automatic interest claim when a trade in the Central Counterparty ("CCP") Services does not settle on value date due to a "fail-to-receive" situation.

B. NATURE AND PURPOSE OF THE PROPOSED AMENDMENTS

In the CCP Services, trades in the same securities with the same value date between participants are novated and netted to outstanding obligations between each participant and CDS as CCP. Each CCP participant then has a CCP obligation "to deliver" (the participant is required to deliver securities and in turn receives payment) or a CCP obligation "to receive" (the participant is required to receive securities and in turn makes payment). The total CCP obligations for all participants offset one another. If a participant fails to settle its CCP obligation, then CDS will be unable to settle a corresponding obligation to one or more participants. For instance, if a participant due to receive securities fails to do so, then CDS will not have the funds to enable it to settle with one or more participants who have an obligation to deliver securities.

A "fail-to-receive" occurs when the delivering participant has the required securities available for delivery but the receiving participant is unable to settle on value date [because the participant has insufficient funds, line of credit or aggregated collateral value ("ACV")]. In a trade-for-trade situation, the delivering participant can make an interest claim against the receiving participant, as compensation for the loss of the use of funds. In the CCP services, there is no direct relationship between the delivering participant and the receiving participant so a direct interest claim by the delivering participant cannot be made against the receiving participant. The proposed Rule amendments will permit an automatic interest claim to be made for a CCP "fail-to-receive".

The CDSX® system will automatically identify each CCP "fail-to-receive" and will calculate the applicable fail mark. A fail mark is an amount that is collected by CDS from the fail-to-receive participant and distributed to the corresponding delivering participant. The formula for calculating the fail mark will be set out in the operating procedures of CDS, and will reflect the cost of funds by reference to a published interest rate used in the industry. The current Rules describe the use of a fail mark and have been revised to provide that the formula will reflect the financing cost of the failure to settle on value date [Rule 7.3.6(b) and 7.4.6(b)].

In making these amendments, it was determined that it was appropriate to amend the Rules describing delayed and partial settlements to provide a clear and fuller description of the situations [Rule 7.3.8(a) and 7.4.8(b)]. These amendments impose no further obligations on participants but simply better describe the circumstances in which settlement of CCP obligations may be delayed or completed for less than the full amount outstanding.

CDS is also considering the imposition of a fee for participants in a fail-to-receive situation. Rule 3.5.2 currently permits CDS to charge fees for services, including "fees for the failure to comply with the Legal Documents". Any fee imposed by CDS for a participant who fails to receive securities on value date will be imposed in accordance with this existing Rule 3.5.2; the possibility of imposing such fees is also referred to in Rules 7.3.8 and 7.4.8. Both the fail mark and the fee are inducements to improve the consistency of settlement and to ensure that participants in a position to deliver are not subject to a financial penalty. Review of the relatively infrequent occurrence of "fail-to-receive" situations has indicated that the fail marks will be a relatively small amount. The fail marks are not considered to be a matter of risk management in the CCP services. Risk management in the CCP services is adequately covered by the existing risk control mechanism, such as the daily mark-to-the-market mark, collateral requirements and credit rings.

The Rules require participants in CCP services to settle on value date (Rule 7.3.7 and 7.4.7). CDS may consider a failure to settle as one of the factors in determining whether or not to exercise its discretionary power to suspend a participant: failure to settle on value date is not automatically grounds for suspension, but may indicate that the participant "is in such financial or operating condition that its continuation as a Participant would cause material disruption to the Services or would jeopardize the interests of CDS or other Participants" (Rule 9.1.2). The current Rules are inconsistent, in that the CCP Rules include a statement that a failure to deliver in a CCP Service is not grounds for suspension [Rules 7.3.8(a) and 7.4.8(a)]; this

inconsistency should have been removed when Rule 9 was revised. The inconsistency is eliminated by the proposed amendments.

C. IMPACT OF PROPOSED AMENDMENTS

The proposed amendments encourage participants to settle outstanding CCP positions on value date, and ensure that participants that are able to deliver securities do not suffer a financial penalty when the corresponding participant fails to receive those securities.

D. DESCRIPTION OF THE RULE DRAFTING PROCESS

CDS is recognized as a clearing agency by the Ontario Securities Commission pursuant to section 21.2 of the Ontario Securities Act. The Autorité des marchés financiers has authorized CDS to carry on clearing activities in Québec pursuant to sections 169 and 170 of the Québec Securities Act. In addition CDS is deemed to be the clearing house for CDSX, a clearing and settlement system designated by the Bank of Canada pursuant to section 4 of the Payment Clearing and Settlement Act. The Ontario Securities Commission, the Autorité des marchés financiers and the Bank of Canada will hereafter be collectively referred to as the "Recognizing Regulators".

Each amendment to the CDS Participant Rules is reviewed by CDS's Legal Drafting Group ("LDG"). The LDG is a committee that includes members of Participants' legal and business groups. The LDG's mandate is to advise CDS management and its Board of Directors on rule amendments and other legal matters relating to centralized securities depository and clearing services in order to ensure that they meet the needs of CDS, its Participants and the securities industry.

The amendments to Participant Rules may become effective upon approval of the amendments by the Recognizing Regulators following public notice and comment.

E. IMPACT OF PROPOSED AMENDMENTS ON TECHNOLOGICAL SYSTEMS

CDS will undertake minor system modifications so that the CDSX system will automatically identify "fail-to-receive" situations in CCP Services, and will calculate, collect and distribute the fail mark together with the daily mark.

F. COMPARISON TO OTHER CLEARING AGENCIES

Other clearing agencies have similar measure to encourage settlement of central counterparty positions on value date.

CRESTCo, a member of the Euroclear group, is the central securities depository for the United Kingdom market and Irish equities, and operates the CREST system. CRESTCo offers central counterparty services to clear and settle certain trades on the London Stock Exchange and the Irish Stock Exchange. CRESTCo has a Settlement Discipline Regime with a mandate "to ensure that the sustained efforts made by many firms to improve their matching and settlement performance is not undermined by the actions of a minority" (Euroclear/CRESTCo White Book – CREST Settlement Discipline). CRESTCo sets standards relating to matching and settlement, and imposes sanctions for breaches of those standards, including interest payments for fails-to-receive and fines for fails-to-deliver (White Book, Chapter 1 – Overview).

National Securities Clearing Corporation ("NSCC"), one of the clearing corporations subsidiaries of The Depository Trust & Clearing Corporation ("DTCC"), clears and settles trades in a continuous net settlement environment similar to the Continuous Net Settlement ("CNS") Service of CDSX. NSCC does not have an automatic process to make interest claims on either side of a CNS position that fails to settle on value date. However, NSCC has several charges intended to provide an incentive for the settlement of CNS positions on value date. Each NSCC member makes a collateral contribution to a clearing fund; the formula for calculating that contribution includes a percentage (between 5% and 10%) of each outstanding CNS position, that is for each fail-to-deliver and each fail-to-receive (NSCC Procedures, Procedure XV – Clearing Fund, Section I.(A) - Clearing Fund Formula for Members, Section 1 – For CNS Transactions). NSCC charges a fee for each fail-to-deliver position in CNS (NSCC Procedures, Addendum A – Fee Schedule, Section II Trade Clearance Fees, subsection B – Fails to Deliver to CNS).

G. PUBLIC INTEREST ASSESSMENT

In analysing the impact of the proposed amendments to the CDS Participant Rules, CDS has determined that the implementation of these amendments would not be contrary to the public interest. The proposed amendments will ensure that CCP obligations are subject to the same industry standards as are direct trade-for-trade obligations.

H. COMMENTS

Comments on the proposed amendments should be in writing and delivered by May 14, 2007 to:

Jamie Anderson
Managing Director, Legal
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Fax: 416-365-1984
e-mail: attention@cds.ca

Copies should also be provided to the Autorité des marchés financiers and the Ontario Securities Commission by forwarding a copy to each of the following individuals:

M^{e} Anne-Marie Beaudoin
Directrice du secrétariat
Autorité des marchés financiers
800, square Victoria, 22nd floor
PO box 246, tour de la Bourse
Montréal (Québec) H4Z 1G3

Fax: (514) 873-7455
e-mail: consultation-en-cours@lautorite.qc.ca

Cindy Petlock
Manager, Market Regulation
Capital Markets Branch
Ontario Securities Commission
Suite 1903, Box 55,
20 Queen Street West
Toronto, Ontario M5H 3S8

Fax: 416-595-8940
e-mail: cpetlock@osc.gov.on.ca

CDS will make available to the public, upon request, copies of comments received during the comment period.

I. PROPOSED RULE AMENDMENTS

Appendix “A” contains text of current CDS participant Rules marked to reflect proposed amendments as well as text of these rules reflecting the adoption of the proposed amendments.

J. QUESTIONS

Questions regarding this notice may be directed to:

Jamie Anderson
Managing Director, Legal
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Fax: 416-365-1984
e-mail: attention@cds.ca

TOOMAS MARLEY
Chief Legal Officer

Appendix "A"
Proposed Rule Amendment

Text of CDS participant Rules marked to reflect proposed amendments	Text CDS participant Rules reflecting the adoption of proposed amendments
7.3.6 Marks	**7.3.6 Marks**
(a) Daily Mark	(a) Daily Mark
For each Business Day that a DetNet Obligation is outstanding, CDS shall calculate in accordance with the Procedures the daily Mark in respect of that DetNet Obligation. The daily Mark reflects the financing element of the DetNet Obligation and the then current market price of the Securities that are to be delivered or received on Value Date by the participant in respect of that DetNet Obligation. The daily Mark is an amount that shall be paid on that Business Day either to CDS by the participant owing the DetNet Obligation, or by CDS to that participant. In addition, on that Business Day the payment component of the DetNet Obligation is adjusted by the amount of the daily Mark.	For each Business Day that a DetNet Obligation is outstanding, CDS shall calculate in accordance with the Procedures the daily Mark in respect of that DetNet Obligation. The daily Mark reflects the financing element of the DetNet Obligation and the then current market price of the Securities that are to be delivered or received on Value Date by the participant in respect of that DetNet Obligation. The daily Mark is an amount that shall be paid on that Business Day either to CDS by the participant owing the DetNet Obligation, or by CDS to that participant. In addition, on that Business Day the payment component of the DetNet Obligation is adjusted by the amount of the daily Mark.
(b) Fail Mark	(b) Fail Mark
In addition, to encourage the timely Settlement of DetNet Obligations, CDS may impose a fail Mark in respect of any delayed or partial delivery of the Securities to be delivered pursuant to a DetNet Obligation or in respect of any delayed or partial payment to be made pursuant to a DetNet Obligation. CDS shall calculate in accordance with the Procedures the fail Mark, which will reflect the financing cost of the delayed or partial Settlement. If imposed, the fail Mark shall be paid to CDS by participants who failed to deliver Securities or to make payment to CDS, and shall be paid by CDS to participants to whom CDS failed to deliver Securities or to make payment. The payment component of the DetNet Obligation is not adjusted by the amount of the fail Mark.	In addition, to encourage the timely Settlement of DetNet Obligations, CDS may impose a fail Mark in respect of any delayed or partial delivery of the Securities to be delivered pursuant to a DetNet Obligation or in respect of any delayed or partial payment to be made pursuant to a DetNet Obligation. CDS shall calculate in accordance with the Procedures the fail Mark, which will reflect the financing cost of the delayed or partial Settlement. If imposed, the fail Mark shall be paid to CDS by participants who failed to deliver Securities or to make payment to CDS, and shall be paid by CDS to participants to whom CDS failed to deliver Securities or to make payment. The payment component of the DetNet Obligation is not adjusted by the amount of the fail Mark.
(c) Payment of Net Mark	(c) Payment of Net Mark
CDS calculates a net amount owing to or by each participant in respect of Marks for DetNet by netting all DetNet Marks to be paid or received by that participant and the net DetNet Mark is credited to or debited from the Funds Account of the participant. No amount shall be drawn under a Line of Credit or a System Operating Cap in respect of a DetNet Mark.	CDS calculates a net amount owing to or by each participant in respect of Marks for DetNet by netting all DetNet Marks to be paid or received by that participant and the net DetNet Mark is credited to or debited from the Funds Account of the participant. No amount shall be drawn under a Line of Credit or a System Operating Cap in respect of a DetNet Mark.
7.3.8 ~~Partial Delivery and Delayed Delivery~~ Partial Settlement and Delayed Settlement	**7.3.8 Partial Settlement and Delayed Settlement**
(a) Effect of Partial or Delayed ~~Delivery~~ Settlement ~~A partial or delayed delivery of Securities by a participant or CDS under a DetNet Obligation is not grounds for suspension under Rule 9.1.2, or a default by CDS, respectively~~. CDS may delay the receipt of, or take partial receipt of, Securities that it is due to receive under the securities component of a DetNet Obligation if it is unable to re-deliver all such Securities under the	(a) Effect of Partial or Delayed Settlement CDS may delay the receipt of, or take partial receipt of, Securities that it is due to receive under the securities component of a DetNet Obligation if it is unable to re-deliver all such Securities under the securities component of another of its DetNet Obligations with another participant, and may delay the delivery of, or make partial delivery of, Securities that is due to deliver

Text of CDS participant Rules marked to reflect proposed amendments	Text CDS participant Rules reflecting the adoption of proposed amendments
securities component of another of its DetNet Obligations with another participant, and may delay the delivery of, or make partial delivery of, Securities that is due to deliver under the securities component of a DetNet Obligation if it has not received the delivery of all such Securities under the securities component of another of its DetNet Obligations with another participant. When a partial delivery of Securities is made by a participant or by CDS in Settlement of the securities component of its DetNet Obligation, the payment component of that DetNet Obligation shall be adjusted accordingly; when a partial payment is made by a participant or by CDS in Settlement of the payment component of its DetNet Obligation, the securities component of that DetNet Obligation shall be adjusted accordingly. If a DetNet Obligation of a participant or of CDS is not Settled in full on its Value Date because any or all of the Securities due to be delivered in respect of the DetNet Obligation are not delivered or because any or all of the payments due to be made in respect of the DetNet Obligation are not made, then the Value Date of the outstanding DetNet Obligation will be changed to the next Business Day, and will be netted with the like DetNet Obligations of CDS and of that participant for the new Value Date. The revision and recalculation of the DetNet Obligation will continue until it is Settled in full. To encourage the timely Settlement of DetNet Obligations, CDS may impose a fee in respect of any delayed or partial delivery of the Securities to be delivered pursuant to a DetNet Obligation or in respect of any delayed or partial payment to be made pursuant to a DetNet Obligation.	under the securities component of a DetNet Obligation if it has not received the delivery of all such Securities under the securities component of another of its DetNet Obligations with another participant. When a partial delivery of Securities is made by a participant or by CDS in Settlement of the securities component of its DetNet Obligation, the payment component of that DetNet Obligation shall be adjusted accordingly; when a partial payment is made by a participant or by CDS in Settlement of the payment component of its DetNet Obligation, the securities component of that DetNet Obligation shall be adjusted accordingly. If a DetNet Obligation of a participant or of CDS is not Settled in full on its Value Date because any or all of the Securities due to be delivered in respect of the DetNet Obligation are not delivered or because any or all of the payments due to be made in respect of the DetNet Obligation are not made, then the Value Date of the outstanding DetNet Obligation will be changed to the next Business Day, and will be netted with the like DetNet Obligations of CDS and of that participant for the new Value Date. The revision and recalculation of the DetNet Obligation will continue until it is Settled in full. To encourage the timely Settlement of DetNet Obligations, CDS may impose a fee in respect of any delayed or partial delivery of the Securities to be delivered pursuant to a DetNet Obligation or in respect of any delayed or partial payment to be made pursuant to a DetNet Obligation.
7.4.6 Marks (a) Daily Mark For each Business Day that a CNS Obligation is outstanding, CDS shall calculate in accordance with the Procedures the daily Mark in respect of that CNS Obligation. The daily Mark reflects the then current market price of the Securities that are to be delivered or received on Value Date by the participant in respect of that CNS Obligation. The daily Mark is an amount that shall be paid on that Business Day either to CDS by the participant owing the CNS Obligation, or by CDS to that participant. In addition, on that Business Day the payment component of the CNS Obligation is adjusted by the amount of the daily Mark.	**7.4.6 Marks** (a) Daily Mark For each Business Day that a CNS Obligation is outstanding, CDS shall calculate in accordance with the Procedures the daily Mark in respect of that CNS Obligation. The daily Mark reflects the then current market price of the Securities that are to be delivered or received on Value Date by the participant in respect of that CNS Obligation. The daily Mark is an amount that shall be paid on that Business Day either to CDS by the participant owing the CNS Obligation, or by CDS to that participant. In addition, on that Business Day the payment component of the CNS Obligation is adjusted by the amount of the daily Mark.
(b) Fail Mark In addition, to encourage the timely Settlement of CNS Obligations, CDS may impose a fail Mark in respect of any delayed or partial delivery of the Securities to be delivered pursuant to a CNS Obligation or in respect of any delayed or partial payment to be made pursuant to a CNS Obligation. CDS shall calculate in accordance with the Procedures the fail Mark, which will reflect the financing cost of the delayed or partial Settlement. If	(b) Fail Mark In addition, to encourage the timely Settlement of CNS Obligations, CDS may impose a fail Mark in respect of any delayed or partial delivery of the Securities to be delivered pursuant to a CNS Obligation or in respect of any delayed or partial payment to be made pursuant to a CNS Obligation. CDS shall calculate in accordance with the Procedures the fail Mark, which will reflect the financing cost of the delayed or partial Settlement. If imposed, the fail Mark shall be paid to CDS by participants who failed to deliver Securities to CDS or to make payment to CDS, and shall be paid by CDS to participants to whom CDS failed to deliver Securities or

Text of CDS participant Rules marked to reflect proposed amendments	Text CDS participant Rules reflecting the adoption of proposed amendments
imposed, the fail Mark shall be paid to CDS by participants who failed to deliver Securities to CDS or to make payment to CDS, and shall be paid by CDS to participants to whom CDS failed to deliver Securities or to make payment. The payment component of the CNS Obligation is not adjusted by the amount of the fail Mark. (c) Payment of Net Mark CDS calculates a net amount owing to or by each participant in respect of Marks for CNS by netting all CNS Marks to be paid or received by that participant and the net CNS Mark is credited to or debited from the Funds Account of the participant. No amount shall be drawn under a Line of Credit or a System Operating Cap in respect of a CNS Mark. **7.4.8** ~~Partial Delivery and Delayed Delivery~~ Partial Settlement and Delayed Settlement (a) Effect of Partial or Delayed ~~Delivery~~ Settlement ~~A partial or delayed delivery of Securities by a participant or CDS under a CNS Obligation is not grounds for suspension under Rule 9.1.2. CDS may also delay the receipt of Securities that it is due to receive under the securities component of a CNS Obligation if it is unable to re-deliver such Securities under the securities component of another of its CNS Obligations with another participant.~~ CDS may delay the receipt of, or take partial receipt of, Securities that it is due to receive under the securities component of a CNS Obligation if it is unable to re-deliver all such Securities under the securities component of another of its CNS Obligations with another participant, and may delay the delivery of, or make partial delivery of, Securities that is due to deliver under the securities component of a CNS Obligation if it has not received the delivery of all such Securities under the securities component of another of its CNS Obligations with another participant. When a partial delivery of Securities is made by a participant or by CDS in Settlement of the securities component of its CNS Obligation, the payment component of that CNS Obligation shall be adjusted accordingly; when a partial payment is made by a participant or by CDS in Settlement of the payment component of its CNS Obligation, the securities component of that CNS Obligation shall be adjusted accordingly. If a CNS Obligation of a participant or of CDS is not Settled in full on its Value Date because any or all of the Securities due to be delivered in respect of the CNS Obligation are not delivered or because any or all of the payments due to be made in respect of the CNS Obligation are not made, then the Value Date of the outstanding CNS Obligation will be changed to the next Business Day, and will be netted with the like CNS Obligations of CDS and of that participant for the new Value Date. The revision and recalculation of the ~~DetNet~~ CNS Obligation will continue until it is Settled in full. To encourage the timely Settlement of CNS Obligations, CDS may impose	to make payment. The payment component of the CNS Obligation is not adjusted by the amount of the fail Mark. (c) Payment of Net Mark CDS calculates a net amount owing to or by each participant in respect of Marks for CNS by netting all CNS Marks to be paid or received by that participant and the net CNS Mark is credited to or debited from the Funds Account of the participant. No amount shall be drawn under a Line of Credit or a System Operating Cap in respect of a CNS Mark. **7.4.8 Partial Settlement and Delayed Settlement** (a) Effect of Partial or Delayed Settlement CDS may delay the receipt of, or take partial receipt of, Securities that it is due to receive under the securities component of a CNS Obligation if it is unable to re-deliver all such Securities under the securities component of another of its CNS Obligations with another participant, and may delay the delivery of, or make partial delivery of, Securities that is due to deliver under the securities component of a CNS Obligation if it has not received the delivery of all such Securities under the securities component of another of its CNS Obligations with another participant. When a partial delivery of Securities is made by a participant or by CDS in Settlement of the securities component of its CNS Obligation, the payment component of that CNS Obligation shall be adjusted accordingly; when a partial payment is made by a participant or by CDS in Settlement of the payment component of its CNS Obligation, the securities component of that CNS Obligation shall be adjusted accordingly. If a CNS Obligation of a participant or of CDS is not Settled in full on its Value Date because any or all of the Securities due to be delivered in respect of the CNS Obligation are not delivered or because any or all of the payments due to be made in respect of the CNS Obligation are not made, then the Value Date of the outstanding CNS Obligation will be changed to the next Business Day, and will be netted with the like CNS Obligations of CDS and of that participant for the new Value Date. The revision and recalculation of the CNS Obligation will continue until it is Settled in full. To encourage the timely Settlement of CNS Obligations, CDS may impose a fee in respect of any delayed or partial delivery of the Securities to be delivered pursuant to a CNS Obligation or in respect of any delayed or partial payment to be made pursuant to a CNS Obligation.

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a fee in respect of any delayed or partial delivery of the Securities to be delivered pursuant to a CNS Obligation or in respect of any delayed or partial payment to be made pursuant to a CNS Obligation.	

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Chapter 25

Other Information

25.1 Approvals

25.1.1 AGF Funds Inc. - s. 213(3)(b) of the LTCA

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager, with 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).

March 30, 2007

Torys LLP
Suite 3000
79 Wellington St. W.
Box 270, TD Centre
Toronto, ON
M5K 1N2

Attention: Christine L. Vogelesang

Dear Sirs/Mesdames:

RE: AGF Funds Inc. (the "Applicant")
Application pursuant to clause 213(3)(b) of the Loan and Trust Corporations Act (Ontario) for approval to act as trustee
Application No. 2007/0160

Further to your application dated February 26, 2007 (the "Application") filed on behalf of the Applicant, and based on the facts set out in the Application and the representation by the Applicant that the assets of AGF EAFE Value Pooled Trust and such other funds as may be established from time to time will be held in the custody of Citibank Canada, a bank listed in Schedule II of the *Bank Act* (Canada), 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 AGF EAFE Value Pooled Trust and such other funds as may be managed by the Applicant from time to time, the securities of which will be offered pursuant to a prospectus exemption.

Yours truly,

"Wendell S. Wigle"

"David L. Knight"

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