

The Ontario Securities Commission

OSC Bulletin

June 22, 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)

The Ontario Securities Commission

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Table of Contents

<p>Chapter 1 Notices / News Releases 5639</p> <p>1.1 Notices 5639</p> <p>1.1.1 Current Proceedings Before The Ontario Securities Commission 5639</p> <p>1.1.2 Notice of Ministerial Approval of Amendment to OSC Rule 31-502 Proficiency Requirements for Registrants 5642</p> <p>1.2 Notices of Hearing (nil)</p> <p>1.3 News Releases 5643</p> <p>1.3.1 Canadian Regulators Release Point of Sale Disclosure Framework for Funds 5643</p> <p>1.4 Notices from the Office of the Secretary 5644</p> <p>1.4.1 Peter Sabourin et al. 5644</p> <p>1.4.2 Stanton De Freitas 5644</p> <p>Chapter 2 Decisions, Orders and Rulings 5645</p> <p>2.1 Decisions 5645</p> <p>2.1.1 Macquarie Power & Infrastructure Income Fund - MRRS Decision 5645</p> <p>2.1.2 Stephenson's Rental Services Income Fund et al. - MRRS Decision 5648</p> <p>2.1.3 Novelis Inc. - MRRS Decision 5651</p> <p>2.1.4 TLC Vision Corporation - MRRS Decision 5653</p> <p>2.1.5 Mesirow Financial Private Equity Advisors, Inc. - s. 6.1(1) of MI 31-102 National Registration Database and s. 6.1 of OSC Rule 13-502 Fees 5656</p> <p>2.1.6 Perimeter Capital Management Inc. and NBCN Inc. - MRRS Decision 5658</p> <p>2.1.7 Calyon Financial Canada Inc. and Calyon Financial Inc. - MRRS Decision 5660</p> <p>2.1.8 Spectrum Signal Processing Inc. - MRRS Decision 5662</p> <p>2.1.9 Genevest Inc. - MRRS Decision 5664</p> <p>2.1.10 Jones Heward Investment Counsel Inc. et al. - MRRS Decision 5665</p> <p>2.1.11 Nexgen Financial Limited Partnership - MRRS Decision 5670</p> <p>2.2 Orders 5672</p> <p>2.2.1 Peter Sabourin et al - s. 127(7) 5672</p> <p>2.2.2 Stanton De Freitas - ss. 127(1), 127(5) 5674</p> <p>2.2.3 Aztek Resource Development Inc. - s. 144 5675</p> <p>2.2.4 McLean & Partners Wealth Management Ltd. et al. - s. 113 5677</p> <p>2.3 Rulings (nil)</p> <p>Chapter 3 Reasons: Decisions, Orders and Rulings (nil)</p> <p>3.1 OSC Decisions, Orders and Rulings (nil)</p> <p>3.2 Court Decisions, Order and Rulings (nil)</p>	<p>Chapter 4 Cease Trading Orders 5681</p> <p>4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders 5681</p> <p>4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders 5681</p> <p>4.2.2 Outstanding Management & Insider Cease Trading Orders 5681</p> <p>Chapter 5 Rules and Policies 5683</p> <p>5.1.1 Amendment to OSC Rule 31-502 Proficiency Requirements for Registrants 5683</p> <p>Chapter 6 Request for Comments (nil)</p> <p>Chapter 7 Insider Reporting 5685</p> <p>Chapter 8 Notice of Exempt Financings 5659</p> <p>Reports of Trades Submitted on Forms 45-106F1 and 45-501F1 5659</p> <p>Chapter 9 Legislation (nil)</p> <p>Chapter 11 IPOs, New Issues and Secondary Financings 5765</p> <p>Chapter 12 Registrations 5775</p> <p>12.1.1 Registrants 5775</p> <p>Chapter 13 SRO Notices and Disciplinary Proceedings 5777</p> <p>13.1.1 MFDA issues Notice of Settlement Hearing regarding Mary Elizabeth Rygiel 5777</p> <p>13.1.2 MFDA Hearing Panel Approves Settlement Agreement with Altimum Mutuals Inc. 5778</p> <p>13.1.3 MFDA Central Regional Council Hearing Panel Makes Findings Against Keith Oswald Wong 5779</p> <p>13.1.4 Extension of Comment Period - CSA Staff Notice 21-306 Notice of Filing of Forms 21-101F5 Initial Operation Report for Information Processor 5780</p> <p>13.1.5 IDA Amendments to By-law 20 – Elimination of the IDA Appeal Panel and Changes to Continuing Jurisdiction Provisions 5781</p> <p>13.1.6 CDS Notice and Request for Comments – Material Amendments to CDS Procedures Relating to Security Master File Enhancement 5798</p> <p>Chapter 25 Other Information 5801</p> <p>25.1 Consents 5801</p> <p>25.1.1 Nevoro Inc. - s. 4(b) of the Regulation 5801</p> <p>Index 5803</p>
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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

JUNE 22, 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
Suite 1700, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

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

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Patrick J. LeSage	—	PJL
Carol S. Perry	—	CSP
Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

SCHEDULED OSC HEARINGS

June 25, 2007
2:15 p.m.

Jason Wong, David Watson, Nathan Rogers, Amy Giles, John sparrow, Kervin Findlay, Leasesmart, Inc., Advanced Growing Systems, Inc., Pharm Control Ltd., The Bighub.com, Inc., Universal Seismic Associates Inc., Pocketop Corporation, Asia Telecom Ltd., International Energy Ltd., Cambridge Resources Corporation, Nutrione Corporation and Select American Transfer Co.

s. 127 and 127.1

P. Foy in attendance for Staff

Panel: JEAT/ST

June 26, 2007
2:30 p.m.

Eugene N. Melnyk, Roger D. Rowan, Watt Carmichael Inc., Harry J. Carmichael and G. Michael McKenney

June 27-28, 2007
10:00 a.m.

s. 127 and 127.1

J. Superina in attendance for Staff

Panel: RLS/DLK/ST

June 29, 2007

10:00 a.m.

Land Banc of Canada Inc., LBC Midland I Corporation, Fresno Securities Inc., Richard Jason Dolan, Marco Lorenti and Stephen Zeff Freedman

s. 127

H. Craig in attendance for Staff

Panel: PJL/ST

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	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 M. MacKewn in attendance for Staff Panel: WSW/DLK		s. 127 H. Craig in attendance for Staff Panel: TBA
July 9, 2007 10:00 a.m.	*AiT Advanced Information Technologies Corporation, *Bernard Jude Ashe and Deborah Weinstein	October 22, 2007 10:00 a.m.	Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin
	s. 127 K. Manarin in attendance for Staff Panel: TBA		s. 127 H. Craig in attendance for Staff Panel: TBA
July 17, 2007 2:00 p.m.	Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)	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 and 127.1 D. Ferris in attendance for Staff Panel: TBA		S. 127 A. Sonnen in attendance for Staff Panel: TBA
September 6, 2007 10:00 a.m.	Jose Castaneda	November 12, 2007 10:00 a.m.	Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boulton and Peter Y. Atkinson
	s. 127 and 127.1 H. Craig in attendance for Staff Panel: WSW/DLK		s.127 J. Superina in attendance for Staff Panel: TBA
October 9, 2007 10:00 a.m.	John Daubney and Cheryl Littler	December 10, 2007 10:00 a.m.	Rex Diamond Mining Corporation, Serge Muller and Benoit Holemans
	s. 127 and 127.1 A.Clark in attendance for Staff Panel: TBA		s. 127 & 127(1) H. Craig in attendance for Staff Panel: TBA

April 2, 2008 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.	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
TBA	Yama Abdullah Yaqeen s. 8(2) J. Superina in attendance for Staff Panel: TBA	TBA	* Notice of Withdrawal issued April 26, 2007 First Global Ventures, S.A., Allen Grossman and Alan Marsh Shuman s. 127 D. Ferris in attendance for Staff Panel: WSW/ST/MCH
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	Frank Dunn, Douglas Beatty, Michael Gollogly s.127 K. Daniels in attendance for Staff Panel: TBA
TBA	Euston Capital Corporation and George Schwartz s. 127 Y. Chisholm in attendance for Staff Panel: TBA	TBA	Limelight Entertainment Inc., Carlos A. Da Silva, David C. Campbell, Jacob Moore and Joseph Daniels s. 127 and 127.1 D. Ferris in attendance for Staff Panel: TBA
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	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

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

s. 127 and 127.1

P. Foy in attendance for Staff

Panel: WSW/CSP

* Settled April 4, 2006

**1.1.2 Notice of Ministerial Approval of Amendment
to OSC Rule 31-502 Proficiency Requirements
for Registrants**

**NOTICE OF MINISTERIAL APPROVAL
OF AMENDMENT TO
OSC RULE 31-502 PROFICIENCY REQUIREMENTS
FOR REGISTRANTS**

On May 1, 2007, the Minister of Government Services approved an amendment to Rule 31-502 *Proficiency Requirements for Registrants* that removes limitations on the number of restricted representatives an investment dealer may employ. The amendment was previously published in the Bulletin on March 9, 2007 at (2007) 30 OSCB 2097.

The amendment came into force on May 21, 2007 and a notice will be published in the Ontario Gazette on July 7, 2007.

The amendment is published in Chapter 5 of this issue of the Bulletin and is available at www.osc.gov.on.ca.

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**

1.3 News Releases

1.3.1 Canadian Regulators Release Point of Sale Disclosure Framework for Funds

Laurie Gillett
Ontario Securities Commission
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lgillett@osc.gov.on.ca

Joint Forum of Financial Market Regulators
Forum conjoint des autorités de réglementation du
marché financier

CANADIAN REGULATORS RELEASE POINT OF SALE
DISCLOSURE FRAMEWORK FOR FUNDS

June 15, 2007 (TORONTO) - Canadian regulators took an important step today on their proposals for providing investors with improved point of sale disclosure information.

The Joint Forum has released for public comment a "Proposed Framework 81-406; Point of sale disclosure for mutual funds and segregated funds." A key element of the Proposed Framework is a two-page document called "Fund Facts", which highlights critical information, including performance, risk and cost. This information will be presented to investors when they need it most – before they make a decision to buy a fund.

Copies of the Proposed Framework and accompanying backgrounder are available from the websites of CCIR (www.ccir-ccra.org), CSA (www.csa-acvm.ca) or the Joint Forum (www.jointforum.org). The Joint Forum encourages all interested parties to review and comment on the paper. Comments should be submitted to the Joint Forum Project Office at the address below by October 15, 2007.

Joint Forum Project Office
Joint Forum of Financial Market Regulators
5160 Yonge St.
Box 85, 17th Floor
North York, ON
M2N 6L9
jointforum@fsc.gov.on.ca

The Joint Forum of Financial Market Regulators (Joint Forum) consists of representatives from the Canadian Association of Pension Supervisory Authorities (CAPSA), the Canadian Council of Insurance Regulators (CCIR) and the Canadian Securities Administrators (CSA). The goal of the Joint Forum is to continuously improve the financial services regulatory system through greater harmonization, simplification and co-ordination of regulatory activities.

Media inquiries:

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rmcdouga@fsc.gov.on.ca

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Autorité des marchés financiers (AMF)
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frederic.alberro@lautorite.qc.ca

1.4 Notices from the Office of the Secretary

1.4.1 Peter Sabourin et al.

FOR IMMEDIATE RELEASE
June 14, 2007

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

AND

**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.**

TORONTO – The Commission issued an Order today continuing the Temporary Order until the commencement of the hearing, or until further order of the Commission. The Commission also ordered that the hearing of this matter shall commence on Wednesday, April 2, 2008 and shall continue until Wednesday, April 30, 2008 if necessary, but for April 8, 15, 21 and 29, 2008.

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

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1.4.2 Stanton De Freitas

FOR IMMEDIATE RELEASE
June 14, 2007

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

AND

**IN THE MATTER OF
STANTON DE FREITAS**

TORONTO – The Commission issued an Order on June 13, 2007 extending the Temporary Order until June 25, 2007 or until further order of the Commission. The hearing to extend the Temporary Orders is adjourned until June 25, 2007 at 2:15 p.m.

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

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Macquarie Power & Infrastructure Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Take-over Bids – Offeror needs relief from the requirement in s. 97(1) of the Act that all holders of the same class of securities must be offered identical consideration – Under the bid, Canadian resident unitholders may receive securities of Offeror as consideration; U.S. resident unitholders will receive substantially the same value as Canadian unitholders, in the form of cash paid to the U.S unitholders based on the proceeds from the sale of their securities – Offeror exempt from requirement that all holders of the same class of securities must be offered identical consideration.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 97(1), 104(2)(c).

May 28, 2007

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

AND

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

AND

IN THE MATTER OF
MACQUARIE POWER & INFRASTRUCTURE 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 an exemption from the requirement in the Legislation to offer identical consideration to all holders of the class of securities subject to a take-over bid (the “Identical Consideration Requirement”) in connection with the securities exchange take-over bid to be made by the Filer for all of the outstanding units (the “Units”) of Clean Power Income Fund (the “Fund”) (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 herein 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 limited purpose trust established under the laws of the Province of Ontario by a declaration of trust dated March 15, 2004, as amended and restated as of April 16, 2004 and as further amended effective February 21, 2006.
2. The Filer's head office is located in the Province of Ontario.
3. The Filer is a reporting issuer in all provinces and territories of Canada and is not on the list of defaulting issuers maintained in any Jurisdiction.
4. The Filer is authorized to issue an unlimited number of units (“MPIIF Units”), of which, as at March 31, 2007, 26,798,995 were outstanding. In addition, as at March 31, 2007, there were 3,249,390 Class B exchangeable LP units of MPT LTC Holding LP outstanding exchangeable for an aggregate of 3,249,390 MPIIF Units, subject to certain limitations.
5. The MPIIF Units are listed and posted for trading on the Toronto Stock Exchange (the “TSX”).
6. The Fund is an unincorporated, open-ended, limited purpose trust established under the laws of the province of Ontario by a trust indenture made

- as of October 31, 2001, as amended and restated by an amended and restated trust indenture dated July 16, 2003.
7. The Fund's head office is located in the Province of Ontario.
 8. The Fund is a reporting issuer in all the provinces and territories of Canada.
 9. The authorized capital of the Fund consists of an unlimited number of Units of which, as of April 18, 2007, there were 35,820,477 Units outstanding;
 10. The Fund also has outstanding 6.75% convertible debentures due December 31, 2010 ("Debentures") in the principal amount equal to \$55,000,000. The Debentures are convertible at the holder's option into fully paid Units at any time prior to the earlier of their maturity date and the date fixed for redemption, at a conversion price of \$10.20 per Unit.
 11. The Units and Debentures are each listed on the TSX.
 12. The Filer, the Fund and the Fund's subsidiary operating trust, Clean Power Operating Trust, entered into a support agreement dated April 18, 2007 (the "Support Agreement", a copy of which has been filed on SEDAR and is accessible at www.sedar.com), pursuant to which the Filer agreed to make an offer for all the outstanding Units (the "Bid") and the Fund agreed to support the Bid, all upon the terms and conditions set out in the Support Agreement. The Filer and the Fund issued a joint press release announcing the signing of the Support Agreement on April 18, 2007.
 13. The Filer will prepare and send a take-over bid circular (the "Circular") to holders of Units (the "Unitholders") and holders of the Debentures in connection with the Bid, subject to the provisions of the Support Agreement.
 14. Under the Bid, the Filer will offer to acquire all of the outstanding Units and, as consideration for each Unit validly tendered to the Bid and not validly withdrawn, will offer to the Unitholders, other than to Unitholders resident in the United States (the "U.S. Unitholders"), 0.5581 of a MPIIF Unit and a Contingency Value Receipt (a "CVR").
 15. The Bid will only be made for Units and any holder of Debentures who wishes to accept the Bid must convert the Debentures and deposit the Units issued as a result of such conversion under and in accordance with the Bid.
 16. The CVRs will represent a contingent right of the holders to receive an amount calculated on the basis of 80% of the balance, if any, (less certain costs and expenses related to the CVRs) of an amount determined by taking into account: (i) US\$7.593 million deposited in an escrow account established by PEET U.S. Holdings Inc. ("PEET"), currently a subsidiary of the Fund, in connection with its sale of Gas Recovery Systems, LLC ("GRS"), and (ii) payments, if any, that might be made by the purchaser of GRS to PEET if such purchaser receives certain refunds from Commonwealth Edison Co. relating to GRS (after certain specified adjustments and deductions for certain payments, claims, costs and expenses). The Circular to be prepared by the Filer and sent to all Unitholders and holders of Debentures will describe the terms of the CVRs in detail.
 17. A geographic analysis report (the "Report") delivered to the Filer by the Fund, covering approximately 86.6% of all issued and outstanding Units as at April 23, 2007, disclosed that: (i) residents in Canada comprise 10,164 Unitholders, collectively holding approximately 71.8% of all Units reported, (ii) residents in the United States comprise 74 Unitholders, collectively holding approximately 16.3% of all Units reported, and (iii) residents outside of Canada and the United States comprise 109 Unitholders collectively holding approximately 11.9% of all Units reported.
 18. The MPIIF Units and CVRs issuable under the Bid have not been and will not be registered or otherwise qualified for distribution pursuant to the securities legislation of any jurisdiction outside of Canada, including the United States Securities Act of 1933, as amended (the "1933 Act") or U.S. state securities laws.
 19. The Filer does not believe that the CVRs would be required to be registered or otherwise qualified for distribution under U.S. federal or state securities laws. The MPIIF Units would be required to be registered under the 1933 Act if they were to be issued and delivered to U.S. Unitholders without any further action by the Filer. However, in lieu of delivering MPIIF Units to U.S. Unitholders, the Filer intends to use a vendor placement mechanism, the details and procedures of which are described in paragraph 21 below. As a result of the Vendor Placement (as defined in paragraph 21(a) below), the registration requirements of the 1933 Act will not apply to the Filer and/or the Bid because the MPIIF Units will not be delivered in the United States or to the U.S. Unitholders.
 20. In the absence of the Vendor Placement, the offer, sale and delivery of MPIIF Units to the U.S. Unitholders would constitute a violation of certain U.S. securities laws. Registration under such U.S. securities laws of the MPIIF Units deliverable to U.S. Unitholders pursuant to the Bid would be extremely costly and burdensome to the Filer. Further, the Multijurisdictional Disclosure System would not provide relief from the registration or

qualification requirements of such U.S. securities laws.

21. For U.S. Unitholders who validly tender and do not validly withdraw their Units to the Bid, the Filer proposes, in lieu of delivering the MPIIF Units and CVRs that such U.S. Unitholders would otherwise be entitled to receive under the Bid, such MPIIF Units and CVRs will be:

(a) in the case of MPIIF Units, aggregated and sold in Canada, through the facilities of the TSX, through a registered broker or investment dealer located outside of the United States, and each such U.S. Unitholder whose MPIIF Units have been sold in such manner will be forwarded an amount equal to such Unitholder's pro rata interest in the aggregate net proceeds of such sale, after commissions, expenses and/or any applicable withholding taxes, as soon as reasonably practicable after completion of such sale (the "Vendor Placement"); and

(b) in the case of the CVRs, issued to an escrow agent (the "CVR Escrow Agent"), located outside of the United States, and held in escrow until payment is made on such CVRs or such CVRs are cancelled in accordance with their terms, after which the CVR Escrow Agent will forward to those CDS Participants (as defined herein) identified by CDS Clearing and Depository Services Inc. ("CDS") to the depository under the Bid on or about the expiry time of the Bid as being, as at such time, the participants in the book-entry system maintained by CDS ("CDS Participants") of the U.S. Unitholders, a payment in Canadian Dollars in an amount equal to each such Unitholder's pro rata portion of the aggregate payment amount, if any, net of all costs relating to such arrangements and any applicable withholding taxes in relation to the respective number of CVRs such Unitholder would have otherwise been entitled to receive.

22. The Circular to be prepared by the Filer and sent to all Unitholders and holders of Debentures will disclose the procedure described in paragraph 21 above to be followed for U.S. Unitholders who tender their Units to the Bid.

23. To the extent that there are any Unitholders in jurisdictions outside Canada and the United States to whom the MPIIF Units or CVRs may not be delivered without registration or qualification under the laws of their own jurisdiction (collectively, with the U.S. Unitholders, the "Non-

Resident Unitholders"), the Filer may utilize a vendor placement mechanism similar to the one described in paragraph 21 above, modified as necessary to comply with the laws of such foreign jurisdiction.

24. If the Filer increases the consideration offered pursuant to the Bid to holders of Units resident in Canada, the increase in consideration will also be offered to the Non-Resident Unitholders at the same time and on the same basis.

25. Any sale of the MPIIF Units described in paragraph 21 above will be completed as soon as practicable after the date on which the Filer issues MPIIF Units in exchange for the Units tendered by the Non-Resident Unitholders under the Offer and will be done in a manner intended to maximize the consideration to be received from the sale by the applicable Non-Resident Unitholder and minimize any adverse impact of the sale on the market for the MPIIF Units.

26. Except as to the extent that relief from the Identical Consideration Requirement is granted herein, the Bid will be made in compliance with the requirements under the Legislation governing take-over 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 so that the Filer is exempt from the Identical Consideration Requirement insofar as Non-Resident Unitholders, who would otherwise receive MPIIF Units and CVRs pursuant to the Bid, receive instead cash proceeds from the sale of such MPIIF Units and the payment, if any, in connection with such CVRs, in accordance with the procedures set out in paragraphs 21 and 23 above.

"Harold P. Hands"
Ontario Securities Commission

"Suresh Thakrar"
Ontario Securities Commission

2.1.2 Stephenson's Rental Services Income Fund et al. - MRRS Decision

Headnote

Mutual Reliance Review System – OSC Rule 61-501 – take-over bid and subsequent business combination – Rule 61-501 requires sending of information circular and holding of meeting in connection with second step business combination – target's declaration of trust provides that a resolution in writing executed by unitholders holding more than 66 2/3% of the outstanding units is valid and binding as if such voting rights had been exercised in favour of such resolution at a meeting of unitholders – second step business combination to be subject to minority approval, calculated in accordance with section 8.2 of Rule 61-501 – relief granted from requirement that information circular be sent and meeting be held

Applicable Ontario Rule

OSC Rule 61-501 Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions, ss. 4.2, 8.2, 9.1.

June 7, 2007

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

AND

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

AND

**IN THE MATTER OF
THE POTENTIAL TAKE-OVER BID FOR
STEPHENSON'S RENTAL SERVICES INCOME FUND
BY 1731807 ONTARIO INC.,
AN INDIRECT AFFILIATE OF
EDGESTONE CAPITAL EQUITY FUND III
(CANADA) L.P.**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of Québec and Ontario (the "Jurisdictions") has received an application from 1731807 Ontario Inc. (the "Applicant"), an indirect affiliate of EdgeStone Capital Equity Fund III (Canada) L.P. ("EdgeStone"), in connection with a potential take-over bid (the "Offer") for Stephenson's Rental Services Income Fund ("Stephenson's"), for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirements of the Legislation that:

- (1) a Compulsory Acquisition or Subsequent Acquisition Transaction (each as defined below), as applicable, be approved at a meeting of the unitholders of Stephenson's (the "Unitholders"); and
- (2) an information circular be sent to the Unitholders in connection with either a Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable;

be waived (collectively, the "Requested Relief").

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

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

Interpretation

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

Representations

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

1. The Applicant is an Ontario corporation existing under the *Business Corporations Act* (Ontario) and has not carried on any business prior to the date hereof other than in respect of matters directly relating to the making of the Offer. The Applicant is not a reporting issuer in any of the provinces or territories in Canada.
2. EdgeStone is an Ontario limited partnership organized on December 16, 2005. EdgeStone is managed by EdgeStone Capital Partners, one of Canada's leading private equity firms.
3. The outstanding beneficial interests in Stephenson's are divided into three classes of trust units, designated as class A trust units, class B trust units and special voting units (the class A trust units and class B trust units are hereinafter referred to as the "Units"). The special voting units provide voting rights for holders of shares of a subsidiary of Stephenson's that are exchangeable for Units, though provides no economic interest to the holder thereof. The Units are held by CDS Clearing and Depository Services Inc. in book-entry only form.
4. If the Applicant decides to proceed with the Offer, it is currently expected that:

- (a) the Offer will be for all of the outstanding Units (other than those owned directly or indirectly by the Applicant), including Units that may be issued after the date of the Offer upon the exercise or conversion of securities that are convertible or exercisable to acquire Units, at a price of \$6.875 in cash per Unit;
- (b) one of the conditions of the Offer will be that there shall have been validly deposited under the Offer and not withdrawn at the expiry of the Offer such number of Units which, together with any Units directly or indirectly owned by the Applicant, represent at least 66 2/3% of the Units on a fully-diluted basis;
- (c) if the conditions to the Offer are satisfied (or waived by the Applicant) and the Applicant takes up and pays for Units deposited pursuant to the Offer, the Applicant may proceed with a compulsory acquisition of the Units not deposited to the Offer as permitted by Section 13.13 of the Stephenson's amended and restated declaration of trust dated July 28, 2005 (the "**Declaration of Trust**") for the same consideration per Unit as was paid under the Offer, if within the time provided in the Offer for its acceptance or within 45 days after the date the Offer is made, whichever is longer, the Offer is accepted by Unitholders representing at least 90% of the Units on a fully-diluted basis (other than Units or exchangeable securities held at the date of the Offer by or on behalf of the Applicant or associates or affiliates of the Applicant) (a "**Compulsory Acquisition**");
- (d) in connection with either a Compulsory Acquisition, if available and if the Applicant elects to proceed thereunder, or a Subsequent Acquisition Transaction (as defined below), the Applicant currently intends to amend the Declaration of Trust by the Written Resolution (as defined below) to provide that non-tendering offerees will be deemed to have elected to transfer and to have transferred their Units to an offeror immediately on the giving of the offeror's notice prescribed by the Declaration of Trust notifying non-tendering offerees that, among other things, the offeror is entitled to acquire their Units by way of Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable (as opposed to 21 days after receipt of an offeror's notice, as currently provided) (the "**Notice Amendment**");
- (e) if a Compulsory Acquisition as permitted under the Declaration of Trust is not available to the Applicant or the Applicant elects not to proceed under those provisions, the Applicant currently intends to acquire the Units not deposited to the Offer for the same consideration per Unit as was paid under the Offer by:
 - (i) amending the Declaration of Trust (the "**Threshold Amendment**") to provide that a Compulsory Acquisition may be effected if the Applicant and its affiliates, after take-up and payment of Units deposited under the Offer, hold not less than 66 2/3% of the Units calculated on a fully-diluted basis (a Compulsory Acquisition, amended by the Threshold Amendment, being referred to herein as a "**Subsequent Acquisition Transaction**"); and
 - (ii) proceeding with the Subsequent Acquisition Transaction in respect of the Units not deposited to the Offer as permitted by the Declaration of Trust, as so amended;
- (f) in order to effect either a Compulsory Acquisition, if available and if the Applicant elects to proceed thereunder, or a Subsequent Acquisition Transaction in accordance with the foregoing, rather than seeking the Unitholders' approval at a special meeting of the Unitholders to be called for such purpose, the Applicant intends to rely on Section 12.10 of the Declaration of Trust, which specifies that a special resolution in writing executed by Unitholders holding more than 66 2/3% of the outstanding Units at any time (the "**Written Resolution**") is as valid as if such resolution had been passed at a meeting of Unitholders duly called and convened; which Written Resolution will approve, among other things, the Threshold Amendment and the Notice Amendment and any Compulsory Acquisition or Subsequent Acquisition Transaction undertaken in accordance therewith, as applicable; and
- (g) if the Applicant is unable to or determines not to pursue either the Compulsory Acquisition or the Subsequent

Acquisition Transaction in the manner described above, the Applicant reserves the right, to the extent permitted by applicable law and subject to the terms and conditions of the Support Agreement dated May 24, 2007 between the Applicant and Stephenson's pursuant to which the Applicant agreed to make, and Stephenson's agreed to support, the Offer, to (i) purchase additional Units in the open market or in privately negotiated transactions or otherwise, or (ii) take no further action to acquire additional Units, or (iii) acquire assets of Stephenson's by way of an arrangement, amalgamation, merger, reorganization, consolidation, recapitalization, redemption or other transaction involving the Applicant, EdgeStone and/or its subsidiaries and Stephenson's and/or its subsidiaries. Alternatively, the Applicant may sell or otherwise dispose of any or all Units acquired pursuant to the Offer or otherwise.

5. Notwithstanding that Section 12.10 of the Declaration of Trust permits certain actions of Stephenson's to be authorized by Written Resolution, section 4.2 of the Autorité des marchés financiers du Québec Regulation Q-27 – *Respecting Protection of Minority Shareholders in the Course of Certain Transactions* (“**Regulation Q-27**”) and section 4.2 of OSC Rule 61-501 – *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions* (“**Rule 61-501**”) requires in certain circumstances that the Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable, be approved at a meeting of Unitholders called for that purpose.
6. To effect either a Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable, the Applicant will, if required, obtain minority approval, as that term is defined in the Legislation, calculated in accordance with the terms of Section 8.2 of Regulation Q-27 and Section 8.2 of Rule 61-501 (the “**Minority Approval**”), albeit not at a meeting of Unitholders, but by Written Resolution.
7. The offer and take-over bid circular provided to Unitholders in connection with the Offer will contain all disclosure required by applicable securities laws, including without limitation the take-over bid provisions and form requirements of the Legislation and the provisions of the OSC Rule 61-501 relating to the disclosure required to be included in information circulars distributed in respect of business combinations.

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

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that Minority Approval, if required, shall have been obtained by Written Resolution.

“Naizam Kanji”
Manager, Mergers & Acquisitions
Ontario Securities Commission

Decision

2.1.3 Novelis Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Application by reporting issuer for an order that it is not a reporting issuer - as a result of a plan of arrangement, issuer has one beneficial holder of equity securities - issuer offered to acquire all outstanding 7.25% senior notes through tender and change of control offers - According to applicant, Canadian holders of notes make up 0.77% of the outstanding principal amount of notes - Issuer has more than 15 beneficial holders of debt securities in a jurisdiction and more than 51 in Canada – requested relief granted.

Applicable Legislative Provisions

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

June 11, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, MANITOBA, 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
NOVELIS 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 (the “Requested Relief”) under the securities legislation of the Jurisdictions (the “Legislation”) that the Applicant is not a reporting issuer in all of the Jurisdictions.

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

- (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 Applicant:

1. The Applicant was formed under the *Canada Business Corporations Act* (Canada) on September 21, 2004, and is a reporting issuer or the equivalent in each of the Jurisdictions.
2. The Applicant’s head office is located at 3399 Peachtree Road N.E., Suite 1500, Atlanta, GA 30326.
3. There are currently 75,415,536 common shares (the “Shares”) of the Applicant outstanding. Pursuant to an agreement between Hindalco Industries Limited, a corporation existing under the laws of India, AV Metals Inc. (“AV Metals”) (as assigned by its wholly-owned subsidiary, AV Aluminum Inc. (“AV Aluminum”)), a corporation existing under the laws of Canada, and the Applicant, AV Metals agreed to acquire the Shares pursuant to a plan of arrangement (the “Arrangement”). The Arrangement required the approval of 66 2/3% of the votes cast by holders of the Shares at a special meeting. The Arrangement was approved by 99.8% of the Applicant’s common shareholders at a special meeting held on May 10, 2007.
4. On May 15, 2007, the Applicant completed the Arrangement, and pursuant thereto, AV Metals became the sole shareholder of the Applicant (the “Transaction”). Soon after the completion of the Transaction, AV Metals transferred the Shares to AV Aluminum.
5. Pursuant to a trust indenture dated as of February 3, 2005, as supplemented by a supplemental indenture dated as of November 29, 2006 (together, the “Indenture”), US\$1,400,000,000 principal amount of 7¼% senior notes due 2015 (the “Notes”) were issued.
6. The Notes are not convertible or exchangeable for the Shares or other securities of the Applicant. The Notes are not listed on any exchange or marketplace. The Notes are registered under U.S. securities laws. Under the terms of the Indenture as currently in effect, the Applicant is obligated to file with the United States Securities and Exchange Commission such reports (the “Reports”) as would be required if the Applicant were subject to the reporting obligations of Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”),

- and to provide copies thereof to the holders of the Notes.
7. There is no obligation in the provisions of the Indenture for the Applicant to maintain its status as a reporting issuer or equivalent in any of the Jurisdictions.
 8. The Shares were de-listed from the TSX on May 17, 2007 and from the NYSE on May 29, 2007 and none of the Applicant's securities are traded on a marketplace in Canada as defined in National Instrument 21-101 *Marketplace Operation*.
 9. The Applicant has made an offer which it is obligated to make by the terms of the Indenture upon a change of control, for all of its outstanding Notes for \$1,010 for each \$1,000 principal amount of the Notes (the "Change of Control Offer").
 10. In addition to and concurrently with the Change of Control Offer, the Applicant has made an offer to purchase all of its outstanding Notes at a price of \$1,015 for each \$1,000 principal amount of the Notes (the "Tender Offer"). In conjunction with the Tender Offer, the Applicant will be soliciting consents from holders of Notes to certain amendments to the Indenture. If the proposed amendments become operative, the Applicant will no longer will be obligated by the Indenture to file the Reports or provide copies thereof to the holders of Notes.
 11. To the best of the Applicant's knowledge, as informed by Global Bondholder Services Corporation, there are 118 holders of Notes with addresses in Canada holding an aggregate of \$10,783,000 principal amount of Notes, representing not more than 0.77% of the outstanding principal amount of the Notes. The geographical distribution of the holders in the Jurisdictions is as follows:

Jurisdiction	Number of Holders	Principal Amount (\$)
Ontario	26	10,411,000
British Columbia	73	218,000
Alberta	9	31,000
Quebec	3	104,000
Unspecified Canadian Address	7	19,000
Totals:	118	10,783,000

12. The Applicant is applying for the Requested Relief in all of the jurisdictions of Canada in which it is currently a reporting issuer.
13. For so long as the Applicant has an obligation to deliver the Reports pursuant to the Indenture, Canadian holders of the Notes will receive such Reports concurrently with holders of Notes located in the United States and elsewhere.
14. The Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.
15. The Applicant has no outstanding securities, including debt securities, other than the Shares and the Notes.
16. The Applicant has no plans to seek public financing by way of an offering of its securities 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 pursuant to the Legislation is that the Requested Relief is granted.

"W. David Wilson"
 Commissioner
 Ontario Security Commission

"Margot C. Howard"
 Commissioner
 Ontario Security Commission

2.1.4 TLC Vision Corporation - 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 number of shares it intends to purchase under the bid, and the minimum and maximum amount it will pay for shares tendered – as a result, the potential for confusion is minimal – if all terms and conditions of the issuer bid have been met or waived, issuer may extend the bid for at least 10 days provided the issuer takes up and pays for securities deposited under the bid - in direct conflict with US requirements - but for the jurisdiction of incorporation, issuer could rely on an automatic exemption from the Ontario requirements - relief from proportionate take-up requirement, the corresponding disclosure requirement and the take-up requirement granted.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 95.7, 95.9.
General Regulation, R.R.O. 1990, Reg. 1015, as am., s. 189 and Form 33.

June 11, 2007

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

AND

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

AND

IN THE MATTER OF
TLC VISION CORPORATION (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, in connection with the proposed purchase by the Filer of a portion of its outstanding common shares (**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 securityholder;
- (b) to provide disclosure in the issuer bid circular (the **Circular**) of such proportionate take-up and payment;
- (c) that the Offer not be extended by the Filer, where all the terms and conditions of the Offer have been complied with except those waived by the Filer, unless the Filer first takes up all Shares deposited thereunder and not withdrawn (the **Take up Requirement**); and
- (d) except in Ontario and Quebec to obtain a valuation of the Shares and provide disclosure in the Circular of such valuation, or a summary thereof (the **Valuation Requirement**) (collectively the **Requested Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications

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

Interpretation

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

1934 Act means the U.S. Securities Exchange Act of 1934.

Nasdaq means the Nasdaq Global Market.

Price Range means US\$5.75 to US\$6.25 per Share.

Shareholders means, collectively, holders of Shares.

TSX means the Toronto Stock Exchange.

Representations

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

- 1. The Filer is a reporting issuer in each of the Jurisdictions. It is not in default of any requirement of the Legislation and is not on the list of defaulting reporting issuers maintained pursuant to such Legislation, where applicable.
- 2. The Filer's head and United States corporate office is located at 16305 Swingley Ridge Road, Suite 300, Chesterfield, Missouri. The Filer's International corporate office is located at 5280 Solar Drive, Suite 300, Mississauga, Ontario.

Decisions, Orders and Rulings

3. The Filer was continued under the *Business Corporations Act* (New Brunswick) by articles of continuance dated May 13, 2002.
4. The authorized capital of the Filer consists of an unlimited number of Shares, of which approximately 69.1 million were issued and outstanding as at April 9, 2007.
5. The Shares are listed and posted for trading on Nasdaq and the TSX under the symbols "TLCV" and "TLC" respectively.
6. To the best of the Filer's knowledge, no person or company holds more than 10% of the Shares, other than Glenhill Advisors, LLC which, based on its filings with the U.S. Securities and Exchange Commission as of April 4, 2007, owned approximately 13.9% of the outstanding Shares. Glenhill Advisors, LLC has advised the Filer that it is still considering whether to tender Shares to the Offer.
7. On April 9, 2007, the closing price of the Shares on the Nasdaq was US\$5.39 and on such date the Shares had an aggregate market value of approximately US\$372 million, based on such closing price.
8. The Offer is subject to section 13(e) of the 1934 Act and is not exempt from the 1934 Act.
9. More than 50% of the Shares are beneficially owned by persons or companies in the United States. A majority of the Filer's senior officers and directors are citizens or residents of the United States, more than 50% of the Filer's assets, on a consolidated basis, are located in the United States and the Filer's business is administered principally in the United States.
10. The Filer intends to conduct the Offer pursuant to a modified Dutch auction procedure (the **Dutch Auction**), as follows:
 - (a) the maximum number of Shares that the Filer will purchase under the Offer is 20 million Shares;
 - (b) the range of prices within which the Filer is prepared to purchase such Shares is the Price Range;
 - (c) each Shareholder wishing to tender to the Offer will have the right either to:
 - (i) specify the lowest price within the Price Range at which such Shareholder is willing to sell its tendered Shares (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 according to subparagraph 10(g) below) (a **Purchase Price Tender**);
 - (d) all Shares tendered by Shareholders who fail to specify any tender price for the tendered Shares and fail to indicate that they have tendered their Shares under a Purchase Price Tender will be deemed to have been tendered under a Purchase Price Tender;
 - (e) tendering Shareholders who make either an Auction Tender or a Purchase Price Tender but fail to specify the number of Shares that they wish to tender will be considered to have tendered all Shares held by the Shareholder;
 - (f) the aggregate dollar amount the Filer will expend pursuant to the Offer will remain variable until the Purchase Price is determined and the prorating is calculated in accordance with the procedures outlined on subparagraph 10(j) below;
 - (g) the price per Share (the **Purchase Price**) for the Shares tendered to the Offer and not withdrawn will be the lowest price that will enable the Filer to purchase 20 million Shares, and it will be determined based upon the number of Shares tendered and not withdrawn pursuant to an Auction Tender at each price within the Price Range and tendered and not withdrawn pursuant to a Purchase Price Tender, with each Purchase Price Tender being considered a tender at the lowest price within the Price Range for the purpose of calculating the Purchase Price;
 - (h) all Shares tendered at prices above the Purchase Price will be returned to the appropriate Shareholders;
 - (i) all Shares tendered at or below the Purchase Price will be taken up and paid for at the Purchase Price; and
 - (j) if the number of Shares validly tendered to the Offer and not withdrawn exceeds 20 million Shares, the Filer will purchase the tendered Shares on a pro rata basis.
11. If the Shares validly tendered to the Offer and not withdrawn is below 20 million Shares by the initial expiration date but all the terms and conditions

- thereof 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. Pursuant to the 1934 Act, if the Offer was extended in such circumstances, the Filer would be prohibited from taking up Shares deposited and not withdrawn until the Offer, as extended, expires.
12. Prior to the expiry of the Offer, all information regarding the prices at which such Shares are tendered will be kept confidential by the depositary under the Offer, and the depositary will be directed by the Filer to maintain such confidentiality until the expiry of the Offer.
13. Since the Offer is for less than all the Shares, if the number of Shares tendered to the Offer exceeds 20 million Shares, 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 tendered to the Offer and not withdrawn exceeded 20 million Shares, take up such Shares proportionately according to the number of Shares tendered by each Shareholder.
14. There is a "liquid market" in the Shares, as defined in Ontario Securities Commission Rule 61-501 ("**OSC Rule 61-501**"), because:
- (a) there is a published market for the Shares, namely the Nasdaq and the TSX;
 - (b) during the 12-month period before April 10, 2007:
 - (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 Nasdaq, being the published market on which the Shares are principally traded, was at least 1,000,000 Shares;
- (iii) there were at least 1,000 trades in Shares on the Nasdaq; and
 - (iv) the aggregate trading value based on the price of the trades referred to in clause (iii) was at least \$15,000,000.
15. The market value of the Shares on the Nasdaq, as determined in accordance with applicable rules, was at least \$75,000,000 for March 2007.
16. There are over 69 million Shares issued and outstanding, more than 70 million Shares traded on Nasdaq during the twelve months ended April 5, 2007 and in the six month period ended April 9, 2007, there were over 100,000 individual trades on Nasdaq.
17. The Filer has determined it is reasonable to conclude that, following completion of the Offer, there will be a market for the beneficial owners of Shares who do not tender to the Offer that is not materially less liquid than the market that exists at the time the Offer is made and the Filer intends to rely upon the exemptions from the Valuation Requirement in Ontario Securities Commission Rule 61-501 and Quebec Local Policy Statement Q-27 (the **Presumption of Liquid Market Exemptions**).
18. The Circular will:
- (a) disclose the mechanics for the take-up of and payment for, or the return of, Shares as described in paragraph 10 above;
 - (b) explain that, by tendering Shares at the lowest price in the Price Range or under a Purchase Price Tender, a Shareholder can reasonably expect that the Shares so tendered will be purchased at the Purchase Price, subject to proration as described in paragraph 10 above;
 - (c) disclose the fact that the Filer has applied for an exemption from the Take Up Requirement;
 - (d) disclose the facts supporting the Filer's reliance on the Presumption of Liquid Market Exemptions; 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, other than the relief from the Valuation Requirement, is granted provided that:

- (a) Shares deposited under the Offer and not withdrawn are taken up and paid for, or returned to Shareholders, in the manner described in paragraph 10 above; and
- (b) the Filer complies with the requirements of sections 13(e) and 14(e) of the 1934 Act and Regulations 13E and 14E under the 1934 Act with respect to the conduct of the Offer.

The decision of the Decision Makers under the Legislation, other than in Ontario and Québec, is that the relief from the Valuation Requirement is granted provided that the Filer can rely on the Presumption of Liquid Market Exemptions.

“Paul Radford”
Nova Scotia Securities Commission

“H. Leslie O’Brien”
Nova Scotia Securities Commission

**2.1.5 Mesirow Financial Private Equity Advisors, Inc.
- 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 international adviser is exempted from the electronic funds transfer requirement pursuant to subsection 6.1(1) of Multilateral Instrument 31-102 National Registration Database and activity fee contemplated under section 4.1 of Ontario Securities Commission Rule 13-502 Fees is waived in respect of this discretionary relief, subject to certain conditions.

Rules Cited

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

June 15, 2007

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

AND

**IN THE MATTER OF
MESIROW FINANCIAL PRIVATE EQUITY
ADVISORS, INC.**

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

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

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

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

1. The Applicant is organized under the laws of the State of Delaware in the United States. The Applicant is not a reporting issuer. The Applicant is seeking registration under the *Securities Act* (Ontario) as an international adviser in the categories of investment counsel and portfolio

manager. The head office of the Applicant is in Chicago, Illinois.

2. MI 31-102 requires that all registrants in Canada enrol with CDS Inc. (CDS) and use the national registration database (NRD) to complete certain registration filings. As part of the enrolment process, registrants are required to open an account with a member of the Canadian Payments Association from which fees may be paid with respect to NRD by electronic pre-authorized debit (the electronic funds transfer requirement or EFT Requirement).
3. The Applicant anticipates encountering difficulties in setting up a Canadian based bank account for purposes of fulfilling the EFT Requirement.
4. The Applicant confirms that it is not registered, and does not presently intend to register in another category in Ontario to which the EFT Requirement applies.
5. Staff of the Canadian Securities Administrators has indicated that, with respect to applications from international dealers and international advisers (or applicants in equivalent categories of registration) for relief from the EFT Requirement, it is prepared to recommend waiving the fee normally required to accompany applications for discretionary relief (the Application Fee).
6. For Ontario registrants, the requirement for payment of the Application Fee is set out in section 4.1 of Rule 13-502.

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

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

- A. makes acceptable alternative arrangements with CDS for the payment of NRD fees and makes such payment within ten (10) business days of the date of the NRD filing or payment due date;
- B. pays its participation fee under the Act to the Commission by cheque, draft, money order or other acceptable means at the time of filing its application for annual renewal, which shall be no later than the first day of December in each year;
- C. pays any applicable activity fees, or other fees that the Act requires it to pay to the Commission, by cheque, draft, money order or other acceptable means at the appropriate time; and

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

PROVIDED THAT the Applicant submits a similar application in any other Canadian jurisdiction where it becomes registered as an international dealer or 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"
Manager, Registrant Regulation

2.1.6 Perimeter Capital Management Inc. and NBCN Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Registered dealer and portfolio manager exempted from the requirements to send trade confirmations for trades that the dealer executes on behalf of client where: client's account is fully managed by the portfolio manager; 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 portfolio managers instructions; the client agreed in writing that confirmation statements will not be delivered to them; the dealer will deliver the trade confirmation to the portfolio manager, the client is sent monthly statements that include the confirmation information – subject to certain conditions.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 36, 147.

June 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
PERIMETER CAPITAL MANAGEMENT INC.
(Perimeter)**

AND

NBCN INC. (NBCN, together the Filers)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the requirement contained in the Legislation that a registered dealer which has acted as principal or agent in connection with any trade in a security, must promptly send by prepaid mail or deliver to the customer a written confirmation of the transaction setting out certain information specified in the Legislation (the **Trade Confirmation Requirement**) shall not apply with respect to

trades conducted in a Catalyst Program Account (as defined below) (the **Requested Relief**), subject to certain conditions.

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

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

- 1. Perimeter is registered under the Legislation as an adviser in the categories of investment counsel/portfolio manager or equivalent. Perimeter's head office is located in Toronto, Ontario.
- 2. Perimeter is the discretionary portfolio manager of a wrap account program called the Catalyst Managed Account Program (the **Catalyst Program**).
- 3. The Catalyst Program is offered to clients (the **Clients**) of dealers (the **Dealers**) which use NBCN as their correspondent broker.
- 4. Pursuant to the Catalyst Program:
 - (a) Perimeter will offer discretionary investment management services and third party advisers will be retained;
 - (b) the assets to be placed under management in the Catalyst Program will be held in an account at NBCN that is restricted for use only in the Catalyst Program, and the Dealer will not be permitted to trade in such account (the Catalyst Program Account); and
 - (c) NBCN will execute all trades on behalf of the Catalyst Program Accounts pursuant to instructions by or on behalf of Perimeter.
- 5. NBCN is registered under the Legislation as a dealer, in the category of investment dealer or equivalent, and is a member of the Investment Dealers Association of Canada (the **IDA**).

6. Each Dealer is, or will be, registered under the Legislation as a dealer, in the category of investment dealer or equivalent, and a member of the IDA.
7. To participate in the Catalyst Program, each Client enters a written discretionary portfolio management agreement (the **Catalyst Program Agreement**) with Perimeter, the Dealer and NBCN setting out the terms and conditions and the respective rights, duties and obligations of the parties.
8. Under the Catalyst Program Agreement, the Client will grant full discretionary authority over the assets in the Catalyst Program Account to Perimeter. These Catalyst Program Accounts will be operated in full compliance with the Legislation and the regulations of the IDA.
9. The Client will provide sufficient information regarding the Client's investment objectives, preferences and restrictions pursuant to a Client questionnaire designed by Perimeter from which a written investment policy statement for the Client will be developed and agreed to by the Client.
10. The Catalyst Program Agreement will stipulate that the Client will pay a non-transactional fee based on a fixed percentage of the market value of the Client's Catalyst Program Account, depending in part on the type of assets in which the Client is invested, which will include all custodial, reporting, transaction and brokerage fees and commissions. The Client may be responsible for other charges relating to administration fees for account transfers, partial transfers, wire transfers, NSF cheques, certified cheques, unscheduled RRIF withdrawals, partial or full de-registration of registered accounts or other client initiated transactions or services. Perimeter will provide each Client a list of all potential administration fee charges.
11. Under the Catalyst Program Agreement, NBCN will act as custodian of the securities and other assets in the Catalyst Program Account. The Client will acknowledge and agree that transactions in the Catalyst Program Account directed by Perimeter will generally be executed through NBCN.
12. Perimeter as portfolio manager of the Catalyst Program Account will provide through the Dealer to the Client a statement of account with respect to the Client's Catalyst Program Account containing the information required under the Legislation, including a list of all transactions undertaken in the Catalyst Program Account during the period covered by that statement, and a statement of portfolio for the Catalyst Program Account at the end of such period. The statement

of account will be provided to each Client no less frequently than quarterly.

13. With respect to securities transactions in Catalyst Program Accounts conducted through NBCN, NBCN will provide to Perimeter a written confirmation (which for greater clarity may include electronic transmissions capable of being printed) (**Trade Confirmation**) of each trade in the form and containing the information required under the Legislation. Clients will explicitly waive receipt of Trade Confirmations under the Catalyst Program Agreement.

Decision

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

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted, and the Filers and the Dealers are exempted from the Trade Confirmation Requirement regarding trades in a Catalyst Program Account, provided that:

- (a) the Client has consented in writing to the waiver of the Trade Confirmation Requirement;
- (b) NBCN delivers the Trade Confirmation to Perimeter; and
- (c) account statements are delivered to the Client in accordance with the Legislation and IDA regulations.

"Harold P. Hands"
Commissioner
Ontario Securities Commission

"Lawrence E. Ritchie"
Commissioner
Ontario Securities Commission

2.1.7 Calyon Financial Canada Inc. and Calyon Financial Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Decision pursuant to section 3.1 of Rule 31-501 – Registrant Relationships (the Rule) exempting salespersons of the applicants, which are affiliated companies, from certain of the dual registration restrictions set out in the Rule.

Determination made pursuant to subsection 127(2)(h) of the Regulations under the Securities Act (Ontario) (the Regulation) that salespersons of the applicants are carrying on activities which will not in the circumstances interfere with their duties and responsibilities as salespersons and there are no conflicts of interest arising from the individuals' duties as salespersons and their outside activities so as to permit the registration of such salespersons despite the fact that they are not employed full-time for either applicant as required by subsection 127(1) of the Regulation.

Statutes Cited

Ontario Regulation 1015, R.R.O. 1990, as am., ss. 127(1), 127(2)(h).

Rules Cited

Ontario Securities Commission Rule 31-501 – Registrant Relationships, ss. 1(1), 3.1.

June 15, 2007

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

AND

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

AND

**IN THE MATTER OF
CALYON FINANCIAL CANADA INC.**

AND

CALYON FINANCIAL 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 from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that a determination be made under the Legislation that individuals who intend to be registered in the Jurisdictions as representatives (the **Representatives**) of Calyon Financial Canada Inc. (**Calyon Canada**) will carry out activities which will not in the circumstances interfere with their duties and responsibilities as registered representatives of both Filers, and there are no conflicts of interest arising from the Representatives' duties on behalf of each Filer so as to permit the registration of such Representatives despite the fact that they will not be employed full time with either Filer as required by the Legislation (the **Full-Time Salesperson Determination**).

The Ontario Securities Commission (the **OSC**) has also received an application from the Filers for a decision pursuant to section 3.1 of OSC Rule 31-501 – *Registrant Relationships* (the **Rule**) for an exemption from section 1.1 of the Rule which would otherwise prohibit individuals who are registered representatives of one Filer from also being registered representatives of the other Filer (the **Dual Registration Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

Defined term 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. Calyon Canada is a corporation formed under the laws of the Province of New Brunswick and is a wholly owned subsidiary of Calyon Financial Inc. (**Calyon U.S.**). The head office of Calyon Canada is located in Toronto, Ontario.
2. Calyon Canada is a member of the Investment Dealers Association of Canada (the **IDA**) and is registered as a Futures Commission Merchant under the *Commodity Futures Act* (Ontario) (the **CFA**). Calyon Canada has also filed an application for registration as an investment dealer in each of the Jurisdictions.
3. Calyon U.S. is a corporation formed under the laws of the State of Delaware. The head office of Calyon U.S. is located in Chicago, Illinois. Calyon U.S. primarily engages in trading securities and futures contracts for institutional clients.

4. Calyon U.S. is registered as a “broker-dealer” by the U.S. Securities and Exchange Commission (the **SEC**), and is a member of the National Association of Securities Dealers (the **NASD**). Calyon U.S. is also registered as a Futures Commission Merchant with the U.S. Commodity Futures Trading Commission (the **CFTC**), and is a member of the National Futures Association. Calyon U.S. is also registered in Ontario with the OSC as an “international dealer”.
5. Calyon Canada was established primarily to provide clients who are residents of Canada (Canadian Clients) with access to Canadian and global marketplaces as well as to provide non-Canadian clients with access to Canadian marketplaces and expertise.
6. Upon Calyon Canada being registered as an investment dealer in each of the Jurisdictions, the Representatives will register as salespersons or officers of Calyon Canada in order to provide investment dealer services to Canadian Clients on behalf of Calyon Canada.
7. Calyon U.S. and Calyon Canada also wish to provide clients of Calyon U.S. who are residents of the U.S. (**U.S. Clients**) with access to Representatives who have experience and expertise in the Canadian futures and securities markets. Although Representatives will primarily act on behalf of Calyon Canada, they may also act on behalf of Calyon U.S. in respect of trades with or on behalf of U.S. Clients. The accounts of the U.S. Clients will be U.S. based accounts.
8. Calyon U.S. and any Representatives who act on behalf of Calyon U.S. are subject to and obliged to comply with the registration and other requirements of applicable legislation in the U.S.
9. The Representatives are, or will also be, registered in the U.S. as representatives of Calyon U.S.
10. The limited trading activities and duties and responsibilities to be carried out by the Representatives on behalf of Calyon U.S. will not interfere with their duties or responsibilities on behalf of Calyon Canada.
11. Section 1.1 of the Rule states that “no person registered as a salesperson of a registrant shall act or be registered as a director, partner or officer of the registrant or as a salesperson, officer, partner or director of another registrant”.
12. Section 3.1 of the Companion Policy to the Rule provides that the Director will consider granting an exemption from Section 1.1 of the Rule to salespersons, partners or officers registered in the United States and employed by a United States registered broker-dealer, to trade through an

Ontario registered broker or investment dealer that is affiliated with the United States broker-dealer.

13. In order for the Representatives to conduct the trading services provided on behalf of Calyon U.S. to U.S. Clients, they are required to be registered as salespersons or officers of Calyon Canada in Ontario and registered as representatives of Calyon U.S. Pursuant to section 1.1 of the Rule, the Representatives cannot, without the exemption being sought, be registered as a salesperson, officer, partner or director of two different registrants.
14. The Regulations provide that no individual may be registered as a salesperson unless he or she is employed full time as a salesperson. Although it is not explicitly required that the salesperson be registered full time with one registrant, Staff practice has recognized that this was implied by the requirement.
15. As a result of the Legislation, the Representatives cannot, without the exemption from the Legislation being sought hereunder, be registered as salespersons, officers or directors of the Applicant as their registration as representatives of Calyon U.S. and any activities undertaken on behalf of Calyon U.S. would mean that they are not employed full-time with Calyon Canada.
16. IDA By-law 18.14 permits registered representatives or investment representatives to have, and continue in, another gainful occupation provided the conditions outlined in IDA By-law 18.14 are met.

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 Makers have decided that:

- (a) the Full-Time Salesperson Determination is granted; and
- (b) the OSC, under section 3.1 of the Rule, has decided that the Dual Registration Relief is granted,

provided that:

- (i) the only trading activities to be performed by the Representatives on behalf of Calyon U.S. will be with or to persons or companies that are resident in the U.S.;
- (ii) the limited trading activities and duties and responsibilities to be carried out by the Representatives on behalf of Calyon

U.S. will not interfere with their duties or responsibilities on behalf of Calyon Canada, and there is no conflict of interest arising from their duties and responsibilities at each dealer registrant as Calyon Canada is a subsidiary of Calyon U.S. and each dealer carries on different lines of business activity;

- (iii) Calyon U.S. and the Representatives will comply with applicable U.S. securities laws in respect of all trading activities performed on behalf of U.S. Clients by Calyon U.S. and the Representatives;
- (iv) the Representatives will be under the supervision and control of Calyon Canada and subject to all securities related policies and procedures of Calyon Canada, in addition to being under the supervision and control of Calyon U.S. and subject to Calyon U.S.'s securities related policies; and
- (v) Calyon Canada and the Representatives will be in, and remain in, compliance with IDA By-law 18.14.

“David M. Gilkes”
Manager, Registrant Regulation
Ontario Securities Commission

2.1.8 Spectrum Signal Processing Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Application by reporting issuer for an order that it is not a reporting issuer for the purposes of Ontario securities law - Plan of arrangement approved by shareholders and Supreme Court of British Columbia - Issuer in default for failure to file first quarter interim financial statements and related continuous disclosure documents by March 31, 2007 - requested relief granted.

Applicable Ontario Statutory Provisions

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

June 13, 2007

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

AND

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

AND

**IN THE MATTER OF
SPECTRUM SIGNAL PROCESSING INC.
(Spectrum)**

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 Spectrum for a decision under the securities legislation of the Jurisdictions (the Legislation) that Spectrum be deemed to have ceased to be a reporting issuer in the Jurisdictions (the Requested Relief).

Under National Policy 12-201 *Mutual Reliance Review System for Exemptive Relief Applications* (the MRRS):

- (a) the British Columbia Securities Commission is the principal regulator for Spectrum; and
- (b) the MRRS decision document evidences the decision of each Decision Maker.

Interpretation

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

Representations

- 3 This decision is based on the following facts represented by Spectrum:
1. Spectrum is a company incorporated under the laws of British Columbia and has its head office in Burnaby, British Columbia;
 2. Vecima Networks Inc. (Vecima) is a company amalgamated under the laws of Canada and has its head office in Victoria, British Columbia;
 3. on May 2, 2007, Vecima completed the acquisition of all of the issued and outstanding securities of Spectrum under a plan of arrangement (the Arrangement) involving Spectrum, its shareholders and Vecima;
 4. the Arrangement was approved by the Spectrum shareholders on April 20, 2007 and by the Supreme Court of British Columbia on April 27, 2007;
 5. Vecima beneficially owns all of the outstanding securities of Spectrum, including debt securities;
 6. Vecima is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador; the common shares of Vecima are currently listed and posted for trading on the Toronto Stock Exchange under the symbol "VCM";
 7. Spectrum's securities were de-listed from the NASDAQ on May 3, 2007; currently, no securities of Spectrum are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
 8. Spectrum does not intend to offer its securities to the public;
 9. Spectrum is not in default of any of the requirements of the Legislation, other than the failure to file, by May 15, 2007, its interim financial statements, related management's discussion and analysis, and related certificates for the period

ended March 31, 2007 (Interim Filings); as Vecima became the sole beneficial owner of all of Spectrum's outstanding securities before the date on which Spectrum was required to file the Interim Filings, Spectrum has not prepared the Interim Filings; and

10. upon the grant of the Requested Relief, Spectrum will not be a reporting issuer or the equivalent in any jurisdiction of Canada.

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 Maker under the Legislation is that the Requested Relief is granted.

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

2.1.9 Genevest Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Issuer has only one security holder – Issuer is not a reporting issuer.

Applicable Ontario Statutory Provisions

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

June 18, 2007

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, ONTARIO AND QUÉBEC
(the Jurisdictions)**

AND

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

AND

**IN THE MATTER OF
GENEVEST INC. (the Filer)**

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (the **Decision Maker**) in Alberta, Ontario and Quebec (the **Jurisdictions**) has received an application from Genevest Inc. (the Filer) under the securities legislation of the Jurisdictions (the **Legislation**) for a decision to be deemed to have ceased to be a reporting issuer in the Jurisdictions in accordance with the Legislation.
2. Pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the **System**), the Alberta Securities Commission is the principal regulator for this application.

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 representations by the Filer to each Decision Maker:
 - (a) The Filer is a corporation existing under the laws of Alberta.

- (b) The Filer's registered and head office is located in Calgary, Alberta.
- (c) The authorized capital of the Filer consists of an unlimited number of common shares (the Genevest Shares). As at the date hereof, all of the outstanding Genevest Shares are beneficially owned by Pinetree Capital Ltd. (*Pinetree*) and have been since June, 2004. There are no other securities of Genevest outstanding.
- (d) The Filer is a reporting issuer under the Legislation in each of the Jurisdictions. The Filer ceased to be a reporting issuer in British Columbia on May 21, 2007 under BC Instrument 11-502 – *Voluntary Surrender of Reporting Issuer Status*.
- (e) Effective June 1, 2004, Genevest Inc., one of the predecessor entities to the Filer (**Pre-Amalgamation Genevest**), and 981268 Alberta Ltd., a wholly-owned subsidiary of Pinetree, amalgamated (the **Amalgamation**) to form the Filer, which became (and remains) a wholly-owned subsidiary of Pinetree, and the holders of all of the outstanding common shares of Pre-Amalgamation Genevest (**Pre-Amalgamation Shares**) received common shares of Pinetree in exchange therefor.
- (f) The Amalgamation was approved by holders of the Pre-Amalgamation Shares at a special meeting of shareholders held on May 27, 2004.
- (g) Prior to the Amalgamation, Pre-Amalgamation Genevest was a reporting issuer under the Legislation of the Jurisdictions and the securities legislation of British Columbia for a period of in excess of twelve months. Accordingly, as the continuing entity of Pre-Amalgamation Genevest following the Amalgamation, the Filer became a reporting issuer in all such jurisdictions.
- (h) Prior to the Amalgamation, the Pre-Amalgamation Shares were listed and posted for trading on the TSX Venture Exchange. In connection with the Amalgamation, the Pre-Amalgamation Shares were de-listed from the TSX Venture Exchange on June 8, 2004.
- (i) As at the date hereof, no securities of the Filer are listed or traded on a marketplace as defined in National Instrument 21-101 - *Marketplace Operation* and the Filer has no current

intention to seek public financing by way of an offering of securities.

- (j) Pinetree is not in default of any of its obligations as a reporting issuer under the Legislation.
- (k) The Filer is not in default of any of its obligations as a reporting issuer under the Legislation, other than: 1) the fact that it has been filing the financial statements and related management's discussion and analysis (**MD & A**) of its parent, Pinetree, on its SEDAR profile since March, 2005; 2) failure to file annual financial statements for the year ended December 31, 2006, and related MD & A and certification for such financial statements; and 3) failure to file interim financial statements for the period ended March 31, 2007 and related MD & A and certification for such financial statements as required under Multilateral Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings*.
- (l) The Filer is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer.

Decision

- 5. Pursuant to the System, this MRRS Decision Document evidences the decision of each Decision Maker.
- 6. Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decisions Maker with the jurisdiction to make the decision has been met.
- 7. The decision of the Decision Makers under the Legislation is that the Filer is deemed to have ceased to be a reporting issuer or equivalent under the Legislation.

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

2.1.10 Jones Heward Investment Counsel Inc. et al. - MRRS Decision

Headnote

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

Applicable Legislative Provisions

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

June 7, 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,
THE NORTHWEST TERRITORIES, NUNAVUT
AND THE YUKON
(the "Jurisdictions")**

AND

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

AND

**JONES HEWARD INVESTMENT COUNSEL INC.
(the "Dealer Manager")**

AND

**BMO HARRIS INVESTMENT MANAGEMENT INC. AND
BMO INVESTMENTS INC.
(the "Managers")**

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 Managers and from the Dealer Manager (the Managers and the Dealer Manager together, the "Applicant") for and on behalf of the mutual funds named in Appendix "A" (the "Funds" or "Dealer Managed Funds"), for a decision under section 19.1 of National Instrument 81-102 *Mutual Funds (NI 81-102)* for:

- an exemption from subsection 4.1(1) of NI 81-102 to enable the Dealer Managed

Funds to invest in common shares (the "**Common Shares**") of Anvil Mining Limited (the "**Issuer**") during the 60-day period following the completion of the distribution (the "**Prohibition Period**") of the Offering (as defined below), notwithstanding that an associate or affiliate of the Dealer Manager acts or has acted as an underwriter in connection with the offering (the "**Offering**") of Common Shares on a bought deal basis pursuant to a short form prospectus filed in all of the provinces of Canada (the "**Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

It is the responsibility of each of the Decision Makers to make a global assessment of the risks involved in granting exemptive relief from subsection 4.1(1) of NI 81-102 in relation to the specific facts of each application.

Interpretation

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

Representations

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

1. The Dealer Manager is a "dealer manager" with respect to the Dealer Managed Funds, and each Dealer Managed Fund is a "dealer managed fund", as such terms are defined in section 1.1 of NI 81-102.
2. The Dealer Manager is the portfolio adviser of the Dealer Managed Funds.
3. The head office of the Dealer Manager is in Toronto, Ontario.
4. The securities of the Dealer Managed Funds are qualified for distribution in one or more of the provinces and territories of Canada pursuant to simplified prospectuses (the "**Prospectuses**") that have been prepared and filed in accordance with their respective securities legislation.
5. As described in the Prospectuses, the manager of the Fund, BMO Harris Canadian Special Growth Portfolio, is BMO Harris Investment Management

Inc. ("**BMO Harris**") and the manager of the other Fund, BMO Special Equity Fund, is BMO Investments Inc. ("**BMO Investments**"). Both BMO Harris and BMO Investments are indirect subsidiaries of Bank of Montreal.

6. A final short form prospectus (the "**Final Prospectus**") of the Issuer dated May 30, 2007, has been filed with the Decision Makers in each of the provinces of Canada for which an MRRS decision document evidencing receipt by such Decision Makers was issued on May 30, 2007.
7. According to the Issuer's Final Prospectus, the Offering will be underwritten, subject to certain terms, by a syndicate that includes, among others, BMO Nesbitt Burns Inc. (the "**Related Underwriter**"), an affiliate of each of the Dealer Manager and the Managers (the Related Underwriter and any other underwriters which are now or may become part of the syndicate, the "**Underwriters**").
8. As described in the Final Prospectus, the Issuer is an international base and precious metals mining and exploration company incorporated under the laws of the Northwest Territories, with principal assets comprised of a 90% indirect equity interest in the Dikulushi copper/silver mine in the Democratic Republic of Congo (the "**DRC**"), an 80% indirect equity interest in the Kulu copper mine in the DRC, a 95% indirect equity interest in the Kinsevere Project and interests in a number of exploration properties in the DRC, Zambia, Vietnam and the Philippines.
9. As described in the Final Prospectus, the Offering is to be comprised of 10,769,230 Common Shares at a price of \$16.25 per Common Share. In addition, the Issuer has granted the Underwriters an option, exercisable until the date that is 30 days following the Closing Date (as defined below), to purchase up to an additional 1,615,385 Common Shares to cover over-allotments, if any, and for market stabilization purposes.
10. As described in the Final Prospectus, the closing of the Offering is expected to occur on or about June 7, 2007 (the "**Closing Date**").
11. As disclosed in the Final Prospectus, the proceeds of the Offering will be used by the Issuer to fund the development of the Stage II SX-EW facility at the Kinsevere project and the balance will be used for other development in the DRC and for general corporate purposes.
12. As further disclosed in the Final Prospectus, the Issuer has applied to list the Common Shares distributed under the Offering on the Toronto Stock Exchange (the "**TSX**"). The Issuer's outstanding Common Shares are listed on the TSX under the symbol "AVM".

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

Decision

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

The Decision of the Decision Makers is that the Requested Relief is granted, notwithstanding that the Related Underwriter acts or has acted as underwriter in the Offering provided the following conditions are satisfied:

- I. At the time of each purchase of Common Shares (a **"Purchase"**) by a Dealer Managed Fund pursuant to this Decision, the following conditions are satisfied:
 - (a) the Purchase
 - (i) represents the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or
 - (ii) is, in fact, in the best interests of the Dealer Managed Fund;
 - (b) the Purchase is consistent with, or is necessary to meet, the investment objective of the Dealer Managed Fund as disclosed in its simplified prospectus; and
 - (c) the Dealer Managed Fund does not place the order to purchase, on a principal or agency basis, with the Related Underwriter.
- II. Prior to effecting any Purchase pursuant to this Decision, the Dealer Managed Fund has in place written policies or procedures to ensure that,
 - (a) there is compliance with the conditions of this Decision; and
 - (b) in connection with any Purchase,
 - (i) there are stated factors or criteria for allocating the Common Shares purchased for two or more Dealer Managed Funds and other Managed Accounts, and
 - (ii) there is full documentation of the reasons for any allocation to a Dealer Managed Fund or Managed Account that departs from the stated allocation factors or criteria.
- III. The Dealer Manager does not accept solicitation by the Related Underwriter for the Purchase of Common Shares for the Dealer Managed Funds.
- IV. The Related Underwriter does not purchase Common Shares in the Offering for its own account except Common Shares sold by the Related Underwriter on closing.
- V. Each Dealer Managed Fund has an Independent Committee to review the Dealer Managed Fund's

investments in the Common Shares during the Prohibition Period.

- VI. The Independent Committee has a written mandate describing its duties and standard of care which, at a minimum, sets out the applicable conditions of this Decision.
- VII. The members of the Independent Committee exercise their powers and discharge their duties honestly, in good faith, and in the best interests of investors in the Dealer Managed Funds and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.
- VIII. The Dealer Managed Funds do not relieve the members of the Independent Committee from liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph VII above.
- IX. The Dealer Managed Funds do not incur the cost of any portion of liability insurance that insures a member of the Independent Committee for a liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph VII above.
- X. The cost of any indemnification or insurance coverage paid for by the Managers, the Dealer Manager, any portfolio manager of the Dealer Managed Funds, or any associate or affiliate of the Dealer Manager or any portfolio manager of the Dealer Managed Funds to indemnify or insure the members of the Independent Committee in respect of a loss that arises out of a failure to satisfy the standard of care set out in paragraph VII above is not paid either directly or indirectly by the Dealer Managed Funds.
- XI. The Dealer Manager files a certified report on SEDAR (the **"SEDAR Report"**) in respect of each Dealer Managed Fund, no later than 30 days after the end of the Prohibition Period, that contains a certification by the Dealer Manager that contains:
 - (a) the following particulars of each Purchase:
 - (i) the number of Common Shares purchased by the Dealer Managed Funds;
 - (ii) the date of the Purchase and purchase price;
 - (iii) whether it is known whether any Underwriter or syndicate member has engaged in market stabilization activities in respect of the Common Shares;

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

APPENDIX "A"

THE MUTUAL FUNDS

BMO Mutual Funds (consolidated)
BMO Special Equity Fund

BMO Harris Private Portfolios
BMO Harris Canadian Special Growth Portfolio

2.1.11 Nexgen Financial Limited Partnership - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted to fund manager as a “company providing services to the mutual fund” under section 11.1(1)(b) of NI 81-102 – Fund manager is not a member of the Mutual Fund Dealers' Association – Representations of the Decision speak to the safeguarding of client assets – Relief is aimed at allowing the fund manager to commingle client cash related to fund manager's 28 open-ended mutual funds in the same trust account as client cash received by the fund manager for investment in shares of a particular closed-end fund managed by the manager that is not a “mutual fund” under NI 81-102.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 11.1(1)(b), 19.1.

June 20, 2007

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

AND

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

AND

**IN THE MATTER OF
NEXGEN FINANCIAL LIMITED PARTNERSHIP
(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 section 19.1 of National Instrument 81-102 *Mutual Funds* (the “Legislation”) for an exemption from the provisions of section 11.1(1)(b) of National Instrument 81-102 *Mutual Funds* (“NI 81-102”) that prohibit a person or company providing services to a mutual fund from commingling cash received for the purchase or redemption of mutual fund securities (“Mutual Fund Trust Monies” as further defined below) with cash received for the purchase or sale of non-mutual fund securities (“Non Mutual Fund Trust Monies” as further defined below) (the “Commingling Prohibition”).

The above is collectively referred to as 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.

Representation

- 1. The Filer is the manager of the Nexgen Funds ("the Funds"), a group of 28 open-end mutual funds currently qualified by separate simplified prospectuses dated March 6, 2007 and May 9, 2007.
- 2. The Filer is registered as a dealer in the categories of mutual fund dealer and limited market dealer in the Province of Ontario.
- 3. The Filer does not sell mutual fund securities to the public and is not a member of the Mutual Fund Dealers Association of Canada ("MFDA").
- 4. Pursuant to an order dated August 11, 2005 (the "Order"), the Filer was exempted from the requirements of sections 2.1 and 3.1 of OSC Rule 31-506 requiring the Filer to become a member of the MFDA, provided its dealer activities were restricted as provided in the Order and incidental to its principal business of managing the Funds.
- 5. Pursuant to a securityholder services agreement dated May 5, 2006 among the Filer, International Financial Data Services (Canada) Limited ("IFDS") and the Funds, the Filer retained IFDS to perform certain administrative and trust accounting services for the Funds.
- 6. IFDS maintains on behalf of the Funds, one trust account (the "Client Trust Account") with a major Canadian financial institution into which all monies ("Mutual Fund Trust Monies") invested by securityholders in the Funds ("Securityholders") are paid and from which redemption proceeds or assets to be distributed are paid. The Client Trust Account is interest bearing and all of the interest earned on the cash in the Client Trust Account is paid out to Securityholders or to each of the Funds on a pro rata basis in compliance with subsection 11.1(4) of NI 81-102. The Filer ensures compliance with section 11.3 of NI 81-

102 in the way in which the Client Trust Account is maintained.

- 7. The Client Trust Account is designated a "trust account" by the financial institution at which it is held and is currently held on behalf of the Funds. The Filer, as manager of the Funds, has access to the Client Trust Account and has control over which employees of IFDS have access to the Client Trust Account.
- 8. The Filer acts as the manager of Macquarie NexGen Global Infrastructure Corporation (the "Closed End Fund"), a closed end fund for which a long form prospectus was receipted on February 26, 2007 to qualify the distribution of Class A ("Class A securities") and Class B securities ("Class B securities"). The Filer has retained IFDS to act as the record keeping agent of the Class B securities, and in such capacity IFDS will perform certain administrative and trust accounting services for the Closed End Fund.
- 9. As manager of the Funds and the Closed End Fund, section 116(1) of the *Securities Act* (Ontario) and similar provisions in the Jurisdictions, requires the Filer to act in the best interests of the Fund and the Closed-End Fund.
- 10. The Filer proposes to pool monies invested by securityholders in the Class B securities ("Non Mutual Fund Trust Monies") with Mutual Fund Trust Monies in the Client Trust Account. The commingling of Non Mutual Fund Trust Monies with Mutual Fund Trust Monies would facilitate significant administrative and systems economies that will enable the Filer to enhance its level of service to its clients at less cost.
- 11. In the absence of the Requested Relief, the commingling of Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies would contravene the Commingling Prohibition and would require the Filer to establish separate trust accounts for the Funds and the Class B securities of the Closed-End Fund. This would represent a significant cost to be borne by the shareholders of the Closed End Fund and the Funds.
- 12. Commingled Mutual Fund Trust Monies and Non Mutual Fund Trust Monies will remain in the Client Trust Account for less than one business day before being forwarded to the custodian of the Funds and the Closed-End Fund, or in reverse, before being forwarded from the Client Trust Account to the relevant dealers or dealer trust accounts which sell the Funds. Accordingly, all monies held in the Client Trust Account will be cleared on a daily basis at the beginning of each business day following the previous business day's overnight processing of all purchase and sale transactions involving the Funds and the Class B securities.

- 13. The Filer does not believe that the interests of the Securityholders or securityholders of the Class B securities will be prejudiced in any way by the commingling of Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies.
- 14. The Filer is a "company providing services to the mutual fund" under the provisions of section 11.1(1)(b) of NI 81-102. Accordingly, the Commingling Prohibition prohibits the Filer from commingling Mutual Fund Trust Monies with Non-Mutual Fund Trust Monies.
- 15. In providing services, the Filer is able to account for all monies received into and all monies that are to be paid out of the Client Trust Account in order to meet the policy objectives of sections 11.1 and 11.2 of NI 81-102.
- 16. The Filer will ensure that proper records with respect to client cash in a commingled account are kept, and will ensure that the Client Trust Account is reconciled, and that Mutual Fund Trust Monies and Non-Mutual Fund Trust Monies are properly accounted for daily. The Filer will ensure that IFDS, as record keeping agent of the Closed-End Fund and in its performance of certain administrative and trust accounting services in respect of the Funds, complies with these obligations.
- 17. The Filer will ensure that all transactions in the Client Trust Account are manually reviewed on a daily basis by one or more designated employees of IFDS in order to monitor the Client Trust Account for discrepancies in the handling of Mutual Fund Trust Monies and Non-Mutual Fund Trust Monies in the Client Trust Account.
- 18. Any error in the handling of monies in the Client Trust Account as a result of the commingling of funds identified through such daily review process will promptly be corrected by the Filer.
- 19. Except for the Commingling Prohibition, the Filer will comply with all other requirements prescribed in Part 11 of NI 81-102 with respect to the separate accounting and handling of client cash.

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.

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

2.2 Orders

2.2.1 Peter Sabourin et al - s. 127(7)

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

AND

**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.**

**ORDER
(Section 127(7))**

WHEREAS on December 7, 2006, the Ontario Securities Commission (the "Commission") ordered pursuant to sections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5., as amended, that all trading in securities by and of 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. (the "Respondents") cease, and that any exemptions contained in Ontario securities law do not apply to the Respondents (the "Temporary Order");

AND WHEREAS on December 7, 2006, the Commission issued a Notice of Hearing and Statement of Allegations in this matter;

AND WHEREAS on December 20, 2006, the respondents Peter Sabourin, W. Jeffrey Haver, Greg Irwin, Patrick Keaveney, Shane Smith, Andrew Lloyd, Sandra Delahaye, and Sabourin and Sun Inc. consented to a continuation of the Temporary Order;

AND WHEREAS on December 20, 2006, no one appeared for Sabourin and Sun (BVI) Inc., Sabourin and Sun Group of Companies Inc., Camdeton Trading Ltd. and Camdeton Trading S.A.;

AND WHEREAS the Respondents undertook to keep investors advised of the Temporary Order through notices to be displayed prominently on each of the home pages of websites operated by the Respondents, including www.nickelandsun.com, www.sabourinandsun.com and www.camdetontrading.com, until June 14, 2007 or further order of the Commission;

AND WHEREAS on December 20, 2006, the Commission ordered that the Temporary Order be continued until June 14, 2007 or until further order of the Commission;

AND WHEREAS on December 20, 2006, the Commission ordered that Sandra Delahaye be permitted to trade in securities for her own account or for the account of a registered retirement savings plan or registered retirement income fund (as defined in the *Income Tax Act* (Canada)) in which she has legal and beneficial ownership and interest on the conditions that she do so only through her accounts 59E-74OR-O or 59E-74ON-O at Raymond James Ltd., in her name only, and that she provide monthly statements for both accounts to Staff of the Commission;

AND WHEREAS on December 20, 2006, the Commission ordered that W. Jeffrey Haver be permitted to trade in securities for his own account or for the account of a registered retirement savings plan or registered retirement income fund (as defined in the *Income Tax Act* (Canada)) in which he has legal and beneficial ownership and interest on the conditions that he do so only through his accounts 258108519 at GRS Securities Inc. or 555-32965 at Scotia McLeod Direct Investing, a division of Scotia Capital Inc., in his name only, and that he provide monthly statements for both accounts to Staff of the Commission;

AND WHEREAS on June 14, 2007, the Commission heard submissions from Commission Staff and counsel for Peter Sabourin, W. Jeffrey Haver, Greg Irwin, Patrick Keaveney, Shane Smith, Andrew Lloyd and Sandra Delahaye, no one appearing for Sabourin and Sun Inc., Sabourin and Sun (BVI) Inc., Sabourin and Sun Group of Companies Inc., Camdeton Trading Ltd. and Camdeton Trading S.A.;

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

IT IS ORDERED THAT:

1. the hearing of this matter shall commence on Wednesday, April 2, 2008 and shall continue until Wednesday, April 30, 2008 if necessary, but for April 8, 15, 21 and 29, 2008;
2. the Temporary Order is continued until the commencement of the hearing, or until further order of the Commission;
3. Sandra Delahaye is permitted to trade in securities for her own account or for the account of a registered retirement savings plan or registered retirement income fund (as defined in the *Income Tax Act* (Canada)) in which she has legal and beneficial ownership and interest on the conditions that she do so only through her accounts 59E-74OR-O or 59E-74ON-O at Raymond James Ltd., in her name only, and that she provide monthly statements for both accounts to Staff of the Commission;

4. W. Jeffrey Haver is permitted to trade in securities for his own account or for the account of a registered retirement savings plan or registered retirement income fund (as defined in the *Income Tax Act* (Canada)) in which he has legal and beneficial ownership and interest on the conditions that he do so only through his accounts 258108519 at GRS Securities Inc. or 555-32965 at Scotia McLeod Direct Investing, a division of Scotia Capital Inc., in his name only, and that he provide monthly statements for both accounts to Staff of the Commission; and
5. The Respondents shall keep investors advised of this order through notices to be displayed prominently on each of the home pages of websites operated by the Respondents, including www.nickleandsun.com, www.sabourinandsun.com and www.camdetontrading.com, until the commencement of the hearing, or until further order of the Commission;
6. Staff of the Commission shall not be required to serve nor otherwise advise the respondents Sabourin and Sun Inc., Sabourin and Sun (BVI) Inc., Sabourin and Sun Group of Companies Inc., Camdeton Trading Ltd. and Camdeton Trading S.A. of any further steps in this proceeding.

DATED at Toronto this 14th day of June, 2007.

"Wendell S. Wigle"

"David L. Knight"

2.2.2 **Stanton De Freitas - ss. 127(1), 127(5)**

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

AND

**IN THE MATTER OF
STANTON DE FREITAS**

**TEMPORARY ORDER
(Sections 127(1) and (5))**

WHEREAS on May 30, 2007, the Commission made a temporary order, pursuant to subsections 127(1) and (5) of the Act, that trading in any securities by Stanton De Freitas shall cease and that any exemptions contained in Ontario securities law do not apply to him (the "Temporary Order");

WHEREAS, pursuant to subsection 127(5) of the Act, the Temporary Order shall expire on June 14, 2007 unless extended by the Commission;

WHEREAS Staff is seeking to extend that part of the Temporary Order which orders that trading in any securities by the Respondent shall cease;

AND WHEREAS Staff is not seeking an extension of that part of the Temporary Order which orders that any exemptions contained in Ontario securities law do not apply to the Respondent;

AND WHEREAS Staff will be seeking to consolidate the hearing of this matter with the hearing to extend the temporary orders issued in *Re Jason Wong et al.*;

AND WHEREAS the Respondent does not contest or object to an extension of the Temporary Order until June 25, 2007;

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

AND WHEREAS by Commission Order made April 4, 2007, pursuant to section 3.5(3) of the Act, any one of W. David Wilson, James E. A. Turner, Lawrence E. Ritchie, Robert L. Shirriff, Harold P. Hands, Paul K. Bates and David L. Knight, acting alone, is authorized to make Orders under section 127 of the Act;

IT IS ORDERED THAT:

1. the hearing to extend the Temporary Orders is adjourned until June 25, 2007 at 2:15 p.m.; and
2. pursuant to subsection 127 (8) of the Act, the Temporary Order is extended until June 25, 2007 or until further order of the Commission, with the exception that the

part of the Temporary Order which orders that any exemptions contained in Ontario securities law do not apply to the Respondent shall not be extended.

DATED at Toronto this 13th day of June, 2007.

"James E. A. Turner"

2.2.3 Aztek Resource Development Inc. - s. 144

Headnote

Section 144 – partial revocation of cease trade order to mail a circular and permit a meeting of shareholders, and other matters related thereto.

Applicable Ontario Statutory Provision

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

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

AND

**IN THE MATTER OF
AZTEK RESOURCE DEVELOPMENT INC.**

**ORDER
(Section 144)**

WHEREAS the securities of Aztek Resource Development Inc. (the “**Applicant**”) are subject to a cease trade order dated November 3, 2005 made pursuant to paragraph 2 of subsection 127 (1) and subsection 127 (5) of the Act, as extended by a further order dated November 15, 2005 made pursuant to paragraph 2 of subsection 127(1) of the Act (collectively, the “**Cease Trade Order**”) directing that trading in the securities of the Applicant cease until the Cease Trade Order is revoked by a further order of revocation;

AND WHEREAS the Applicant has made an application (the “**Application**”) to the Ontario Securities Commission (the “**Commission**”) for an order to vary the Cease Trade Order pursuant to section 144 of the Act solely to permit the Applicant to mail a management information circular (the “**Circular**”) and to hold the meeting of the shareholders of the Applicant (the “**Meeting**”) contemplated therein and to effect the transactions contemplated therein;

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

AND WHEREAS the Applicant having represented to the Commission as follows:

1. The Applicant was incorporated pursuant to the provisions of the *Company Act* (British Columbia) as Weed Golden Gas Ltd. on July 11, 1979 and changed its name to McKinney Resources Inc. on July 19, 1979. On July 15, 1986 it changed its name to Consolidated McKinney Resources Inc. Consolidated McKinney Resources Inc. changed its name to Aztek Technologies Inc. on December 9, 1996. By shareholder resolution dated August 13, 2004 the name was changed to Aztek Resource Development Inc.

2. The Applicant is a corporation existing under the *Company Act* (British Columbia) with its head office and registered office in Ontario.
3. The Applicant is a reporting issuer in British Columbia, Alberta, and Ontario.
4. The authorized capital of the Applicant consists of 100,000,000 common shares, of which 18,902,992 are issued and outstanding.
5. The Applicant’s common shares were listed on the Canadian Trading and Quotation System Inc. (“**CNQ**”) until November 14, 2006, at which time they were delisted due to the Applicant’s failure to comply with CNQ requirements. The Applicant has no other securities listed on any stock exchange or traded over the counter in Canada or elsewhere.
6. The Applicant is subject to a cease trade order of the Alberta Securities Commission dated December 20, 2002 (the “**ASC Order**”) and the British Columbia Securities Commission dated October 26, 2004 (the “**BCSC Order**”) and obtained partial revocations on May 28, 2007 of the ASC Order and the BCSC Order to mail the Circular and hold the Meeting.
7. The Cease Trade Order against the Applicant was issued for failure to file its audited annual statements for the year ended June 30, 2005 and management discussion and analysis (“**MD&A**”) relating to the audited financial statements for the year ended June 30, 2005 as required under the Act.
8. The Applicant’s failure to file financial statements was a result of financial distress due to continued financial hardships; the Applicant subsequently failed to file in a timely manner the following financial statements and MD&A:
 - a. audited annual financial statements for the year ended June 30, 2006;
 - b. interim financial statements for the 3-month period ended September 30, 2006;
 - c. interim financial statements for the 6-month period ended December 31, 2006;
 - d. annual MD&A for the year ended June 30, 2006;
 - e. interim MD&A for the 3-month period ended September 30, 2006; and
 - f. interim MD&A for the 6-month period ended December 31, 2006.

- (“**Subsequent Financial Statements and MD&A**”).
9. The primary asset of the Applicant has remained unchanged which is 100% of the shares of 1594360 Ontario Inc. The sole asset of 1594360 Ontario Inc., is an assignment of the hard rock, sub-surface mineral rights for a property known as the Tiger River concession located in Guyana, South America.
10. The Applicant has entered into an agreement to amalgamate with a wholly owned subsidiary of another reporting issuer, Alpha One Corporation (“**Alpha One**”), a capital pool company listed on the NEX board of the TSX Venture Exchange (the “**Exchange**”).
11. Management has determined to mail the Circular to request the shareholders of the Applicant (the “**Shareholders**”) vote for a special resolution to authorize the continuance of the Applicant as an Ontario corporation and amalgamate with the wholly-owned subsidiary of Alpha One (the “**Amalgamation**”).
12. The Circular has received conditional approval of the Exchange on behalf of Alpha One in regard to the Amalgamation and listing of the resulting company under the requirements of the Exchange for a qualifying transaction, and the Applicant will seek a further application for a full revocation of the Cease Trade Order to complete the Amalgamation after receiving the necessary Shareholder and Exchange approvals.
13. The Circular includes the Subsequent Financial Statements and MD&A except for the following:
- a. interim financial statements for the 3-month period ended September 30, 2006; and
 - b. interim MD&A for the 3-month period ended September 30, 2006.
14. The Applicant will file all Subsequent Financial Statements and MD&A on www.sedar.com prior to the Meeting to become up-to-date in its continuous disclosure obligations, and pay all outstanding filing fees associated therewith, to comply with the requirements of the Act or any regulations made under the Act.
15. The Applicant cannot continue as an Ontario corporation and effect the Amalgamation without mailing the Circular and holding the Meeting; the Applicant cannot mail the Circular or hold the Meeting without a variation of the Cease Trade Order.

16. The Applicant is seeking a variation of the Cease Trade Order to permit the mailing of the Circular and the holding of the Meeting.
17. The Applicant will seek a full revocation of the Cease Trade Order prior to completion of the Amalgamation.

AND WHEREAS considering the Application and the recommendation of the staff of the Director;

AND WHEREAS the Director being satisfied that to do so would not be contrary to the public interest;

IT IS ORDERED pursuant to section 144 of the Act, that the Cease Trade Order be and is hereby partially revoked solely to permit the mailing of the Circular and the holding of the Meeting provided that the Circular is mailed to all Shareholders in accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

DATED this 29th day of May, 2007.

“Erez Blumberger”
Manager, Corporate Finance

2.2.4 McLean & Partners Wealth Management Ltd. et al. - s. 113

Headnote

Exemption granted from mutual fund conflict of interest investment restrictions in paragraphs 111(2)(b) and 111(3) to permit pooled funds to purchase and hold securities of other pooled funds managed by the same manager.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 111(2)(b), 111(3), 113.

June 15, 2007

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

AND

**IN THE MATTER OF
MCLEAN & PARTNERS
WEALTH MANAGEMENT LTD. (the "Filer")**

AND

**MCLEAN & PARTNERS PRIVATE
GLOBAL BALANCED POOL,
MCLEAN & PARTNERS PRIVATE
GLOBAL DIVIDEND GROWTH POOL,
MCLEAN & PARTNERS PRIVATE
INTERNATIONAL EQUITY POOL
(collectively, the "McLean Pooled Funds")**

**ORDER
(Section 113 of the Act)**

Background

The Ontario Securities Commission (the "Commission") has received an application from the Filer on behalf of the McLean Pooled Funds and such other mutual funds the Filer may establish and manage from time to time (together with the McLean Pooled Funds, the "Pooled Funds") for an Order under section 113 of the Act exempting the Pooled Funds from the investment restrictions in paragraph 111(2)(b) and subsection 111(3) of the Act which prohibit a mutual fund from knowingly making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder (the "Requested Relief").

Interpretation

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

Representations

This Order is based on the following facts represented by the Filer on behalf of the Pooled Funds:

1. The Filer is a corporation incorporated under the laws of the Province of Alberta. The head office and principal place of business of the Filer is located in Calgary, Alberta.
2. The Filer is registered with the Commission under the Act as an investment dealer (including managed accounts) and is a member of the Investment Dealers Association of Canada. The Filer is not a reporting issuer in Ontario.
3. The McLean Pooled Funds were established under the laws of the Province of Ontario by way of a Declaration of Trust dated March 30, 2007. CIBC Mellon Trust Company, a trust company existing under the laws of Canada, will act as trustee of the McLean Pooled Funds.
4. Each of the Pooled Funds is or will be a "mutual fund" and a "mutual fund in Ontario" as defined in the Act, but will not be a reporting issuer in Ontario or any other jurisdiction of Canada.
5. The Filer is, or will be, the manager, principal distributor and portfolio adviser of the Pooled Funds. The Filer is responsible for the day-to-day administrative management of the Pooled Funds and the management of the investment portfolios of the Pooled Funds under the terms of a Pooled Fund Trust Agreement dated March 30, 2007, as it may be amended from time to time.
6. The Filer may appoint various sub-advisers (each a "Sub-Adviser" and collectively the "Sub-Advisers") to assist in the management of the investment portfolios of any of the Pooled Funds.
7. The Filer may delegate some or all of its portfolio management responsibilities in respect of any of the Pooled Funds to Sub-Advisers selected by the Filer under the terms of various investment sub-adviser agreements to be entered into between each Sub-Adviser and the Filer.
8. The Filer intends to cause certain of the Pooled Funds to make investments in units of other Pooled Funds. In this Order, each Pooled Fund that invests in units of another Pooled Fund is referred to as a "Top Fund" and the Pooled Fund that a Top Fund invests in is referred to as an "Underlying Fund".
9. The Pooled Funds will not be reporting issuers in any jurisdiction in Canada and, to the knowledge of the Filer, none of the Pooled Funds are, nor is it anticipated that they will be, in default of any requirements under the Act.

10. The investment objectives of the McLean Pooled Funds are as follows:
- (a) **McLean & Partners Private Global Balanced Pool**
- The investment objective of the fund is to provide superior returns through capital appreciation and income by investing in equity securities of companies that have a history of dividend growth, growth-oriented companies that may pay dividends and in fixed income securities anywhere in the world.
- (b) **McLean & Partners Private Global Dividend Growth Pool**
- The investment objective of the fund is to provide superior returns through capital appreciation and dividend income by investing primarily in equity securities of companies anywhere in the world that have a history of dividend growth and also by investing in growth-oriented companies anywhere in the world that may pay dividends.
- (c) **McLean & Partners Private International Equity Pool**
- The investment objective of the fund is to provide superior returns through capital appreciation and dividend income by investing primarily in equity securities of companies that have a history of dividend growth and also by investing in growth oriented companies that may pay dividends. The Fund invests in companies anywhere in the world except Canada and the United States.
- As part of its investment strategy, McLean & Partners Private Global Balanced Pool may invest up to 70% of the equity portion of its assets in units of McLean & Partners Global Dividend Growth Pool.
11. Units of the Pooled Funds are or will be sold solely in Canada's private placement markets pursuant to exemptions from the prospectus requirements in accordance with National Instrument 45-106 *Prospectus and Registration Exemptions* ("NI 45-106"). The Pooled Funds are not reporting issuers in the Province of Ontario and are not in default under the Act.
12. A Top Fund would be a "substantial security-holder" in an Underlying Fund pursuant to section 110(2)(b) of the Act if at any time a Top Fund, alone or together with one or more related Top Funds, held more than 20% of the outstanding units of an Underlying Fund.
13. The amounts invested from time to time in an Underlying Fund by one or more Top Funds may exceed 20% of the outstanding voting securities of that Underlying Fund.
14. A Top Fund and an Underlying Fund are related issuers by virtue of the common management of such funds by the Filer.
15. An offering memorandum in respect of the Pooled Funds will be prepared and will be made available to investors in those funds.
16. In connection with the purchase by a Top Fund of securities of an Underlying Fund (the "Fund-on-Fund Structure"), the Filer shall ensure that
- (a) no management or incentive fees are payable by a Top Fund that, to a reasonable person, would duplicate a fee payable by the Underlying Fund for the same service;
- (b) no sales or redemption fees are payable by a Top Fund in relation to its purchases or redemptions of securities of the Underlying Fund that, to a reasonable person, would duplicate a fee payable by an investor in the Top Fund;
- (c) the Filer does not vote the securities of the Underlying Funds that are held by a Top Fund;
- (d) the offering memorandum of a Top Fund will disclose:
- (i) that the Top Fund may purchase securities of the Underlying Funds;
- (ii) the fact that both the Top Fund and the Underlying Funds are managed by the Filer; and
- (iii) the approximate or maximum percentage of net assets of the Top Fund that is dedicated to the investment in securities of the Underlying Funds;
- (e) upon request and if available, an investor in a Top Fund will receive a copy of the offering memorandum of the Underlying Fund prior to subscribing for units of the Top Fund, and the availability of that offering memorandum and the method by which it may be requested will be disclosed in the offering memorandum of the Top Fund;

Decisions, Orders and Rulings

- (f) upon request, an investor in a Top Fund will be provided with the annual and interim financial statements of the Underlying Fund, and the method by which these financial statements may be requested will be disclosed in the offering memorandum of the Top Fund; and
- (g) any investment by a Top Fund in securities of the Underlying Fund is compatible with the Top Fund's investment objectives.

- (ii) the fact that both the Top Fund and the Underlying Funds are managed by the Filer; and
- (iii) the approximate or maximum percentage of net assets of the Top Fund that is dedicated to the investment in securities of the Underlying Funds.

"Robert L. Shirriff"
Commissioner
Ontario Securities Commission

"Suresh Thakrar"
Commissioner
Ontario Securities Commission

- 17. In the absence of the Requested Relief, each Top Fund would be precluded from implementing the Fund-on-Fund Structure due to the investment restrictions contained in paragraph 111(2)(b) and subsection 111(3) of the Act.
- 18. The Fund-on-Fund Structure represents the business judgement of responsible persons uninfluenced by considerations other than the best interests of the Pooled Funds.

Decision

The Commission is satisfied that the test contained in section 113 of the Act has been met.

The Commission orders that the Requested Relief is granted to the Pooled Funds in connection with the Fund-on-Fund Structure provided that:

- 1. units of the Pooled Funds are sold solely in Canada pursuant to exemptions from the prospectus requirements in accordance with NI 45-106;
- 2. no management or incentive fees are payable by a Top Fund that, to a reasonable person, would duplicate a fee payable by the Underlying Fund for the same service;
- 3. no sales or redemption fees are payable by a Top Fund in relation to its purchases or redemptions of securities of the Underlying Fund that, to a reasonable person, would duplicate a fee payable by an investor in the Top Fund;
- 4. The Filer does not vote the securities of the Underlying Funds that are held by a Top Fund; and
- 5. The offering memorandum of a Top Fund will disclose:
 - (i) that the Top Fund may purchase securities of the Underlying Funds;

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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
Grove Energy Limited	14 May 07	25 May 07	25 May 07	12 Jun 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
Fort Chimo Minerals Inc.	05 Jun 07	18 Jun 07	18 Jun 07		
VVC Exploration Corporation	04 Jun 07	15 Jun 07	15 Jun 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
AireSurf Networks Holdings Inc.	02 May 07	15 May 07	15 May 07		
AldeaVision Solutions Inc.	03 May 07	16 May 07	16 May 07		
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
CoolBrands International Inc.	30 Nov 06	13 Dec 06	13 Dec 06		
Fort Chimo Minerals Inc.	05 Jun 07	18 Jun 07	18 Jun 07		
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		
HMZ Metals Inc.	03 Apr 06	14 Apr 06	17 Apr 06		
IMAX Corporation	03 Apr 07	16 Apr 07	16 Apr 07		
Interquest Incorporated	02 May 07	15 May 07	15 May 07		
Sierra Minerals Inc.	04 Apr 07	17 Apr 07	17 Apr 07		
Simplex Solutions Inc.	07 May 07	18 May 07	18 May 07		
SR Telecom Inc.	05 Apr 07	18 Apr 07	19 Apr 07		
Urbanfund Corp.	07 May 07	18 May 07	18 May 07		
VVC Exploration Corporation	04 Jun 07	15 Jun 07	15 Jun 07		

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Chapter 5

Rules and Policies

5.1.1 Amendment to OSC Rule 31-502 Proficiency Requirements for Registrants

AMENDMENT TO RULE 31-502 PROFICIENCY REQUIREMENTS FOR REGISTRANTS

PART 1 AMENDMENT TO RULE 31-502

1.1 **Amendment** – Section 2.1(3) of Rule 31-502 *Proficiency Requirements for Registrants* is amended by

- (a) adding “and” at the end of paragraph (a),
- (b) striking out “and” at the end of paragraph (b), and
- (c) revoking paragraph (c).

PART 2 EFFECTIVE DATE

2.1 **Effective Date** – This Amendment is effective May 21, 2007.

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Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
06/06/2007	7	2134889 Ontario Inc. - Common Shares	150,000.00	750,000.00
06/06/2007	67	Abacus Mining & Exploration Corporation - Units	18,551,500.00	13,645,000.00
05/31/2007	177	ACM Commercial Mortgage Fund - Units	15,103,313.41	79,868.00
06/01/2007	32	AeroMechanical Services Ltd. - Common Shares	1,965,000.00	NA
06/01/2007	32	AeroMechanical Services Ltd. - Common Shares	964,181.00	NA
05/29/2007	76	Aeroquest International Limited - Receipts	7,650,000.00	4,500,000.00
05/29/2007	82	Aeroquest International Limited - Receipts	7,650,000.00	4,500,000.00
05/30/2007	10	Agau Resources Inc. - Units	137,485.00	443,500.00
04/24/2007	5	AIG highstar Capital III Prism Fund L.P. - Limited Partnership Interest	174,049,500.00	NA
04/24/2007	2	AIG Highstar Capital III, L.P. - Limited Partnership Interest	56,145,000.00	NA
05/29/2007	56	Alturas Minerals Corp. - Units	10,000,000.00	20,000,000.00
05/23/2007	7	Annapolis Investment Limited Partnership IV - Limited Partnership Units	1,200,000.00	12,000.00
05/30/2007	1	Appleton Exploration Inc. - Common Shares	31,000.00	100,000.00
06/01/2007	168	Atomic Minerals Ltd. - Units	6,230,000.00	12,460,000.00
06/04/2007	4	Aveiro Investment Corp. - Warrants	48,145.00	48,145.00
05/25/2007	1	Bancolumbia SA - Notes	5,398,000.00	NA
05/31/2007	53	Bannockburn Resources Limited - Common Shares	5,000,000.00	1,000,000.00
04/23/2007	20	Belmont Resources Inc. - Common Shares	747,000.00	2,490,000.00
03/30/2007	2	BSC Resources (Proprietary) Limited - Common Shares	299,996.40	90,908.00
05/30/2007 to 05/31/2007	153	Canadian Horizons (Naramata) Limited Partnership - Limited Partnership Units	5,187,300.00	51,873.00
05/24/2007	17	CareVest Blended Mortgage Investment Corporation - Preferred Shares	680,256.00	680,256.00
05/24/2007	31	CareVest First Mortgage Investment Corporation - Preferred Shares	1,382,048.00	1,382,048.00
05/17/2007 to 05/23/2007	21	Carina Energy Inc. - Flow-Through Shares	904,999.90	1,520,000.00

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
05/28/2007	162	Carmax Explorations Ltd. - Flow-Through Shares	2,116,500.00	NA
05/31/2007	1	Casebank Technologies Inc. - Debentures	3,500,000.00	NA
05/29/2007	815	CDR 2007 Private Flow-Through LP - Limited Partnership Units	43,875,000.00	1,755,000.00
05/17/2007 to 05/22/2007	3	China Sunergy Co., LTD. - Common Shares	716,430.00	60,000.00
05/24/2007	33	Citigroup Inc. - Notes	468,209,000.00	NA
05/29/2007	4	Copper Reef Mining Corporation - Units	334,200.00	NA
05/22/2007	15	Coral Gold Resources Ltd. - Units	4,230,000.00	1,410,000.00
05/23/2007	1	Credit Suisse International - Notes	1,082,000.00	1,000.00
06/01/2007	1	Crown Point Ventures Ltd. - Common Shares	295,000.00	500,000.00
06/08/2007	73	Dejour Enterprises Ltd. - Units	9,007,297.00	NA
05/30/2007	14	Dexia Municipal Agency - Units	500,000,000.00	NA
06/05/2007	1	Dianor Resources Inc. - Common Shares	24,800.00	50,000.00
06/08/2007	3	Dianor Resources Inc. - Common Shares	12,600.00	20,000.00
06/08/2007	1	Dianor Resources Inc. - Common Shares	144,000.00	300,000.00
06/08/2007	1	Dianor Resources Inc. - Common Shares	12,600.00	20,000.00
06/06/2007	1	Dianor Resources Inc. - Common Shares	96,000.00	200,000.00
06/01/2007	13	Dragonheart Resources Ltd. - Common Shares	261,250.00	209,000.00
05/28/2007	13	Dynamic Fuel Systems Inc. - Units	217,354.21	1,811,285.00
06/04/2007	52	Ecu Silver Mining Inc. - Units	28,751,150.00	12,500,500.00
05/17/2007	7	EnerNOC, Inc. - Common Shares	2,016,666.60	70,500.00
05/31/2007	2	Explor Resources inc. - Common Shares	56,000.00	200,000.00
05/31/2007	2	Explor Resources inc. - Common Shares	28,000.00	100,000.00
05/23/2007	118	Explor Resources Inc. - Flow-Through Units	2,989,500.00	10,722,500.00
04/18/2007	2	Fair Sky Resources Inc. - Common Shares	2,999,970.00	1,463,400.00
05/28/2007	14	Fair Sky Resources Inc. - Common Shares	441,775.00	1,463,400.00
06/01/2007	66	Flagship Industries Inc. - Units	2,000,000.00	NA
06/01/2007	3	Fortiva Inc. - Notes	3,174,125.10	NA
05/29/2007	1	Gamut Reinsurance Limited - Notes	10,917,000.00	10,000,000.00
06/04/2007 to 06/08/2007	21	General Motors Acceptance Corporation of Canada, Limited - Notes	10,725,825.92	10,725,825.92

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
05/23/2007	3	Golden Chalice Resources Inc. - Common Shares	106,000.00	400,000.00
05/18/2007	15	Gossan Resources Limited - Common Shares	2,800,000.00	7,000,000.00
05/30/2007	1	HC Limited Partnership - Note	175,868,620.49	1.00
05/28/2007	55	High Ridge Resources Inc. - Units	1,350,000.00	3,000,000.00
06/05/2007	70	Highbank Resources Ltd. - Common Shares	1,500,000.00	6,000,000.00
05/29/2007	1	HSBC Bank plc - Notes	72,260,000.00	NA
05/21/2007	10	IGW Real Estate Investment Trust - Units	737,126.00	725,751.00
06/08/2007	52	Imaging PET Technologies Inc. - Preferred Shares	3,053,020.00	NA
06/07/2007	1	International Wayside Gold Mines Ltd. - Units	98,396.00	NA
05/29/2007	33	Janina Resources Limited - Units	1,147,750.86	7,915,523.00
12/21/2006 to 04/11/2007	5	Jatheon Technologies Inc. - Common Shares	159,833.90	NA
06/01/2007	3	Kinbauri Gold Corp. - Receipts	181,582.50	324,254.00
05/24/2007	51	Knight Resources Ltd. - Units	2,639,919.00	8,528,230.00
05/29/2007	2	Kyoto Planet Group Inc. - Common Shares	100,000.00	400,000.00
05/24/2007	38	Last Waltz Limited Partnership, The - Units	32,400,000.00	32,400.00
05/31/2007	81	Latin American Minerals Inc. - Units	12,000,000.00	12,000,000.00
05/29/2007 to 06/01/2007	53	Livingston Energy Ltd. - Flow-Through Shares	15,396,339.52	NA
05/31/2007	1	Lorex Technology Inc. - Common Shares	0.00	500,000.00
06/01/2007	4	Magenta II Mortgage Investment Corporation - Common Shares	225,000.00	225,000.00
06/01/2006	1	Magenta Mortgage Investment Corporation - Common Shares	50,000.00	5,000.00
06/08/2007	1	Mantis Mineral Corp. - Common Shares	0.00	5,000,000.00
06/08/2007	1	Mantis Mineral Corp. - Common Shares	0.00	8,000,000.00
06/08/2007	1	Mantis Mineral Corp. - Common Shares	0.00	2,000,000.00
06/08/2007	2	Mantis Mineral Corp. - Common Shares	0.00	1,200,000.00
05/15/2007	26	Marport Deep Sea Technologies Inc - Units	1,462,000.00	1,950,000.00
06/01/2007	47	Med BioGene Inc. - Units	3,067,203.60	6,816,008.00
02/28/2007	268	MegaWest Energy Corp. - Units	32,114,804.00	27,448,550.00
04/01/2007	1	Mesirow Absolute Return Fund (Institutional) Ltd. - Common Shares	49,738,079.00	36,125.00
05/18/2007	37	Mirasol Resources Ltd. - Units	2,000,000.00	2,000,000.00

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
05/17/2007	71	Nebu Resources Inc. - Common Shares	790,100.04	9,470,000.00
06/02/2007	25	Nelson Financial Group Ltd. - Notes	1,192,072.60	25.00
06/04/2007	7	Normabec Mining Resources Ltd. - Units	2,999,999.70	6,666,666.00
06/01/2007	2	North American Financial Group Inc. - Debt	120,000.00	35.00
05/28/2007	5	Opel International Inc. - Units	871,431.00	1,344,295.00
06/01/2007	3	Opus Select Strategies - Best Ideas Fund, Ltd. - Common Shares	4,240,000.00	4,212,000.00
05/23/2007	2	Paget Resources Corporation - Common Shares	110,000.00	110,000.00
05/24/2007	216	Panoro Minerals Ltd. - Receipts	20,170,498.40	31,954,434.00
05/16/2007	40	Petrostar Petroleum Corporation - Units	675,800.00	3,479,000.00
05/29/2007 to 06/06/2007	53	Plazacorp Partners III Fund - Trust Units	8,095,000.00	80,950.00
06/08/2007	8	Poly-Pacific International Inc. - Units	300,000.00	3,000,000.00
05/22/2007 to 05/30/2007	6	Powertree Limited Partnership 2 - Units	85,000.00	17.00
06/05/2007	1	Pure Diamonds Exploration Inc. - Units	499,960.00	1,724,000.00
05/23/2007	121	Rambler Metals and Mining plc - Units	14,025,000.00	9,350,000.00
04/18/2007	1	RapidMind Inc. - Preferred Shares	2,500,000.00	1,020,408.00
05/30/2007	23	Redstar Gold Corp. - Units	2,500,000.00	12,500,000.00
05/31/2007	1	Residential Reinsurance 2007 Limited - Notes	10,844,000.00	10,000,000.00
05/31/2007	78	Ressources Cartier Inc. - Units	4,000,000.00	8,000,000.00
03/06/2007	7	Roca Mines Inc. - Units	9,999,999.80	7,142,857.00
05/31/2007 to 06/01/2007	34	Royal Nickel Corporation - Common Shares	9,125,000.00	NA
05/31/2007	145	Salazar Resources Limited - Units	10,500,000.00	3,500,000.00
06/07/2007	86	San Gold Corporation - Units	10,797,360.00	10,797,360.00
05/22/2007	7	Scorpio Capital Corp. - Units	587,500.00	2,937,500.00
05/25/2007	4	Sextant Strategic Opportunities Hedge Fund LP - Units	622,000.00	5,045.20
05/31/2007	10	Silverstone Energy Limited - Common Shares	71,481,598.78	6,427,944.00
05/31/2007	4	Slightedge Management Group Inc. - Preferred Shares	110,000.00	110,000.00
06/01/2007	2	Stacey RSP Fund - Trust Units	209,899.00	17,778.56
05/29/2007	7	Sunshine Oilsands Ltd. - Notes	2,026,500.00	7.00

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
05/18/2007	7	Superior Canadian Resources Inc. - Flow-Through Units	118,088.50	118.00
05/18/2007	5	Superior Canadian Resources Inc. - Units	63,000.00	63.00
05/10/2007	65	Tawsho Mining Inc. - Units	3,210,500.00	6,241,000.00
05/24/2007	1	Trigon Uranium Corp. - Common Shares	300,000.00	300,000.00
05/31/2007	6	TrueContext Corporation - Units	534,950.00	NA
05/24/2007	4	UBS Leveraged Certificate Linked to a Basket of Fund of Hedge Funds - Units	1,250,000.00	1,250,000.00
05/15/2007	1	Ultra Uranium Corp. - Common Shares	68,000.00	80,000.00
05/29/2007	9	Uniserve Communications Corporation - Common Shares	3,165,000.00	NA
05/24/2007	18	University of Western Ontario, The - Debentures	190,000,000.00	190,000.00
05/31/2007	50	Vertex Balanced Fund - Trust Units	4,087,849.79	NA
05/31/2007	172	Vertex Fund - Trust Units	17,654,351.97	NA
05/31/2007	193	Walton AZ Picacho View 1 Investment Corporation - Common Shares	4,249,920.00	362,919.00
05/31/2007	132	Walton AZ Picacho View Limited Partnership 1 - Limited Partnership Units	8,113,639.00	752,936.00
06/01/2007	176	Walton Brant County Land 1 Limited Partnership - Common Shares	3,175,140.00	317,514.00
05/30/2007	16	Wesdome Gold Mines Inc. - Units	11,539,000.00	NA
06/07/2007	12	Win-Eldrich Mines Limited - Units	1,001,300.00	527,000.00
05/29/2007	12	XDM Resources Inc. - Warrants	8,259,999.81	14,251,807.00
06/06/2007	74	Yorbeau Resources Inc. - Flow-Through Shares	2,565,000.00	6,412,500.00
06/06/2007	36	Yorbeau Resources Inc. - Units	2,000,000.00	6,250,000.00
06/08/2007	10	Yukon Zinc Corporation - Flow-Through Shares	5,000,300.00	16,130,000.00
03/28/2007	4	Zi Corporation - Common Shares	6,000,711.56	3,727,150.00

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Canadian Oil Sands Limited
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Shelf Prospectus dated June 18, 2007
Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
HSBC Securities (Canada) Inc.
Merrill Lynch Canada Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.

Promoter(s):

-

Project #1119819

Issuer Name:

Canadian Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated June 14, 2007
Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

\$78,125,000.00 - 2,500,000 Units Price: \$31.25 per Unit

Underwriter(s) or Distributor(s):

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

National Bank Financial Inc.
Canaccord Capital Corporation
Blackmont Capital Inc.

Promoter(s):

-

Project #1118777

Issuer Name:

Deepwell Energy Services Trust
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated June 14, 2007
Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

\$13,097,935.00 - Rights to Subscribe for up to 2,197,357 Units
Subscription Price: Two Rights and \$6.01 per Unit

Underwriter(s) or Distributor(s):

Raymond James Ltd.

Promoter(s):

Deepwell Energy Services Ltd.

Project #1119011

Issuer Name:

Dundee Precious Metals Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated June 18, 2007
Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

\$71,225,000.00 - 4,800,000 Units 1,700,000 Flow-Through Shares
Price: \$10.50 per Unit and \$12.25 per Flow-Through Share

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Dundee Securities Corporation
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Orion Securities Inc.

Promoter(s):

-

Project #1119640

Issuer Name:

First Asset PowerGen Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated June 18, 2007
Mutual Reliance Review System Receipt dated June 19, 2007

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
CIBC World Markets Inc.

Promoter(s):

First Asset Investment Management Inc.

Project #1119815

Issuer Name:

Foraco International S.A.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated June 13, 2007
Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

Research Capital Corporation
CIBC World Markets Inc.
Canaccord Capital Corporation

Promoter(s):

-

Project #1119153

Issuer Name:

FortisBC Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated June 18, 2007
Mutual Reliance Review System Receipt dated June 19, 2007

Offering Price and Description:

\$ * - * % Senior Unsecured Debentures due June * , *
Price: *% per Debenture

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
CIBC World Markets Inc.
National Bank Financial Inc.

Promoter(s):

-

Project #1120088

Issuer Name:

Ginguro Exploration Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated June 15, 2007
Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

Minimum: \$ *; Maximum: \$* - Minimum: * Units and * Flow-through Shares; Maximum: * Units and * Flow-through Shares Price: \$* per Unit and \$ * per Flow-through Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

Gordon Winter

Project #1119306

Issuer Name:

illumiCell Corporation
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated June 19, 2007
Mutual Reliance Review System Receipt dated June 19, 2007

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

Versant Partners Inc.
Wellington West Capital Markets Inc.
Jennings Capital Inc.
Raymond James Ltd.

Promoter(s):

Andrew Osis
John Lowe
Donald Kjosness
Project #1120212

Issuer Name:

Kingsway Arms Retirement Residences Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated June 14, 2007
Mutual Reliance Review System Receipt dated June 14, 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 Inc.

Promoter(s):

-

Project #1118805

Issuer Name:

LifePoints Balanced Growth Portfolio
LifePoints Balanced Income Portfolio
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated June 19, 2007
Mutual Reliance Review System Receipt dated June 19, 2007

Offering Price and Description:

Class F-5 and I-5 Units, Class F-7 and I-7 Units

Underwriter(s) or Distributor(s):

Russell Investments Canada Limited

Promoter(s):

Russell Investments Canada Limited

Project #1120087

Issuer Name:

Otelco Inc.
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Prospectus dated June 18, 2007

Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

US\$ * - 3,000,000 INCOME DEPOSIT SECURITIES (IDSs)

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
UBS Securities Canada Inc.
Raymond James Ltd.

Promoter(s):

-

Project #1095926

Issuer Name:

SSQ II Acquisitions Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated June 11, 2007

Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

\$200,000.00 (2,000,000 Common Shares) Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Blackmont Capital Inc.

Promoter(s):

Ronald D. Schmeichel

Project #1118910

Issuer Name:

Sterling Mining Company

Type and Date:

Preliminary Non-Offering Prospectus dated June 18, 2007

Received on June 19, 2007

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1120059

Issuer Name:

TD World Bond Pool
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated June 13, 2007

Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

Offering O-Series Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

TD Asset Management Inc.

Project #1118261

Issuer Name:

TD Canadian Core Plus Bond Fund
TD Dividend Growth Fund
TD Global Dividend Fund
TD Global Monthly Income Fund
TD Global Sustainability Fund
TD Monthly High Income Fund
TD Premium Money Market Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated June 13, 2007

Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

Offering Advisor Series Units, F-Series Units, T- and S-Series Units

Underwriter(s) or Distributor(s):

TD Investment Services Inc. (for Investor Series units)
TD Investment Services Inc.(for Investor Series units)
TD Investment Services Inc. (for Investor Series and e-Series Units)

TD Investment Services Inc. (for Investor Series and e-Series units)

TD Asset Management Inc. (for Investor Series units)

Promoter(s):

TD Asset Management Inc.

Project #1118475

Issuer Name:

Trinidad Energy Services Income Trust
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated June 18, 2007
Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

\$325,000,000.00 - 7.75% Convertible Unsecured Subordinated Debentures Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

TD Securities Inc.
Raymond James Ltd.
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
RBC Dominion Securities Inc.
Scotia Capital Inc.
CIBC World Markets Inc.
Blackmont Capital Inc.
Wellington West Capital Markets Inc.
Haywood Securities Inc.

Promoter(s):

-

Project #1119781

Issuer Name:

TD Canadian Core Plus Bond Fund
TD Corporate Bond Capital Yield Fund
TD Dividend Growth Fund
TD Global Dividend Fund
TD Global Monthly Income Fund
TD Global Sustainability Fund
TD Monthly High Income Fund
TD U.S. Quantitative Equity Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated June 13, 2007
Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

Offering Investor Series, Institutional Series and H Series Units

Underwriter(s) or Distributor(s):

TD Investments Services Inc.
TD Investment Services Inc. (for Investor Series units)
TD Investment Services Inc. (for Investor Series and e-Series units)
TD Investment Services Inc.(for Investor Series units)
TD Investment Services Inc. (for Investor Series and e-Series Units)
TD Asset Management Inc. (for Investor Series units)
TD Investment Services Inc. (for Investor Series and Premium Series units)

Promoter(s):

TD Asset Management Inc.

Project #1118305

Issuer Name:

ADF Group Inc.
Principal Regulator - Quebec

Type and Date:

Final Short Form Prospectus dated June 13, 2007
Mutual Reliance Review System Receipt dated June 13, 2007

Offering Price and Description:

\$12,608,663.00 - 3,602,475 Subordinate Voting Shares Price: \$3.50 per Subordinate Voting Share

Underwriter(s) or Distributor(s):

GMP Securities L.P.
North Securities Inc.
Laurentian Bank Securities Inc.

Promoter(s):

-

Project #1115871

Issuer Name:

Mutual Fund Series, Series D, Series F, and Series O Securities (unless otherwise indicated) of:

AGF American Growth Class of AGF All World Tax Advantage Group Limited
AGF Canadian Real Value Balanced Fund (also offers Series T Securities)
AGF Canadian Real Value Fund
AGF Canadian Stock Fund
AGF Diversified Dividend Income Fund (also offers Series T Securities)
AGF Dividend Income Fund
AGF European Equity Class of AGF All World Tax Advantage Group Limited
AGF Global Equity Class of AGF All World Tax Advantage Group Limited
AGF Global Perspective Class of AGF All World Tax Advantage Group Limited
AGF International Stock Class of AGF All World Tax Advantage Group Limited
AGF International Value Class of AGF All World Tax Advantage Group Limited
AGF International Value Fund
AGF Monthly High Income Fund (also offers Series T Securities)
AGF World Balanced Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated June 4, 2007 to the Simplified Prospectuses and Annual Information Forms dated April 20, 2007

Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

AGF Funds Inc.

Promoter(s):

-

Project #1066188

Issuer Name:

American Capital Strategies, Ltd.
Principal Regulator - Ontario

Type and Date:

Final MJDS Prospectus dated June 8, 2007
Mutual Reliance Review System Receipt dated June 13, 2007

Offering Price and Description:

U.S. \$5,000,000,000.00 - Common Stock; Preferred Stock; Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1114467

Issuer Name:

Ascendant Copper Corporation
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated June 14, 2007
Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

Minimum Offering: \$12,000,000.00 or 26,666,666 Units;
Maximum Offering: \$15,000,000.00 or 33,333,333 Units
\$0.45 per Unit Price: \$0.45 per Unit

Underwriter(s) or Distributor(s):

Laurentian Bank Securities Inc.
Raymond James Ltd.
Dundee Securities Corporation
Jennings Capital Inc.

Promoter(s):

-

Project #1109410

Issuer Name:

Beacon Acquisition Partners Inc.
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated June 18, 2007
Mutual Reliance Review System Receipt dated June 19, 2007

Offering Price and Description:

Minimum Offering: \$450,000.00 (2,250,000 Common Shares); Maximum Offering: \$600,000.00 (3,000,000 Common Shares) Price: \$0.20 per Common Share
Minimum Subscription: \$300 (1,500 Common Shares)

Underwriter(s) or Distributor(s):

Wellington West Capital Inc.

Promoter(s):

-

Project #1104702

Issuer Name:

Bell Canada
Principal Regulator - Quebec

Type and Date:

Final Short Form Shelf Prospectus dated June 13, 2007
Mutual Reliance Review System Receipt dated June 13, 2007

Offering Price and Description:

\$3,000,000,000.00 - Debt Securities (Unsecured)
Unconditionally guaranteed as to payment of principal, interest and other payment obligations by BCE Inc. (the "Guarantee")

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1106063

Issuer Name:

Bradmer Pharmaceuticals Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated June 15, 2007
Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

\$21,600,000.00 - 5,400,000 Units: Price of \$4.00 per Unit

Underwriter(s) or Distributor(s):

Dundee Securities Corporation
Blackmont Capital Inc.
Clarus Securities Inc.
Versant Partners Inc.
Orion Securities Inc.

Promoter(s):

-

Project #1115630

Issuer Name:

Series A, B, D, F, H and I Units of:
CAPITAL INTERNATIONAL – GROWTH AND INCOME
CAPITAL INTERNATIONAL – GLOBAL EQUITY
CAPITAL INTERNATIONAL – INTERNATIONAL EQUITY
CAPITAL INTERNATIONAL – U.S. EQUITY
CAPITAL INTERNATIONAL – GLOBAL SMALL CAP
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated June 13, 2007
Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

Series A, B, D, F, H and I Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1103217

Issuer Name:

Carfinco Income Fund
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated June 12, 2007
Mutual Reliance Review System Receipt dated June 13, 2007

Offering Price and Description:

\$10,000,255.00 - 2,409,700 Trust Units Price: \$4.15 per Trust Unit

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Blackmont Capital Inc.
Pacific International Securities Inc.

Promoter(s):

-

Project #1115767

Issuer Name:

Coro Mining Corp.
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated June 12, 2007
Mutual Reliance Review System Receipt dated June 13, 2007

Offering Price and Description:

CDN\$25,000,000.00 - 10,000,000 Shares; Price
CDN\$2.50 per Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.
RBC Dominion Securities Inc.
Dundee Securities Corporation

Promoter(s):

-

Project #1074196

Issuer Name:

Criterion Diversified Commodities Currency Hedged Fund
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated June 11, 2007
Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

Class A Units, Class B Units, Class D Units and Class F Units @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Criterion Investments Limited

Project #1095170

Issuer Name:

Echelon Capital Corporation
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated June 14, 2007
Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

\$300,000.00 - 1,200,000 Common Shares PRICE: \$0.25 per Common Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

John Eckert

Project #1094196

Issuer Name:

European Goldfields Limited
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated June 15, 2007
Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

Cdn.\$120,000,000.00 - Treasury Offering (24,000,000 Common Shares); Cdn.\$15,000,000.00 - Secondary Offering (up to 3,000,000 Common Shares) Price: Cdn.\$8 per Common Share

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Evolution Securities Ltd.
Dundee Securities Corporation
Orion Securities Inc.
Raymond James Ltd.

Promoter(s):

-

Project #1114486

Issuer Name:

Extencicare Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated June 14, 2007
Mutual Reliance Review System Receipt dated June 13, 2007

Offering Price and Description:

\$100,000,000.00 - 5.70% Convertible Unsecured Subordinated Debentures Due June 30, 2014 Price: \$1,000 Per Debenture

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
TD Securities Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.

Promoter(s):

-

Project #1115668

Issuer Name:

First Capital Realty Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Base Shelf Prospectus dated June 15, 2007

Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

\$1,300,000,000.00 - Debt Securities (Senior Unsecured)

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1115649

Issuer Name:

Frontenac Mortgage Investment Corporation

Type and Date:

Final Prospectus dated June 15, 2007

Received on June 19, 2007

Offering Price and Description:

Common Shares - 100,000 shares in First Issuance under this prospectus, with an unlimited number of shares offered thereafter until next lapse date of this prospectus. Price: \$30.00 per Share (First Issuance Only); Book Value per Share, thereafter

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1096923

Issuer Name:

General Donlee Income Fund

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated June 15, 2007

Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

\$50,000,000.00 - 7.0% Convertible Unsecured Subordinated Debentures, due 2014 Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

National Bank Financial Inc.

CIBC World Markets Inc.

RBC Dominion Securities Inc.

TD Securities Inc.

Canaccord Capital Corporation

Promoter(s):

-

Project #1115435

Issuer Name:

Great-West Lifeco Finance (Delaware) L.P.

Principal Regulator - Manitoba

Type and Date:

Final Short Form Prospectus dated June 14, 2007

Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

\$1,000,000,000.00 - principal amount of 5.691% Subordinated Debentures due June 21, 2067 fully and unconditionally guaranteed on a subordinated basis by Great-West Lifeco Inc.

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

Merrill Lynch Canada Inc.

Scotia Capital Inc.

RBC Dominion Securities Inc.

TD Securities Inc.

CIBC World Markets Inc.

National Bank Financial Inc.

Casgrain & Company Limited

Desjardins Securities Inc.

Morgan Stanley Canada Limited

J.P. Morgan Securities Canada Inc.

Promoter(s):

-

Project #1116914

Issuer Name:

Holloway Lodging Real Estate Investment Trust

Principal Regulator - Nova Scotia

Type and Date:

Final Short Form Prospectus dated June 13, 2007

Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

\$140,005,300.00 - \$95,005,300 (17,758,000 Units); and \$45,000,000.00 of 6.50% Convertible Unsecured Subordinated Debentures due June 30, 2012 Price: \$5.35 per Unit

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

CIBC World Markets Inc.

TD Securities Inc.

RBC Dominion Securities Inc.

Scotia Capital Inc.

BMO Nesbitt Burns Inc.

Blackmont Capital Inc.

Promoter(s):

-

Project #1115561

Issuer Name:

Kereco Energy Ltd.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated June 18, 2007
Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

\$70,000,000.00 - 4.75% Convertible Unsecured
Subordinated Debentures Due June 30, 2012

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
GMP Securities L.P.
CIBC World Markets Inc.
Canaccord Capital Corporation
Cormark Securities Inc.
FirstEnergy Capital Corp.
Orion Securities Inc.
Triston Capital Inc.

Promoter(s):

-

Project #1117089

Issuer Name:

Lakeview Hotel Real Estate Investment Trust
Principal Regulator - Manitoba

Type and Date:

Final Short Form Prospectus dated June 14, 2007
Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

\$5,000,000.00 (Minimum Offering); \$18,000,000.00
(Maximum Offering) - 5 Year 6.5% Series C Convertible
Redeemable Subordinated Debentures

Underwriter(s) or Distributor(s):

Wellington West Capital Inc.
Westwind Partners Inc.
Blackmont Capital Inc.
Desjardins Securities Inc.

Promoter(s):

-

Project #1110409

Issuer Name:

Leith Wheeler Balanced Fund
Leith Wheeler Canadian Equity Fund
Leith Wheeler Fixed Income Fund
Leith Wheeler Income Trust Fund
Leith Wheeler Money Market Fund
Leith Wheeler U.S. Equity Fund
Principal Regulator - British Columbia

Type and Date:

Final Simplified Prospectuses and Annual Information
Forms dated June 15, 2007
Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

Mutual Fund Units and Series B Units @ Net Asset Value

Underwriter(s) or Distributor(s):

Leith Wheeler Investments Funds Ltd.
Leith Wheeler Investment Funds Ltd.

Promoter(s):

Leith Wheeler Investment Counsel Ltd.

Project #1104700

Issuer Name:

Pathway Mining 2007-II Flow-Through Limited Partnership
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated June 13, 2007
Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

Limited Partnership Units
Maximum Offering: \$30,000,000.00 (3,000,000 units);
Minimum Offering: \$5,000,000.00 (500,000 units)
Price: \$10.00 per unit

Underwriter(s) or Distributor(s):

Wellington West Capital Inc.
HSBC Securities (Canada) Inc.
Desjardins Securities Inc.
Canaccord Capital Corporation
Burgeonvest Securities Limited
Research Capital Corporation
Argosy Securities Inc.
Integral Wealth Securities Limited

Promoter(s):

Pathway Mining 2007-II Inc.

Project #1065035

Issuer Name:

Priszm Income Fund
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated June 15, 2007
Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

\$30,000,000.00 - Series 2007 6.50% Convertible
Unsecured Subordinated Debentures Price: \$1,000 per
Debenture

Underwriter(s) or Distributor(s):

TD Securities Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
National Bank Financial Inc.

Promoter(s):

-

Project #1116794

-

Issuer Name:

Real Estate Asset Liquidity Trust
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated June 18, 2007
Mutual Reliance Review System Receipt dated June 19, 2007

Offering Price and Description:

\$352,327,000.00 (Approximate) - Real Estate Asset
Liquidity Trust (Issuer) Commercial Mortgage Pass-
Through Certificates, Series 2007-2

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

Promoter(s):

Royal Bank of Canada

Project #1115947

Issuer Name:

Renaissance Canadian Balanced Fund
Renaissance Canadian Balanced Value Fund
Renaissance Canadian Bond Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Dividend Income Fund
Renaissance Canadian Growth Fund
Renaissance Canadian High Yield Bond Fund
Renaissance Canadian Monthly Income Fund
Renaissance Diversified Income Fund
Renaissance Canadian Money Market Fund
Renaissance Canadian Real Return Bond Fund
Renaissance Canadian Small Cap Fund
Renaissance Canadian T-Bill Fund
Renaissance Developing Capital Markets Fund
Renaissance Euro Fund
Renaissance Global Growth Fund
Renaissance Global Opportunities Fund
Renaissance Global Sectors Fund
Renaissance Global Technology Fund
Renaissance International Growth Fund
Renaissance International Index Fund
Renaissance Tactical Allocation Fund
Renaissance Talvest China Plus Fund
Renaissance Talvest Global Health Care Fund
Renaissance Talvest Millennium High Income Fund
Renaissance U.S. Equity Growth Fund
Renaissance U.S. Equity Value Fund
Renaissance U.S. Index Fund
Renaissance U.S. Money Market Fund
Talvest Asian Fund
Talvest Bond Fund
Talvest Cdn. Asset Allocation Fund
Talvest Cdn. Equity Growth Fund
Talvest Cdn. Equity Value Fund
Talvest Cdn. Multi Management Fund
Talvest China Plus Fund
Talvest Dividend Fund
Talvest European Fund
Talvest Global Asset Allocation Fund
Talvest Global Bond Fund
Talvest Global Equity Fund
Talvest Global Health Care Fund
Talvest Global Markets Fund
Talvest Global Multi Management Fund
Talvest Global Resource Fund
Talvest Global Science & Technology Fund
Talvest Global Small Cap Fund
Talvest High Yield Bond Fund
Talvest Income Fund
Talvest International Equity Fund
Talvest Millennium High Income Fund
Talvest Millennium Next Generation Fund
Talvest Money Market Fund
Talvest Renaissance Canadian Balanced Fund
Talvest Renaissance Canadian Balanced Value Fund
Talvest Renaissance Canadian Core Value Fund
Talvest Renaissance Canadian Real Return Bond Fund
Talvest Renaissance U.S. Equity Value Fund
Talvest Small Cap Cdn. Equity Fund
Talvest U.S. Equity Fund
Principal Regulator - Ontario

Type and Date:

Amendment #2 dated June 8, 2007 to the Simplified Prospectuses and Annual Information Forms dated December 8, 2006

Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

CIBC Asset Management Inc.

Promoter(s):

CIBC Asset Management Inc.

Project #1004292

Issuer Name:

Royal Host Real Estate Investment Trust

Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated June 15, 2007

Mutual Reliance Review System Receipt dated June 15, 2007

Offering Price and Description:

\$60,000,000.00 - 5.90% Convertible Unsecured Subordinated Debentures, due 2014 Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

National Bank Financial Inc.

CIBC World Markets Inc.

RBC Dominion Securities Inc.

BMO Nesbitt Burns Inc.

Scotia Capital Inc.

TD Securities Inc.

HSBC Securities (Canada) Inc.

Promoter(s):

-

Project #1117121

Issuer Name:

RuggedCom Inc.

Principal Regulator - Ontario

Type and Date:

Final Prospectus dated June 14, 2007

Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

\$40,040,000.00 - 3,080,000 COMMON SHARES Price: \$13.00 per Common Share

Underwriter(s) or Distributor(s):

TD Securities Inc.

Genuity Capital Markets G.P.

Canaccord Capital Inc.

CIBC World Markets Inc.

GMP Securities L.P.

Promoter(s):

-

Project #1100605

Issuer Name:

Schooner Trust

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated June 15, 2007

Mutual Reliance Review System Receipt dated June 18, 2007

Offering Price and Description:

\$480,577,000.00 (approximate) - COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-8

Underwriter(s) or Distributor(s):

TD Securities Inc.

Credit Suisse Securities (Canada), Inc.

Promoter(s):

-

Project #1115972

Issuer Name:

Terrane Metals Corp.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated June 14, 2007

Mutual Reliance Review System Receipt dated June 14, 2007

Offering Price and Description:

\$20,020,000.00 - 30,800,000 Units; and \$5,000,000.00 - 6,250,000 Flow-Through Shares Price: \$0.65 per Unit \$0.80 per Flow-Through Common Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Genuity Capital Markets

Haywood Securities Inc.

Blackmont Capital Inc.

Promoter(s):

-

Project #1105845

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Galileo Equity Management Inc. To: Galileo Global Equity Advisors Inc.	Limited Market Dealer & Investment Counsel & Portfolio Manager	May 16, 2007
Suspended	George Thomas Smart / Smart, George Thomas	Limited Market Dealer	June 6, 2007
Name Change	From: Capital Palodun Limitée/Palodun Capital Limited To : Gestion D'Actifs Holdun Inc./Holdun Asset Management Inc.	Limited Market Dealer	June 6, 2007
New Registration	Macdonald, Shymko & Company Ltd.	Extra-Provincial Investment Counsel and Portfolio Manager	June 14, 2007
New Registration	Initial Capital Partners Ltd.	Limited Market Dealer	June 14, 2007
New Registration	Los Angeles Capital Management and Equity Research, Inc.	International Adviser (Investment Counsel and Portfolio Manager)	June 15, 2007
New Registration	HD Agency Inc.	Limited Market Dealer	June 18, 2007

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA issues Notice of Settlement Hearing regarding Mary Elizabeth Rygiel

NEWS RELEASE
For immediate release

MFDA ISSUES NOTICE OF SETTLEMENT HEARING REGARDING MARY ELIZABETH RYGIEL

June 15, 2007 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) yesterday announced that it has issued a Notice of Settlement Hearing regarding the presentation, review and considerations of a proposed settlement agreement by the Central Regional Council.

The settlement agreement will be between staff of the MFDA and Mary Elizabeth Rygiel and involves matters for which Ms. Rygiel may be disciplined by the Regional Council, pursuant to MFDA By-laws.

The subject matter of the proposed settlement agreement concerns allegations that Ms. Rygiel facilitated securities business by an unregistered person through the facilities of a Member firm.

The hearing is scheduled to commence at 10:00 a.m. on Monday, June 25, 2007 at the offices of the MFDA, located at 121 King Street, Suite 1000 in Toronto. The hearing is open to the public except as may be required for the protection of confidential matters. A copy of the Notice of Settlement Hearing is available on the MFDA website 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 162 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

Shaun Devlin

Vice-President, Enforcement

(416) 943-4672 or sdevlin@mfda.ca

13.1.2 MFDA Hearing Panel Approves Settlement Agreement with Altimum Mutuals Inc.

NEWS RELEASE
For immediate release

**MFDA HEARING PANEL APPROVES
SETTLEMENT AGREEMENT WITH
ALTIMUM MUTUALS INC.**

June 15, 2007 (Toronto, Ontario) – A Settlement Hearing in the Matter of Altimum Mutuals Inc. was held today before a Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada (“MFDA”). The Hearing Panel approved the Settlement Agreement between the MFDA and Altimum Mutuals Inc. The following is a summary of the Order made by the Hearing Panel:

- The Respondent shall pay a fine in the amount of \$10,000 pursuant to MFDA By-Law No. 1, section 24.1.1(b).

The Hearing Panel advised that it would issue written reasons in due course.

A copy of the Order and Settlement Agreement are available on the MFDA website 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 162 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

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

13.1.3 MFDA Central Regional Council Hearing Panel Makes Findings Against Keith Oswald Wong

NEWS RELEASE
For immediate release

**MFDA CENTRAL REGIONAL COUNCIL
HEARING PANEL MAKES FINDINGS AGAINST
KEITH OSWALD WONG**

June 19, 2007 (Toronto, Ontario) – A disciplinary hearing in the Matter of Keith Oswald Wong 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. Wong with staff of the MFDA, in which Mr. Wong 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 orders at the conclusion of the hearing and advised that it would issue written reasons for its decision in due course:

- (a) The Respondent is prohibited from acting in a compliance or supervisory capacity with a Member for a period of three (3) years from the date of this Order, pursuant to section 24.1.1(e) of MFDA By-law No. 1;
- (b) The Respondent shall write the appropriate proficiency examination prior to becoming registered in any compliance or supervisory capacity with a Member, pursuant to section 24.1.1(f) of MFDA By-law No. 1;
- (c) The Respondent shall complete an ethics course, acceptable to Staff of the MFDA within one (1) year from the date of this Order, pursuant to section 24.1.1(f) of MFDA By-law No. 1;
- (d) The Respondent shall pay a fine in the amount of \$7,000, pursuant to section 24.1.1(b) of MFDA By-law No. 1;
- (e) The Respondent shall pay costs in the amount of \$1,000 attributable to the investigation and settlement of this matter, pursuant to section 24.2 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 162 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

13.1.4 Extension of Comment Period - CSA Staff Notice 21-306 Notice of Filing of Forms 21-101F5 Initial Operation Report for Information Processor

EXTENSION OF COMMENT PERIOD

**CSA STAFF NOTICE 21-306
NOTICE OF FILING OF FORMS 21-101F5 INITIAL OPERATION REPORT
FOR INFORMATION PROCESSOR**

On April 20, 2007, staff of the CSA published CSA Staff Notice 21-306 *Notice of Filing of Forms 21-101F5 Initial Operation Report for Information Processor* at (2007) 30 OSCB (Supp-3) at page 111. The notice summarizes the filings received from entities applying to be the information processor and the criteria to be used by the CSA in evaluating these filings.

We provide notice that we are extending the comment period until July 19, 2007. Please send submissions to all of the CSA listed below in care of the OSC, in duplicate, as indicated below:

Alberta Securities Commission
British Columbia Securities Commission
Manitoba Securities Commission
New Brunswick Securities Commission
Securities Commission of Newfoundland and Labrador
Registrar of Securities, Department of Justice, Government of the Northwest Territories
Nova Scotia Securities Commission
Registrar of Securities, Legal Registries Division, Department of Justice, Government of Nunavut
Ontario Securities Commission
Prince Edward Island Securities Office
Saskatchewan Financial Services Commission
Registrar of Securities, Government of Yukon

c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 1900, Box 55
Toronto, Ontario M5H 3S8
E-mail: jstevenson@osc.gov.on.ca

Submissions should also be addressed to the Autorité des marchés financiers (Québec) as follows:

Madame Anne-Marie Beaudoin
Directrice du secrétariat
Autorité des marchés financiers
800, square Victoria, 22^e étage
C.P. 246, tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone : 514-395-0337, poste 2511
Fax: 514-864-6381
e-mail: consultation-en-cours@lautorite.qc.ca

A diskette containing the submissions should also be submitted. As securities legislation in certain provinces requires a summary of written comments during the comment period be published, confidentiality of submissions cannot be maintained.

Questions may be referred to any of:

Shaun Fluker
Alberta Securities Commission
(403) 297-3308

Tony Wong
British Columbia Securities Commission
(604) 899-6764

Serge Boisvert
Autorité des marchés financiers
(514) 395-0337 X 4358

Tracey Stern
Ontario Securities Commission
(416) 593-8167

Doug Brown
Manitoba Securities Commission
(204) 945-0605

13.1.5 IDA Amendments to By-law 20 – Elimination of the IDA Appeal Panel and Changes to Continuing Jurisdiction Provisions

INVESTMENT DEALERS ASSOCIATION OF CANADA
AMENDMENTS TO BY-LAW 20 – ELIMINATION OF THE IDA APPEAL PANEL
AND CHANGES TO CONTINUING JURISDICTION PROVISIONS

I OVERVIEW

A Current Rules

IDA Appeal Panel

There are two ways to appeal an IDA disciplinary hearing decision (“Disciplinary Decision”) and an expedited review hearing decision (“Expedited Review Decision”) (collectively referred to as “Decision”). The first option is to file an appeal of the Decision to the IDA’s appeal panel (“Panel” or “Appeal Panel”). An Appeal Panel is comprised of one independent member of the IDA’s Board of Directors, one industry member of the IDA’s Board of Directors, and one former judge.^{1,2} The other option is to by-pass the Appeal Panel and to appeal directly either to the securities commission with jurisdiction³ or to the provincial court for a review of the Decision.

Continuing Jurisdiction

By-law 20.7 describes the IDA’s continuing jurisdiction over persons that are no longer IDA Members or Approved Persons (“Former Member” and “Former Approved Person”, respectively and “Former Registrants”, collectively). By-law 20.7(1) states that “any Member and any Approved Person shall remain subject to the jurisdiction of the IDA for a period of five years from the date on which such Member or Approved Person ceased to be a Member or an Approved Person of the IDA”. The purpose of this by-law is to allow the IDA the right to bring enforcement proceedings against a Former Registrant for acts they committed while registered, so long as the enforcement proceedings are initiated no later than five years from the date on which the Former Registrant ceased to be registered.

B The Issue

IDA Appeal Panel

The process of appealing Decisions to an Appeal Panel (i.e. three-member panel) was only implemented in October 2004. Previously, appeals were made to a panel consisting of all of the members of the Board of Directors. However, when the Appeal Panel procedure was introduced, the IDA did not anticipate that there would be many appeals to the Appeal Panel, because in the past, Decisions were always appealed to the securities commission with jurisdiction.

Recently, however, there have been a number of appeals made to the Appeal Panel. The resulting scheduling impracticalities and significant usage of the Board members’ limited time committed to the IDA has precipitated the IDA’s review of the efficiency and on-going need of an internal appeals process.

Appeal hearings can be lengthy and require considerable time demands from panel members. As such, the recent appeals to the IDA Appeal Panel have resulted in an increasing use of the limited availabilities of some Board members towards the hearing of appeals. Moreover, there are many scheduling impracticalities as it is often difficult to find Board members who can dedicate the time to appear on Panels. As well, because there are only a limited number of former judges who are public members of the IDA’s Hearing Committee in certain provinces, there are difficulties in identifying available former judges. With more significant sanctions and serious types of allegations being heard by the IDA, it is anticipated that the number of internal appeals is only likely to rise.

Continuing Jurisdiction

Recently, there have been judicial challenges to the IDA’s continuing jurisdiction over Former Registrants, on the basis that the true intent and meaning of By-law 20.7(1), is that if an enforcement proceeding is not *completed* five years from the date on

¹ By-law 20.51.

² In Quebec, the Appeal Panel shall be comprised of three members resident in Quebec, one of them being a former judge appointed by the Quebec District Council as a public member (By-law 20.51(2)).

³ By-law 33.1.

which the Former Registrant ceased to be a Registrant, then the IDA loses its authority to discipline the Former Registrant for the acts committed while the person was registered.⁴

This interpretation is patently incorrect, however, to resolve any uncertainties, the IDA seeks to make clearer the language in this provision to unequivocally state that the IDA continues to have jurisdiction over Former Registrants so long as an enforcement proceeding has *commenced* (i.e. a Notice of Hearing is issued) no later than five years from the date on which the Former Member or Approved Person ceased to be registered. In other words, By-law 20.7(1) does not provide a time limit for the IDA to *complete* an enforcement proceeding, but rather, it is the limitation period for *initiating* enforcement proceedings.

C Objective

IDA Appeal Panel

The proposed amendment is designed to ensure that the limited time of the Board of Directors is used efficiently and towards fulfilling their corporate governance functions. The amendments are also designed to avoid a situation where the IDA would not be able to provide a respondent or the IDA with an appeal hearing without undue delay based on simply not being able to identify members to appear on a Panel.

Continuing Jurisdiction

The objective of the proposed amendment is to make clearer that the IDA maintains jurisdiction over Former Members and Former Approved Persons for acts committed while they were registered, so long as enforcement proceedings are *commenced*, not resolved, no later than five years from the date the Former Registrant ceased to be registered.

D Effect of Proposed Rules

IDA Appeal Panel

The suggested changes would cause all such appeals to be directed to the securities commissions or a provincial court, rather than to an Appeal Panel.

The proposed amendment would result in the IDA's Board members being able to continue to focus on their corporate governance responsibilities. The amendment would also ensure that respondents are able to continue to appeal Decisions without undue delay. This would result in greater strength, fairness and efficiency in the capital markets, in which investors will have greater confidence. Moreover, the IDA's appeals process will be more consistent with the processes used by other Canadian SROs.

Continuing Jurisdiction

The proposed amendments would allow the IDA to continue to fulfill its mandate, that is, to enforce compliance with standards and requirements relating to capital market participants for the protection of Members, their clients and the public. It would confirm the IDA's jurisdiction to prosecute Former Registrants for conduct that occurred while they were registered. It would also ensure that there is sufficient time for parties to resolve issues, rather than allowing for proceedings to be arbitrarily ruled out of time.

II DETAILED ANALYSIS

A Present Rules, Relevant History and Proposed Regulation

Present Rules

IDA Appeal Panel

By-law 20 is the primary rule for the IDA hearing process. Disciplinary hearings are held pursuant to By-laws 20.30 to 20.34 and expedited hearings are held pursuant to By-laws 20.41 to 20.48. For expedited hearings, a respondent may file a request for a review of the hearing panel's decision pursuant to By-law 20.47, in which case a review hearing will be held before a different hearing panel (the "expedited review hearing").

⁴ *Decision in the Matter of Wade Douglas MacBain, Karl Edward Neufeld and Fredrick Henry Smith and the Investment Dealers Association*, (Saskatchewan Financial Services Commission, February 6, 2006), currently under appeal to the Saskatchewan Court of Appeal ("MacBain").

Disciplinary hearing and expedited review hearing decisions may be appealed to either (a) the IDA's Appeal Panel (By-law 20.50); or (b) directly to the appropriate securities commission (By-law 33) or, if the latter option is not available, to the appropriate provincial court.

The Appeal Panel is comprised of one independent member of the IDA's Board of Directors, one industry member of the IDA's Board of Directors, and one former judge.^{5,6}

Relevant History

The process of appealing Decisions to a three-member Appeal Panel was only implemented in October 2004. Previously, appeals of Decisions were to be made to a quorum of the IDA's Board of Directors ("Former Appeals Board"). Given the scheduling difficulties raised by this procedure, the IDA installed a process whereby appeals would be made to an Appeal Panel, which required the presence of only two Board members and one former judge. At the time, the IDA did not anticipate that there would be many appeals to the Appeal Panel, because there had never been an appeal to the Former Appeals Board. In fact, all of the 15 IDA District Council Decisions appealed between January 1, 2000 and October 18, 2005 were directed to the securities commissions; none of the Decisions were appealed to the IDA Appeal Panel or to the Former Appeals Board.

Recently, however, there have been numerous appeals to the IDA Appeal Panel. Given the considerable time demands required for appeal hearings, it is very difficult to identify Board members who can dedicate the time to conduct such hearings. This recent trend has precipitated the IDA's review of the efficiency and on-going need of an appeals process involving the IDA Board members.

Proposed Rule Amendment

The proposed amendment would eliminate the Appeal Panel. All Decisions would be appealed directly to the appropriate securities commission or, in the rare case where this option is not available, to the provincial court with jurisdiction. In Canada, most securities statutes provide that persons affected by an SRO decision may apply for a review to the appropriate securities regulator.⁷ For the few provinces that do not have such a provision in their securities legislation, respondents may appeal to the provincial court for a review of the Decision.⁸

Continuing Jurisdiction

By-law 20.7 describes the IDA's continuing jurisdiction over Former Registrants. By-law 20.7(1) states that "any Member and any Approved Person shall remain subject to the jurisdiction of the IDA for a period of five years from the date on which such Member or Approved Person ceased to be a Member or an Approved Person of the IDA". The by-law's objective is to allow the IDA to bring enforcement proceedings against Former Registrants so long as the IDA initiates the proceedings no later than five years from the date the Former Registrant ceased to be registered. A proceeding is considered initiated once a Notice of Hearing⁹ is issued to the Former Registrant. By-law 20.7(1) does not provide a time limit for the IDA to *complete* an enforcement proceeding; it is simply a time limit to *initiate* a proceeding.

Relevant History

In October 2004 the IDA changed the continuing jurisdiction provisions in By-law 20. Prior to these changes, however, the continuing jurisdiction provisions were clearer and better portrayed the IDA's objective. The former provision read:

"No proceedings shall be commenced pursuant to By-law 20.11 against a former Member or person who is no longer approved unless a notice of hearing and particulars has been served upon such Member or person no later than five years from the date upon which such Member or person ceased to be a Member or approved, respectively."

⁵ By-law 20.51.

⁶ In Quebec, the Appeal Panel shall be comprised of three members resident in Quebec, one of them being a former judge appointed by the Quebec District Council as a public member (By-law 20.51(2)).

⁷ Ontario *Securities Act*, R.S.O. 1990, c. S.5, s. 21.7(1); British Columbia *Securities Act*, R.S.B.C. 1996, c. 418, s. 28; Manitoba *Securities Act*, C.C.S.M. c. S50, s. 31.1(4), New Brunswick *Securities Act*, S.N.B. 2004, c. S-5.5, s. 44; Nova Scotia *Securities Act*, R.S.N.S. 1989, c. 418, s. 30(5); Alberta *Securities Act*, R.S.A. 2000, c. S-4, s. 73; Quebec *Securities Act*, R.S.Q., c. V-1.1, s. 322; and Saskatchewan *Securities Act*, 1988, S.S. 1988-89, c. S-42.2, s. 21(7).

⁸ The IDA does not have recognition orders from the Yukon, the Northwest Territories, Prince Edward Island or Nunavut, and as such, the securities legislation of these provinces do not have a procedure for reviews of IDA decisions. Newfoundland & Labrador very recently recognized the IDA and its securities legislation does not provide for the review of SRO decisions.

⁹ A Notice of Hearing is a document that states the purpose of the hearing, the alleged violations of IDA rules, the facts in support of the allegations, the type and range of penalties that may be imposed by the hearing panel, and amongst other items, the date, time, and location of the hearing (Rule 6.5, IDA Rules of Practice and Procedure).

Unfortunately, when the former continuing jurisdiction provision was revised in October 2004, the new language (now By-law 20.7) failed to state that the IDA need only issue a Notice of Hearing to satisfy the five year time period.

Proposed Rule Amendment

The proposed amendment would make clearer the intent and objective of the continuing jurisdiction provisions in By-law 20. It would make express reference to the fact that the IDA maintains its jurisdiction over Former Registrants and may bring an enforcement hearing against a Former Registrant so long as it does so no later than five years from the date that the Former Registrant ceased registration.

B Issues and Alternatives Considered

Issues

IDA Appeal Panel

There are a number of practical inefficiencies with appealing Decisions to the IDA Appeal Panel, all of which could be avoided by adopting the proposed amendments.

The foremost inefficiency is that there is an increasing use of the Board of Directors' limited time to the IDA, towards participating in Appeal Panels. In fact, seven Decisions were appealed to the Appeal Panel over the past 18 months. The appeals can be quite lengthy, with each lasting up to several weeks. If the trend towards filing appeals with the Appeal Panel continues, which the IDA expects is likely, the focus of the role of Board members could shift from that of achieving effective corporate governance to that of acting in a quasi-judicial capacity.

Moreover, the escalating number of internal appeals has created significant scheduling impracticalities. Given the lengthy duration of appeal hearings, it is very difficult for the IDA to identify Board members who can dedicate the time to conduct such hearings. This is particularly the case when considering that the size of the Board has reduced considerably from 28 members in 2000 to 12 currently, therefore reducing the number of available Board members. In addition, the IDA must appoint an Appeal Panel within a very short time period.¹⁰ There are even more scheduling difficulties in Quebec, where both Board members and the former judge must be Quebec residents.¹¹ Similarly, in certain provinces, because there are only a limited number of former judges who are public members of the IDA's Hearing Committee, it is often difficult to find a former judge to appear on Panels.

Also, with the increasing severity of the securities breaches being committed, and the more significant sanctions being imposed, the IDA anticipates that the number of appeal requests to the Appeal Panel will only increase over time. This will only escalate the difficulties in appointing Appeal Panels, and demand even greater time commitments from the Board of Directors.

Continuing Jurisdiction

Recently, there were several judicial challenges to the IDA's rules on continuing jurisdiction.¹² One argument is that the IDA lacks jurisdiction over Former Registrants if enforcement proceedings are not completed within five years from the date that the Former Registrant's registration ceases.

This interpretation is clearly contrary to the intent and objective of By-law 20.7(1). If IDA enforcement proceedings were required to be resolved within five years from the date that a Former Registrant ceases to be a Registrant, respondents would simply escape disciplinary action by delaying as long as possible the disciplinary hearing process, to pass the five year time limit. This flagrant manner of escaping discipline would undermine the very pillars of the SRO system and the ability of the IDA to fulfill its mandate to enforce compliance with standards and requirements relating to capital market participants.

However, given the recent flow of judicial challenges, the IDA proposes to make clearer and unequivocal its continuing jurisdiction rules. In doing so, the new language to the rule would state expressly that the IDA continues to have jurisdiction over Former Registrants so long as an enforcement proceeding commenced (i.e. a Notice of Hearing is issued) no later than five years from the date on which the Former Member or Approved Person ceased to be registered.

Alternatives Considered

While there was not formal consultation with the membership on these issues alone because of the urgent need for the changes, the IDA did receive some feedback from the membership at our quarterly Compliance and Legal Section (CLS)

¹⁰ Rule 20.3 of the IDA's Rules of Practice and Procedure provides that the IDA's national hearing coordinator must provide notice of the date, time and location of the appeal within 21 days of the filing of a notice of appeal.

¹¹ *Supra*, note 2.

¹² For example, see *MacBain* (*supra*, note 4); *Re Dass* [2006] I.D.A.C.D. No. 21 (PDC); and *Re Taub* [2006] I.D.A.C.D. No. 22 (ODC).

meeting and through our initial round of consultations on the By-laws 19 and 20 project. There were mixed views from the membership on the elimination of the appeal panel. Some Members were of the view that the Board of Directors would be in a conflict of interest position to make a decision to eliminate the appeal process when it is the Board of Directors members themselves that are unable to appear on appeal panels. Some Members felt that rather than eliminate the appeal panel, an alternative to the current process should be considered instead, because the increasing use of the panel indicates a growing need for there to be an internal appeal mechanism. The following is a list of the suggested alternatives to the current appeal process:

- The appeal panel could consist of either: (a) retired members and a former judge; or (b) a former judge only (i.e. a one-person panel).
- Appeals could be made by way of written submissions rather than an oral appeal hearing.
- The length of an appeal panel hearing could be limited to a short time period so that the length of the panel hearings could be reduced.

The IDA considered these alternatives and determined that a change to the current composition of the appeal panel to a single former judge or retired members is not a suitable alternative because of the desire to have, where possible, an active industry member involved in the hearing of appeals. A Decision can be appealed to an appeal panel on an issue of fact or law or both. Appeal panels often hear very complex securities matters. As such, it would be best, where possible, to have an adjudicator with knowledge of the securities industry, to also hear the issues. In addition, the possibility of increasing the size of the Board of Directors was considered but it was agreed that to do so would make the Board unmanageable for effective corporate governance and decision-making.

The possibility of having written submissions as a substitute for the current oral appeal hearings and reducing the length of the duration of appeal panels was also considered, however, it was determined that it would be in the best interests of the industry to have the benefit of a full oral appeal, rather than to compromise the length of a hearing or the ability to make oral arguments.

C Comparison With Similar Provisions

IDA Appeal Panel

Both Market Regulation Services Inc. (“RS”) and the Mutual Fund Dealers Association of Canada (“MFDA”) require either that all appeals or certain appeals of their decisions be made directly to the securities commissions. By adopting the proposed amendments, the IDA’s process for appealing Decisions will be consistent with the approach used by other Canadian securities SROs.

RS does not have an internal appeals process; hearing panel decisions are appealed directly to the securities commissions. RS’s Universal Market Integrity Rules (“UMIR”) provide that if a regulated person seeks a hearing and review of a hearing panel’s decision, the person must apply directly to the securities commission, pursuant to the applicable provincial legislation or the provincial courts for review.¹³

In addition, the MFDA’s rules provide for a “two-track” review of hearing panel decisions; while members may appeal hearing panel decisions to the MFDA’s board of directors, approved persons may not. Rather, approved persons must direct their appeals to the securities commissions or the provincial courts for review.¹⁴

Continuing Jurisdiction

Both RS and the MFDA maintain continuous jurisdiction over former registrants. MFDA By-law 1, s. 24.1.4(b) states that the MFDA may commence an enforcement proceeding against a former registrant if a notice of hearing is provided five years from the date that the person ceased to be registered. Similarly, RS’s jurisdiction over former registrants is expressed in section 1.1 of UMIR, where a “Regulated Person” is defined as “any Participant or Access Person of a marketplace for which the Market Regulator is the regulation services provider or was the regulation services provider at the time of the conduct” [emphasis added].

The level playing field among the SROs would be bolstered by ensuring that the IDA maintains continuing jurisdiction over Former Registrants without the presence of unintentional and arbitrary timelines to achieve final resolution of enforcement proceedings.

¹³ UMIR, rule 11.3.

¹⁴ MFDA By-law 1, s. 24.6.2.

D Systems Impact of Rule

There are no systems issues associated with the proposed amendments.

E Best interests of the Capital Markets

The Board has determined that the public interest rule is not detrimental to the best interests of the capital markets.

F Public Interest Objective

According to the IDA's Order of Recognition as an SRO, the IDA shall, where requested, provide in respect of a proposed rule change "a concise statement of its nature, purposes and effects, including possible effects on market structure and competition". Statements have been made elsewhere as to the nature and effects of the proposal with respect to the IDA's Appeal Panel and continuing jurisdiction over Former Registrants. The purposes of the proposals are to:

- provide for the administration of the affairs of the IDA;
- ensure compliance with securities laws;
- promote the protection of investors, just and equitable principles of trade and high standards of operations, business conduct and ethics; and
- promote public confidence and public understanding of the goals and activities 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. The proposed amendment has been determined to be public interest in nature.

III COMMENTARY

A Filing in Other Jurisdictions

This proposed amendment will be filed for approval in Alberta, British Columbia, Ontario and Quebec and will be filed for information in Manitoba, Newfoundland and Labrador, Nova Scotia and Saskatchewan.

B Effectiveness

The IDA believes that the proposed amendments will adopt the most practical and logical solution to address the aforementioned inefficiencies. By removing the option to appeal to the Appeal Panel, Board members can continue to devote the majority of their time towards corporate governance activities. The amendments are also designed to avoid a situation where the IDA would not be able to provide a respondent with an appeal hearing without undue delay, due to the lack of available Panel members on a timely basis. The proposed amendments would ensure that respondents are able to continue to appeal Decisions without undue delay.

Both respondents and the IDA would maintain their pre-existing rights to file appeal requests with the securities commissions or provincial courts.

C Process

The proposed changes have been reviewed and approved by senior management.

IV SOURCES

IDA By-law Nos. 7, 10.1, 20.7, 20.30 to 20.34, 20.41 to 20.48, 20.51 and 33.1;

Proposed Amendments to By-law Nos. 2 and 20, Membership Application Process;

IDA Rules of Practice and Procedure, rules 6.5 and 20.3;

IDA Enforcement Annual Report 2005;

UMIR sections 1.1, 11.3;

MFDA By-law No. 1, s. 24.6.2 and s. 24.1.4(b);

Securities Exchange Act of 1934, s. 19(d)(1);

NASD Code of Procedure, ss. 9268, 9311, 9331, 9349, 9351 and 9370;

NASD 2004 Year in Review; and

Securities Act (Ontario), R.S.O. 1990, c. S.5, s. 21.7(1); *British Columbia Securities Act*, R.S.B.C. 1996, c. 418, s. 28; *New Brunswick Securities Act*, S.N.B. 2004, c. S-5.5, s. 44; *Nova Scotia Securities Act*, R.S.N.S. 1989, c. 418, s. 30(5); *Alberta Securities Act*, R.S.A. 2000, c. S-4, s. 73; *Quebec Securities Act*, R.S.Q., c. V-1.1, s. 322; *Saskatchewan Securities Act*, 1988, S.S. 1988-89, c. S-42.2, s. 21(7); and *Manitoba Securities Act*, C.C.S.M. c. S50, s. 31.1(4).

V OSC REQUIREMENT TO PUBLISH FOR COMMENT

The IDA is required to publish for comment the proposed amendments so that the issue referred to above may be considered by OSC staff.

The IDA has determined that the entry into force of the proposed amendments would be in the public interest. Comments are sought on the proposed 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 Nancy N. Mehrad, Investment Dealers Association of Canada, Suite 1600, 121 King Street West, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of Manager of Market Regulation, Ontario Securities Commission, 20 Queen Street West, Toronto, Ontario, M5H 3S8.

Questions may be referred to:

Nancy N. Mehrad
Legal and Policy Counsel, Regulatory Policy
Investment Dealers Association of Canada
Suite 1600, 121 King Street West
Toronto, Ontario M5H 3T9
(416) 943-4656
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INVESTMENT DEALERS ASSOCIATION OF CANADA

AMENDMENTS TO BY-LAW 20 – ELIMINATION OF THE IDA APPEAL PANEL
AND CHANGES TO CONTINUING JURISDICTION PROVISIONS

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 20.1 is amended by deleting the following words from the definitions of the terms “*Decision-maker*” and “*Panel*”:
“an Appeal Panel; (20.51 Part 11 By-law 20)”

2. By-law 20.1 is further amended by adding the following words:

““*Former Approved Person*” means:

A Person that is no longer an Approved Person of the Association.

“*Former Member*” means:

A Person that is no longer a Member of the Association.””

3. By-law 20.3(5) is amended by deleting the following words:

“or Appeal Panel”

4. By-law 20.7 is repealed and replaced as follows:

“20.7 Former Members

(1) For the purposes of By-laws 19 and 20, a Former Member remains subject to the jurisdiction of the Association for any act committed while a Member, notwithstanding that it is no longer a Member.

(2) The Association may commence an enforcement hearing under Part 10 of this By-law against a Former Member if a Notice of Hearing is issued on the Former Member no later than five years from the date that the Former Member ceased to be a Member.

20.7A Former Approved Persons

(1) For the purposes of By-laws 19 and 20, a Former Approved Person remains subject to the jurisdiction of the Association for any act committed while an Approved Person, notwithstanding that she or he is no longer an Approved Person.

(2) The Association may commence an enforcement hearing under Part 10 of this By-law against a Former Approved Person if a Notice of Hearing is issued on the Former Approved Person no later than five years from the date that the Former Approved Person ceased to be an Approved Person.”

5. By-law 20.14 is amended by deleting the following words:

“Appeal Panels”

6. By-law 20.16 is repealed and replaced as follows:

“(1) The following persons shall be appointed to serve as the Chair of the respective Panels:

(a) A public member of a Hearing Committee shall be appointed to be the Chair of any Hearing Panel.

(b) An industry member of the District Council shall be appointed to be the Chair of any District Council Panel, pursuant to By-law 20.26(4).

(2) The Chair of a Panel, appointed pursuant to subsection (1), shall be responsible for conduct of a hearing in consultation with the other members of the Panel.

(3) The Chair of a Hearing Panel shall be responsible for drafting of decisions, with which he or she does not dissent, in consultation with the other members of the Hearing Panel.”

7. By-law 20.19(6) is repealed and replaced as follows:

“A decision of the Hearing Panel is a decision for which no further review or appeal is provided in the By-laws.”

8. By-law 20.26(6) is repealed and replaced as follows:

“A decision of the District Council Panel is a decision for which no further review or appeal is provided in the By-laws.”

9. By-law 20.29(5) is repealed and replaced as follows:

“A decision of the Hearing Panel is a decision for which no further review or appeal is provided in the By-laws.”

10. By-law 20.37(1) is repealed and replaced as follows:

“A decision of the Hearing Panel accepting a Settlement Agreement is a final decision for which no further review or appeal is provided in the By-laws.”

11. By-law 20.40(1) is repealed and replaced as follows:

“A decision of the Hearing Panel rejecting a Settlement Agreement is a final decision for which no further review or appeal is provided in the By-laws.”

12. By-law 20.47 is repealed and replaced as follows:

“(1) The Respondent may file a written request for review of any decision made pursuant to By-law 20.45 within thirty calendar days after release of the decision of the Hearing Panel.

(2) If a request for review is made, pursuant to subsection (1), a hearing shall be held as soon as reasonably possible and no later than twenty-one calendar days after filing of the written request for review unless otherwise agreed by the parties.

(3) No member of a Hearing Panel who presided over a hearing held pursuant to By-law 20.45 shall sit on a Hearing Panel constituted for review of that decision.

(4) If a Respondent does not request a review within the time period prescribed in subsection (1), the Hearing Panel decision shall become final.

(5) Unless the Hearing Panel orders otherwise, a request for a review shall not operate as a stay from a decision made pursuant to By-law 20.45.

(6) A review decision of the Hearing Panel is a decision for which no further review or appeal is provided in the By-laws.”

13. By-law 20.50 is repealed.

14. By-law 20.51 is repealed.

15. By-law 20.52 is repealed.

16. By-law 20.53 is repealed.

17. By-law 20.54 is repealed.

18. By-law 20.55 is repealed, replaced and renumbered as By-law 20.50 and Part 12 is renumbered as Part 11 as follows:

“(1) The following types of hearings shall be open to the public subject to subsection (2):

- (a) settlement hearings, after a Settlement Agreement has been accepted by Hearing Panel, pursuant to By-law 20.36;
- (b) disciplinary hearings pursuant to By-law 20.33 and By-law 20.34; and
- (c) expedited review hearings pursuant to By-law 20.47.”

(2) The hearings prescribed in subsection (1) shall be held in the absence of the public where the Hearing Panel is of the opinion that the desirability of avoiding disclosure, of intimate financial, personal or other matters, in the interests of any person affected or in the public interest outweighs the desirability of adhering to the principle that hearings be public.

(3) Notwithstanding subparagraph (1) and (2), in Quebec, any disciplinary panel must be public. However, such disciplinary panel may on its own initiative or on request, order a closed-door hearing or prohibit the publication or release of information or documents in the interest of good morals or public order.”

- 19. By-law 20.56 is renumbered as By-law 20.51 and Part 13 is renumbered as Part 12.
- 20. By-law 20.57 is renumbered as By-law 20.52 and Part 14 is renumbered as Part 13.

Corollary Amendments to By-law 3

- 21. By-law 3.13 is amended by adding the following words:
“Former Member” and “Former Approved Person”
- 22. By-law 3 is amended by adding the following:

3.14 A Former Member, Former Approved Person, or a Member or Approved Person whose rights, approval or privileges are suspended, remains liable to the Association for all amounts owing to the Association, including an annual fee, fee, levy, assessment, fine, cost, expense or any other charge or amount.

Corollary Amendments to By-law 28

- 23. By-law 28.4 is amended by deleting the following words:
“Appeal Panel”

Corollary Amendments to By-law 33

- 24. By-law 33.1 is amended by deleting the following words:
“Appeal Panel”

BE IT RESOLVED THAT the Board of Directors adopt, on this 6th day of June 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

AMENDMENTS TO BY-LAW 20 – ELIMINATION OF THE IDA APPEAL PANEL
AND CHANGES TO CONTINUING JURISDICTION PROVISIONS

BLACKLINED VERSION

By-law 20.1

20.1 In this By-law:

"Decision-maker" means:

the person or body making the decision under the respective provision of By-law 20. The Decision-maker can be: Association Staff (20.18 Part 7 By-law 20, 20.24 Part 8 By-law 20); the District Council or a subcommittee of the District Council (20.18 and 20.20 Part 7 By-law 20, 20.24 and 20.25 Part 8 By-law 20); the Executive Committee of the Board of Directors; (20.21 Part 7 By-law 20), a Board Panel; (20.22 Part 7 By-law 20), a District Council Panel; (20.26 Part 8 By-law 20), and a Hearing Panel; (20.13 Part 6 By-law 20); and an Appeal Panel; (20.51 Part 11 By-law 20).

"Former Approved Person" means:

a Person that is no longer an Approved Person of the Association.

"Former Member" means:

a Person that is no longer a Member of the Association.

"Panel" means:

a Hearing Panel (20.13 Part 6 By-law 20), a District Council Panel (20.26 Part 8 By-law 20), and a Board Panel (20.22 Part 7 By-law 20) and an Appeal Panel (20.51 Part 11 By-law 20).

By-law 20.3(5)

20.3 Decision-making

(5) Notwithstanding By-law 20.16(2), the other members of a Hearing Panel ~~or Appeal Panel~~ shall draft the decision where the Chair of the Panel dissents with the majority decision.

By-law 20.7

20.7 Former Members and Approved Persons

(1) For the purposes of By-laws 19 and By-law 20, ~~any Former Member and any Approved Person shall~~ remains subject to the jurisdiction of the Association for any act committed while a Member notwithstanding that it is no longer a Member. ~~for a period of five years from the date on which such Member or Approved Person ceased to be a Member or an Approved Person of the Association, subject to subsection (2).~~

(2) The Association may commence an enforcement hearing under Part 10 of this By-law against a Former Member if a Notice of Hearing is issued on the Former Member no later than five years from the date that the Former Member ceased to be a Member.

~~(2) An enforcement hearing under Part 10 of this By-law may be brought against a former Approved Person who re-applies for approval under Part 7 of this By-law, notwithstanding expiry of the time period set out in subsection (1).~~

~~(3) An Approved Person whose approval is suspended or revoked or a who is expelled from membership or whose rights or privileges are suspended, or terminated shall remain liable to the Association for all amounts owing to the Association.~~

20.7A Former Approved Persons

(1) For the purposes of By-laws 19 and 20, a Former Approved Person remains subject to the jurisdiction of the Association for any act committed while an Approved Person, notwithstanding that she or he is no longer an Approved Person.

(2) The Association may commence an enforcement hearing under Part 10 of this By-law against a Former Approved Person if a Notice of Hearing is issued on the Former Approved Person no later than five years from the date that the Former Approved Person ceased to be an Approved Person.

By-law 20.14

20.14 Selection of Panel Members for Hearings

(1) The National Hearing Coordinator shall be responsible for selection of members of Hearing Panels, District Council Panels and Board Panels and Appeal Panels, pursuant to By-law 20, and any other duties as prescribed by the IDA Rules of Practice and Procedure.

By-law 20.16

20.16 Chair of Panels

(1) The following persons shall be appointed to serve as the Chair of the respective Panels:

(a) A public member of a Hearing Committee shall be appointed to be the Chair of any Hearing Panel.

~~(b) A public member of a Hearing Committee shall be appointed to be the Chair of any Appeal Panel pursuant to By-law 20.51(1)(c).~~

~~(b)(i) An industry member of the District Council shall be appointed to be the Chair of any District Council Panel, pursuant to By-law 20.26(4).~~

~~(d) An independent member of the Board of Directors shall be appointed to be the Chair of any Board Panel, pursuant to By-law 20.22(3).~~

(2) The Chair of a Panel, appointed pursuant to subsection (1), shall be responsible for conduct of a hearing in consultation with the other members of the Panel.

(3) The Chair of a Hearing Panel or Appeal Panel shall be responsible for drafting of decisions, with which he or she does not dissent, in consultation with the other members of the Hearing Panel or Appeal Panel.

By-law 20.19

20.19 Review Hearings

(1) Association Staff or the Applicant may request a review of an approval decision by a Hearing Panel within ten business days after release of the decision.

(2) If a review is not requested within ten business days after release of the decision, the approval decision becomes final.

(3) No member of a District Council who has participated in a decision to refuse an application or impose conditions on an application, pursuant to By-law 20.18, shall participate on the Hearing Panel.

(4) A review hearing held under this Part shall be held in accordance with the IDA Rules of Practice and Procedure.

(5) The Hearing Panel may:

(a) affirm the decision;

(b) quash the decision;

(c) vary or remove any terms and conditions imposed on approval;

(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 District Council pursuant to By-law 20.18.

(6) No appeal shall be available from the decision of the Hearing Panel. A decision of the Hearing Panel is a decision for which no further review or appeal is provided in the By-laws.

By-law 20.26

20.26 Review Hearings

(1) The Applicant or Association Staff may apply for a review of the District Council decisions pursuant to By-law 20.24 or By-law 20.25 within ten business days after release of the decision.

(2) If the Applicant does not request a review within the time period prescribed in subsection (1), the District Council decision to refuse the exemption request application or approve the exemption request application subject to terms and conditions, shall become final.

(3) If Association Staff requests a review within the time period prescribed in subsection (1), the request for review shall operate as a stay from the District Council decision.

(4) A review of a District Council decision shall be heard by a District Council Panel comprised of three members of the District Council. No member of a District Council who participated in the District Council decision shall sit on the District Council Panel.

(5) The District Council Panel may:

(a) affirm the decision;

(b) quash the decision;

(c) vary or remove any terms and conditions imposed on an Applicant; and

(d) make any decision that could have been made by the District Council or a sub-committee of the District Council pursuant to By-law 20.24 and By-law 20.25.

(6) ~~No appeal shall be available from the decision of the District Council Panel.~~ A decision of the District Council Panel is a decision for which no further review or appeal is provided in the By-laws.

By-law 20.29

20.29 Review of Early Warning Level 2 Prohibitions

(1) The Member may request a review of a By-law 20.28 order by a Hearing Panel within three business days after release of the decision.

(2) If a request for review is made, the hearing shall be held as soon as reasonably possible and no later than twenty-one calendar days after the request for review, unless otherwise agreed by the parties.

(3) If a Member does not request a review within the time period prescribed in subsection (1), the By-law 20.28 order becomes effective and final.

(4) A Hearing Panel may:

(a) affirm the order;

(b) quash the order; or

(c) vary or remove any prohibitions imposed on the Member; and

(d) make any decision that could have been made by the Senior Vice-President Member Regulation, or his or her designate pursuant to By-law 20.28.

(5) ~~No appeal shall be available from the decision of the Hearing Panel.~~ A decision of the Hearing Panel is a decision for which no further review or appeal is provided in the By-laws.

By-law 20.37

20.37 Acceptance Of Settlement Agreement

~~(1) The decision of a Hearing Panel accepting a Settlement Agreement shall constitute final disciplinary action of the Association and no appeal shall be available from the decision. A decision of the Hearing Panel accepting a Settlement Agreement is a final decision for which no further review or appeal is provided in the By-laws.~~

By-law 20.40

20.40 Rejection of Settlement Agreement

~~(1) There shall be no appeal from a decision of a Hearing Panel rejecting a Settlement Agreement. A decision of the Hearing Panel rejecting a Settlement Agreement is a final decision for which no further review or appeal is provided in the By-laws.~~

By-law 20.47

20.47 Review Hearing

(1) The Respondent may file a written request for review of any decision made pursuant to By-law 20.45 within thirty calendar days after release of the decision of the Hearing Panel.

(2) If a request for review is made, pursuant to subsection (1), a hearing shall be held as soon as reasonably possible and no later than twenty-one calendar days after filing of the written request for review unless otherwise agreed by the parties.

(3) No member of a Hearing Panel who presided over a hearing held pursuant to By-law 20.45 shall sit on a Hearing Panel constituted for review of that decision.

(4) If a Respondent does not request a review within the time period prescribed in subsection (1), the Hearing Panel decision shall become final.

(5) Unless the Hearing Panel orders otherwise, a request for a review shall not operate as a stay from a decision made pursuant to By-law 20.45 notwithstanding By-law 20.53 (1).

~~(6) The review decision of a Hearing Panel may be appealed by either party pursuant to By-law 20.50. A review decision of the Hearing Panel is a decision for which no further review or appeal is provided in the By-laws.~~

By-law 20.50

~~PART 11 — APPEALS OF DISCIPLINARY AND EXPEDITED REVIEW HEARING DECISIONS~~

~~20.50. — Right of Appeal~~

~~(1) The Association and a Respondent may appeal a disciplinary decision made by a hearing Panel to an Appeal Panel.~~

~~(2) A Respondent may appeal an expedited review hearing decision made by a Hearing Panel to an Appeal Panel.~~

~~(3) An appeal may be made on questions of law or fact or both.~~

By-law 20.51

~~20.51. — Composition of Appeal Panel~~

~~(1) The Appeal Panel shall be comprised of:~~

~~(a) one independent member of the Board of Directors;~~

~~(b) one industry member of the Board of Directors; and~~

~~(c) one former judge, who is a public member of a Hearing Committee of the District in which the disciplinary hearing or expedited review hearing was heard, or a former judge who is a public member of a Hearing Committee of a District,~~

other than that in which the hearing or expedited review hearing was heard, if the two chairs of the respective Hearing Committees consent.

(2) In Quebec, the Appeal Panel shall be comprised of three members resident in Quebec, one of them being a former judge appointed by the Quebec District Council as a public member.

(3) Any hearing required by the present By-law in Quebec should be held in Quebec and the parties can present in French both verbally and in writing.

By-law 20.52

20.52.— Appeal Process

(1) An application for appeal to the Appeal Panel must be made within thirty calendar days after release of the decision of the Hearing Panel.

(2) An application for appeal shall state the basis for such appeal pursuant to the IDA Rules of Practice and Procedure.

By-law 20.53

20.53.— Effect of Appeal Application

(1) An appeal to the Appeal Panel from a decision of a Hearing Panel pursuant to By-law 20.50 shall operate as a stay from the decision, unless ordered otherwise by the applicable Securities Commission Appeal Panel.

(2) Notwithstanding subsection (1), an appeal to the applicable Securities Commission Appeal Panel from an expedited review hearing decision shall not operate as a stay from the decision, unless ordered otherwise by the applicable Securities Commission Appeal Panel.

(3) If the decision or order of the Hearing Panel suspends, expels or revokes registration of an Approved Person, the Approved Person shall be subject to strict supervision until release of the appeal decision.

By-law 20.54

20.54.— Powers of Appeal Panel

(1) A hearing held under this Part shall be an appeal on the record, however, the Appeal Panel may receive new or additional evidence as it considers just.

(2) The Appeal Panel may:

(a) affirm any decision;

(b) quash any decision;

(c) vary any decision or penalty;

(d) make any decision that could have been made by a Hearing Panel pursuant to By-law 20.33, By-law 20.34, By-law 20.45 and By-law 20.49;

(e) extend or limit the decision's application and effect to any Districts of the Association;

(f) order a new hearing; or

(g) make any order or decision that is considered just.

By-laws 20.55 to 20.57

PART 1211 - PUBLIC HEARINGS

20.5550 Public Hearings

(1) The following types of hearings shall be open to the public subject to subsection (2):

- (a) settlement hearings, after a Settlement Agreement has been accepted by Hearing Panel, pursuant to By-law 20.36;
- (b) disciplinary hearings pursuant to By-law 20.33 and By-law 20.34; and
- (c) expedited review hearings pursuant to By-law 20.47; and
- (d) ~~enforcement appeal hearings pursuant to By-law 20.50.~~

(2) The hearings prescribed in subsection (1) shall be held in the absence of the public where the Hearing Panel ~~or Appeal Panel~~ is of the opinion that the desirability of avoiding disclosure, of intimate financial, personal or other matters, in the interests of any person affected or in the public interest outweighs the desirability of adhering to the principle that hearings be public.

(3) Notwithstanding subparagraph (1) and (2), in Quebec, any disciplinary ~~or disciplinary appeal~~ panel must be public. However, such disciplinary ~~or disciplinary appeal~~ panel may on its own initiative or on request, order a closed-door hearing or prohibit the publication or release of information or documents in the interest of good morals or public order.

PART 1312 - RULE MAKING POWERS

20.5651 Rule-making Powers of the Member Regulation Oversight Committee

(1) The Member Regulation Oversight Committee of the Association may enact, amend, repeal and re-enact, Rules of Practice and Procedure related to By-law 20.

PART 1413 - TRANSITIONAL PROVISIONS

20.5752 Transitional Provisions

(1) Subject to subsection (2), any provision of any By-law, Regulation, Ruling or Policy of the Association in effect immediately prior to the coming into effect of these Rules shall remain in full force and effect until such By-law, Rule, Regulation, Ruling or Policy, has been repealed.

(2) In the event of a conflict between this By-law and the provisions of any By-law, Regulation, Ruling or Policy of the Association that remains in effect after this By-law comes into effect, the provisions of this By-law shall prevail.

Corollary Amendments to By-laws 3, 28.4 and 33.1

By-law 3

3.13. Any amount due and owing to the Association, a District Council, committee or other person or body under the By-laws, Regulations, Rules, Policies, Forms or other regulatory instrument authorized thereunder by a Member, Former Member, approved person, Former Approved Person or other person subject to the jurisdiction of the Association, whether an Annual Fee, fee, levy, assessment, fine, cost, expense or other charge or amount, shall bear interest at a rate per annum determined from time to time by the Board of Directors (calculated daily on the basis of a 365 day year, and payable and compounded monthly) from the date the amount is first due until paid, with interest on arrears calculated and payable in the same manner, such rate for any month not to be greater than one percent above the Canadian Chartered Bank prime lending rate at the end of each preceding month.

3.14. A Former Member, Former Approved Person, or a Member or Approved Person whose rights, approval or privileges are suspended, remains liable to the Association for all amounts owing to the Association, including an annual fee, fee, levy, assessment, fine, cost, expense or any other charge or amount.

By-law 28.4

28.4. Payments from the Discretionary Fund may be made at such times and in such amounts as the Board of Directors shall authorize for all or any of the following purposes, namely:

- (a) To fulfill all of the obligations of the Association to the Canadian Investor Protection Fund or under any guarantee given by the Association to a third party with respect to moneys payable by the Canadian Investor Protection Fund to such third party;
- (b) In the event of the insolvency or other inability of any Member to meet its financial obligations to the public (and whether or not claims against such Member have been considered by the persons administering the Canadian Investor

Protection Fund), to compensate in whole or in part such creditors of any such Member as the Board of Directors in its discretion may determine;

- (c) Invest in the securities of, or provide financial assistance in such form and on such terms and conditions as the Board of Directors in its discretion may determine to, The Canadian Depository for Securities Limited;
- (d) To pay the fees, expenses or other remuneration of the following members of a District Council Panel or Hearing Panel ~~or Appeal Panel~~:
 - (i) Members who have retired in good standing as employees of Members; and
 - (ii) Public members appointed pursuant to By-law 20.9.
- (e) To make payments for special non-recurring projects that (1) benefit the public and/or (2) generally benefit Canadian Capital Markets, as determined by the Board of Directors or Executive Committee.

By-law 33.1

33.1. Any Member or other person directly affected by a decision of the Board of Directors, a District Council, Hearing Panel, or Board Panel ~~or Appeal Panel~~ (other than a decision in respect of which the time for review or appeal under the By-laws has elapsed) in respect of which no further review or appeal is provided in the By-laws may request any securities commission with jurisdiction in the matter to review such decision and notice in writing of such appeal shall be given forthwith to the National Hearing Coordinator.

13.1.6 CDS Notice and Request for Comments – Material Amendments to CDS Procedures Relating to Security Master File Enhancement

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

MATERIAL AMENDMENTS TO CDS PROCEDURES

SECURITY MASTER FILE ENHANCEMENT

REQUEST FOR COMMENTS

A. DESCRIPTION OF THE PROPOSED AMENDMENTS

The proposed amendments, made at the request of the CDS Strategic Development Review Committee (“SDRC”) Debt & Equity subcommittees, will add an additional field to the Security Master File (“SMF”) to enable the setting of a limit on the minimum trading unit for a security. The proposed amendments will mitigate the current system limitation in situations where a trade in a security has a different minimum denomination from the trading multiple minimum as specified by the issuer and recorded in the SMF. For example, currently if a security is defined in the CDSX® SMF as having a 100,000 minimum ledger denomination it can only be traded in denominations of 100,000’s so that a trade for 110,000 could not be entered. The proposed amendments would permit any trades equaling or exceeding the minimum trade quantity to be processed. The existing CDSX functionality considers only two minimum denomination criteria:

- Minimum Withdrawal Denomination – the withdrawal amount must be entered in increments of this number
- Minimum Ledger Denomination – this edit controls all CDSX functionality except for withdrawal. Entries must be in multiples of this number.

CDS was asked to modify the system edits to provide the ability to allow a trade entry to have a minimum trade denomination with multiple increments (e.g. if the minimum withdrawal denomination is 100,000, a participant could not enter a trade for less than 100,000, but could enter a trade for 101,000 or 200,000, depending on the minimum trade quantity).

The new data element, proposed primarily to facilitate clearing and settlement activities for certain foreign issued securities, will be introduced on a new Security Attribute screen. Additionally, the Source of Income for Withholding Tax field will be moved to the Security Attribute screen in order to accommodate future development of multiple country codes for a single security required for 1042S (U.S.) reporting.

B. NATURE AND PURPOSE OF THE PROPOSED AMENDMENTS

The only impact to the text of the *CDS Procedures & User Guide* will be changes to the screen-shots currently provided therein.

The following fields will move to the new CDSX screen, with no changes to how CDSX treats the values in those fields:

- Minimum Ledger Denomination
- Minimum Certification Denomination for Withdrawal

The following fields will move, but will be 'enhanced':

- Source of Income for Withholding Tax (field will be updated from one country code to one Primary country code and up to five Secondary country codes)

The following field will be added:

- Minimum Trade Quantity

C. IMPACT OF PROPOSED AMENDMENTS

The proposed amendments establish that the Minimum Trade Quantity (MTQ) will systemically be defaulted to 1 (i.e. the minimum quantity for which a trade can be entered in CDSX will be 1). During the initial setup of a security, a CDS Eligibility analyst will enter the Issuer-determined amount in this field manually. For example, if a bond can only be traded for a minimum quantity of 5,000, but has no incremental limits above that minimum, the analyst will enter an MTQ of 5,000 and a Ledger denomination of 1. If a bond is only to be traded in increments of 5,000, the MTQ will be 5,000 as well as the Ledger denomination.

C.1 Competition

The proposed amendments will have no impact on competition.

C.2 Risks and Compliance Costs

The proposed amendments will have no impact with respect to compliance costs for the market or market participants save where technological changes may be required.

C.3 Comparison to International Standards

A comparison to international standards is not applicable for the proposed amendments.

D. DESCRIPTION OF THE PROCEDURE DRAFTING PROCESS

D.1 Development Context

As previously noted, the proposed amendments involve a change in the graphical representation of one screen in the CDSX system. The proposed amendments are within the context of CDS's regular schedule of systems enhancements and improvements, and within the normal course of business in respect of such improvements.

D.2 Rule Drafting Process

The SDRC reviews and approves procedure amendments. The SDRC is a committee that includes members from CDS's various stakeholders, including Banks, Broker-dealers, Settlement Agents, the *Caisse centrale Desjardins*, and transfer agents. The SDRC's mandate is to – among other responsibilities – ensure that systems development projects are appropriately evaluated and to propose, review, and approve CDS User Guides and Procedures.

D.3 Issues Considered

The SDRC weighed the proposed amendments against the *status quo* and determined that the proposed amendments would increase the efficiencies of CDS systems.

D.4 Consultation

The system change was made at the request of, and in consultation with, the Debt subcommittee of the SDRC with a view to increasing the flexibility of participants when submitting trades into CDSX.

D.5 Alternatives Considered

The alternative to these proposed amendments was the *status quo* with respect to the SMF.

D.6 Implementation Plan

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".

Material amendments to CDS Procedures may become effective upon approval of the amendments by the Recognizing Regulators following public notice and comment.

Conditional on reception of such approval, CDS intends to implement the proposed amendments in Release 3 of its 2007 development year. Affected Participants and other stakeholders will be notified in accordance with the requirements of the CDS Participant Rules and via regular updates given during SDRC subcommittee meetings.

E. TECHNOLOGICAL SYSTEMS CHANGES

The proposed amendments will be implemented as part of CDS's regular quarterly systems change releases – in this case, the 3rd quarter release (R3). Affected members of the SDRC meet monthly to review systems change progress, and Participants will be notified of the implementation in accordance with CDS Participant Rules.

E.1 CDS

CDS will undertake several changes to CDSX screen layouts as well as the insertion of a new field in the SMF. (See section B, above)

E.2 CDS Participants

Participants subscribing to the 7030/7031 Security Master files will be required to map (i) the changes to Record Type 02 'Confirmed Issues Details' to include a second Withholding Tax Country Code field, and (ii) the layout of the new Record Type 06 'Security Attributes' which will report the Minimum Trading Quantity, to their internal systems.

E.3 Other Market Participants

Service Bureaus subscribing to the 7030/7031 Security Master files will be required to map (i) the changes to Record Type 02 'Confirmed Issues Details' to include a second Withholding Tax Country Code field, and (ii) the layout of the new Record Type 06 'Security Attributes' which will report the Minimum Trading Quantity, to their internal systems.

F. COMPARISON TO OTHER CLEARING AGENCIES

As the layout and software code for such functionality are generally considered to be trade secrets by other clearing agencies, no specific comparison is available at this time.

G. PUBLIC INTEREST ASSESSMENT

CDS has determined that the proposed amendments are not contrary to the public interest.

H. COMMENTS

Comments on the proposed amendments should be in writing and delivered by July 22, 2007 to:

Tony Hoffmann
Legal Counsel
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
Tour de la Bourse
800, square Victoria, C.P. 246, 22^e étage
Montréal, Québec H4Z 1G3

Télécopieur: 514 864-6381
Courriel : 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, all comments received during the comment period.

I. PROPOSED PROCEDURE AMENDMENTS

The proposed amendments to CDS Participant Procedures will affect only screens used within the CDSX system. These new screens will be posted on the CDS website as soon as they are available.

JAMIE ANDERSON
Managing Director, Legal

Chapter 25

Other Information

25.1 Consents

25.1.1 Nevoro Inc. - s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Canada Business Corporations Act (Canada).

Statutes Cited

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

Regulations Cited

Regulation made under the Business Corporations Act,
Ont. Reg. 289/00, as am., s. 4(b).

**IN THE MATTER OF
ONTARIO REGULATION 289/00, AS AMENDED
(the "Regulation")
MADE UNDER THE BUSINESS CORPORATIONS ACT,
R.S.O. 1990, c. B.16, (THE "OBCA")**

AND

**IN THE MATTER OF
NEVORO INC.**

**CONSENT
(Subsection 4(b) of the Regulation)**

UPON the application (the Application) of Nevoro Inc. (the Applicant) to the Ontario Securities Commission (the Commission) requesting a consent from the Commission for the Applicant to continue in another jurisdiction, as required by subsection 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant intends to apply to the Director under the OBCA pursuant to Section 181 of the OBCA (the Application for Continuance) for authorization to continue under the *Canada Business Corporations Act*, R.S., 1985, c. C-44, as amended (the CBCA).

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

3. The Applicant was incorporated by Letters Patent under a predecessor to the OBCA on March 1, 1945 under the name Pershon Gold Mines Limited. By articles of amendment dated November 5, 1982, the name of the Applicant was changed to Golden Shadow Resources Inc. By articles of amendment dated January 21, 1991, the name of the Applicant was changed to Denroy Manufacturing Corporation. By articles of amendment dated June 14, 2005, the name of the Applicant was changed to Denroy Resources Corporation. By articles of amendment dated May 17, 2007, the name of the Applicant was changed to Nevoro Inc.

4. The Applicant's head office is located at 141 Adelaide Street West, Suite 420, Toronto, Ontario, M5H 3L5.

5. The Applicant is an offering corporation under the OBCA and is a reporting issuer under the *Securities Act* (Ontario) R.S.O. 1990, c. S.5, as amended (the Act).

6. The Applicant's authorized share capital consists of an unlimited number of common shares. As at May 17, 2007, there were 72,793,885 common shares issued and outstanding.

7. The Applicant intends to remain a reporting issuer under the Act after the continuance.

8. The Applicant is not in default of any of the provisions, regulations or rules of the Act.

9. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, pending proceeding under the Act.

10. The Applicant's shareholders authorized the continuance of the Applicant as a corporation under the CBCA by special resolution at a meeting of shareholders held on May 16, 2007 (the Meeting). The special resolution authorizing the continuance was approved at the Meeting by 100% of the votes cast. Consequently, assuming the receipt of the requested consent, the Application for Continuance will be made, articles of continuance will be filed under the CBCA and the continuance will become effective.

Other Information

11. Pursuant to section 185 of the OBCA, all common shareholders of record as at the record date for the Meeting were entitled to dissent rights with respect to the continuance (the Dissent Rights).
12. The management information circular describing the continuance, which was dated April 5, 2007, was printed and mailed to shareholders and was filed on the System for Electronic Document Analysis and Retrieval on April 19, 2007 (the Circular). Full disclosure of the reasons and implications of the continuance are included at page 7 of the Circular. The Circular also advised the holders of the Applicant's common shares of their Dissent Rights.
13. The principal reason for the proposed continuance is that under the OBCA, a majority of the directors must be resident Canadians, while under the CBCA, twenty-five percent of the directors are required to be resident Canadians. As the Applicant intends to focus on a search for, and development and exploration of, gold and precious metal properties in Nevada, USA, it is desirable that its board of directors reflect this focus. The less onerous requirement for Canadian residency of directors under the federal jurisdiction would thus be advantageous for the Applicant.
14. The material rights, duties and obligations of a corporation governed by the CBCA are substantially similar to those of a corporation governed by the OBCA.

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

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

DATED this 8th day of June, 2007.

"Harold P. Hands"
Commissioner
Ontario Securities Commission

"Lawrence E. Ritchie"
Commissioner
Ontario Securities Commission

Index

1731807 Ontario Inc.		
MRRS Decision.....	5648	
AireSurf Networks Holdings Inc.		
Cease Trading Order	5681	
AldeaVision Solutions Inc.		
Cease Trading Order	5681	
Altimum Mutuals Inc.		
SRO Notices and Disciplinary Proceedings	5778	
Argus Corporation Limited		
Cease Trading Order	5681	
Aztek Resource Development Inc.		
Order - s. 144.....	5675	
BMO Harris Investment Management Inc.		
MRRS Decision.....	5665	
BMO Investments Inc.		
MRRS Decision.....	5665	
Calyon Financial Canada Inc.		
MRRS Decision.....	5660	
Calyon Financial Inc.		
MRRS Decision.....	5660	
Camdeton Trading Ltd.		
Notice from the Office of the Secretary	5644	
Order - s. 127(7)	5672	
Camdeton Trading S.A.		
Notice from the Office of the Secretary	5644	
Order - s. 127(7)	5672	
Capital Palodun Limitée/Palodun Capital Limited		
Name Change.....	5775	
CDS Notice and Request for Comments – Material Amendments to CDS Procedures Relating to Security Master File Enhancement		
SRO Notices and Disciplinary Proceedings	5798	
CoolBrands International Inc.		
Cease Trading Order	5681	
CSA Staff Notice 21-306 Notice of Filing of Forms 21-101F5 Initial Operation Report for Information Processor		
SRO Notices and Disciplinary Proceedings	5780	
De Freitas, Stanton		
Notice from the Office of the Secretary	5644	
Order - ss. 127(1), 127(5)	5674	
Delahaye, Sandra		
Notice from the Office of the Secretary	5644	
Order - s. 127(7).....	5672	
Edgestone Capital Equity Fund III (Canada) L.P.		
MRRS Decision	5648	
Fort Chimo Minerals Inc.		
Cease Trading Order.....	5681	
Galileo Equity Management Inc.		
Name Change	5775	
Galileo Global Equity Advisors Inc.		
Name Change	5775	
Genevest Inc.		
MRRS Decision	5664	
George Thomas Smart / Smart, George Thomas		
Suspended	5775	
Gestion D'Actifs Holdun Inc./Holdun Asset Management Inc.		
Name Change	5775	
Grove Energy Limited		
Cease Trading Order.....	5681	
Haver, W. Jeffrey		
Notice from the Office of the Secretary	5644	
Order - s. 127(7).....	5672	
HD Agency Inc.		
New Registration	5775	
Hip Interactive Corp.		
Cease Trading Order.....	5681	
HMZ Metals Inc.		
Cease Trading Order.....	5681	
IDA Amendments to By-law 20 – Elimination of the IDA Appeal Panel and Changes to Continuing Jurisdiction Provisions		
SRO Notices and Disciplinary Proceedings.....	5781	
IMAX Corporation		
Cease Trading Order.....	5681	
Initial Capital Partners Ltd.		
New Registration	5775	
Interquest Incorporated		
Cease Trading Order.....	5681	

Index

Irwin, Greg			
Notice from the Office of the Secretary	5644		
Order - s. 127(7)	5672		
Jones Heward Investment Counsel Inc.			
MRRS Decision.....	5665		
Keaveney, Patrick			
Notice from the Office of the Secretary	5644		
Order - s. 127(7)	5672		
Lloyd, Andrew			
Notice from the Office of the Secretary	5644		
Order - s. 127(7)	5672		
Los Angeles Capital Management and Equity Research, Inc.			
New Registration.....	5775		
Macdonald, Shymko & Company Ltd.			
New Registration.....	5775		
Macquarie Power & Infrastructure Income Fund			
MRRS Decision.....	5645		
McLean & Partners Private Global Balanced Pool			
Order - s. 113.....	5677		
McLean & Partners Private Global Dividend Growth Pool			
Order - s. 113.....	5677		
McLean & Partners Private International Equity Pool			
Order - s. 113.....	5677		
McLean & Partners Wealth Management Ltd.			
Order - s. 113.....	5677		
Mesirow Financial Private Equity Advisors, Inc.			
Decision - s. 6.1(1) of MI 31-102 National Registration Database and s. 6.1 of OSC Rule 13-502 Fees.....	5656		
NBCN Inc.			
MRRS Decision.....	5658		
Nevoro Inc.			
Consent - s. 4(b) of the Regulation	5801		
Nexgen Financial Limited Partnership			
MRRS Decision.....	5670		
Novelis Inc.			
MRRS Decision.....	5651		
OSC Rule 31-502 Proficiency Requirements for Registrants			
Notice.....	5642		
Rules and Policies	5683		
Perimeter Capital Management Inc.			
MRRS Decision	5658		
Proposed Framework 81-406 Point of Sale Disclosure Framework for Funds			
News Release	5643		
Rygiel, Mary Elizabeth			
SRO Notices and Disciplinary Proceedings.....	5777		
Sabourin and Sun (BVI) Inc.			
Notice from the Office of the Secretary	5644		
Order - s. 127(7).....	5672		
Sabourin and Sun Group of Companies Inc.			
Notice from the Office of the Secretary	5644		
Order - s. 127(7).....	5672		
Sabourin and Sun Inc.			
Notice from the Office of the Secretary	5644		
Order - s. 127(7).....	5672		
Sabourin, Peter			
Notice from the Office of the Secretary	5644		
Order - s. 127(7).....	5672		
Sierra Minerals Inc.			
Cease Trading Order.....	5681		
Simplex Solutions Inc.			
Cease Trading Order.....	5681		
Smith, Shane			
Notice from the Office of the Secretary	5644		
Order - s. 127(7).....	5672		
Spectrum Signal Processing Inc.			
MRRS Decision	5662		
SR Telecom Inc.			
Cease Trading Order.....	5681		
Stephenson's Rental Services Income Fund			
MRRS Decision	5648		
TLC Vision Corporation			
MRRS Decision	5653		
Urbanfund Corp.			
Cease Trading Order.....	5681		
VVC Exploration Corporation			
Cease Trading Order.....	5681		
Wong, Keith Oswald			
SRO Notices and Disciplinary Proceedings.....	5779		