The Ontario Securities Commission

OSC Bulletin

December 21, 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
Cadillac Fairview Tower
Suite 1903, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

416-593-8314 or Toll Free 1-877-785-1555

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416-609-3800 or 1-800-387-5164

Contact Centre - Inquiries, Complaints:	Fax: 416-593-8122
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One Corporate Plaza
2075 Kennedy Road
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Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

DECEMBER 21, 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

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

SCHEDULED OSC HEARINGS

December 19, 2007 2:00 p.m.	Xiiva Holdings Inc. carrying on Business as Xiiva Holdings Inc., XI Energy Company, XI Energy and XI Biofuels s. 127(1) & 127(5) M. Vaillancourt in attendance for Staff Panel: JEAT
December 21, 2007 10:00 a.m.	**MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric** s. 127 & 127(1) D. Ferris in attendance for Staff Panel: JEAT
January 7, 2008 10:00 a.m.	***Philip Services Corp. and Robert Waxman** s. 127 K. Manarin/M. Adams in attendance for Staff Panel: JEAT/MCH Colin Soule settled November 25, 2005 Allen Fracassi, Philip Fracassi, Marvin Boughton, Graham Hoey and John Woodcroft settled March 3, 2006 * Notice of Withdrawal issued April 26, 2007
January 8, 2008 2:30 p.m.	**Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boultbee and Peter Y. Atkinson** s.127 J. Superina in attendance for Staff Panel: LER/MCH

January 11, 2008
10:00 a.m.
Borealis International Inc., Synergy Group (2000) Inc., Integrated Business Concepts Inc., Canavista Corporate Services Inc., Canavista Financial Center Inc., Shane Smith, Andrew Lloyd, Paul Lloyd, Vince Villanti, Larry Haliday, Jean Breau, Joy Statham, David Prentice, Len Zielke, John Stephan, Ray Murphy, Alexander Poole, Derek Grigor and Earl Switenky

s. 127 and 127.1

Y. Chisholm in attendance for Staff

Panel: WSW/DLK

January 16, 2008
10:00 a.m.
Jose Castaneda

s. 127 and 127.1

H. Craig in attendance for Staff

Panel: WSW/ST

January 18, 2008
10:00 a.m.
Swift Trade Inc. and Peter Beck

s. 127

S. Horgan in attendance for Staff

Panel: TBA

January 22, 2008
2:30 p.m.
Global Partners Capital, WS Net Solution, Inc., Hau Wai Cheung, Christine Pan, Gurdip Singh Gahunia

s. 127

S. Horgan in attendance for Staff

Panel: JEAT

January 22, 2008
3:00 p.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

J. S. Angus in attendance for Staff

Panel: JEAT/ST

February 13, 2008
10:00 a.m.
FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun

s. 127

M. Mackewn in attendance for Staff

Panel: RLS/ST

February 15, 2008
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

February 22, 2008
10:00 a.m.
Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony

s. 127 and 127.1

H. Craig in attendance for Staff

Panel: JEAT

March 4, 2008
2:30 p.m.
Sunwide Finance Inc., Sun Wide Group, Sun Wide Group Financial Insurers & Underwriters, Wi-Fi Framework Corporation, Bryan Bowles, Steven Johnson, Frank R. Kaplan and George Sutton

s. 127

C. Price in attendance for Staff

Panel: TBA

March 25, 2008
10:00 a.m.
XI Biofuels Inc., Biomaxx Systems Inc., Ronald David Crowe and Vernon P. Smith

s. 127

M. Vaillancourt in attendance for Staff

Panel: TBA

March 28, 2008
11:00 a.m.
Saxon Financial Services, Saxon Consultants, Ltd., International Monetary Services, FXBridge Technology, Meisner Corporation, Merchant Capital Markets, S.A., Merchant Capital Markets, MerchantMarx et al

s. 127(1) & (5)

S. Horgan in attendance for Staff

Panel: JEAT/CSP

March 31, 2008
10:00 a.m.
Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton

s. 127

H. Craig in attendance for Staff

Panel: TBA

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.

s. 127 and 127.1

Y. Chisholm in attendance for Staff

Panel: TBA

April 7, 2008
2:30 p.m.
Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)

s.127 and 127.1

D. Ferris in attendance for Staff

Panel: TBA

May 5, 2008
10:00 a.m.
John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir

S. 127 & 127.1

I. Smith in attendance for Staff

Panel: TBA

May 5, 2008
10:00 a.m.
Norshield Asset Management (Canada) Ltd., Olympus United Group Inc., John Xanthoudakis, Dale Smith and Peter Kefalas

s.127

P. Foy in attendance for Staff

Panel: WSW/DLK

May 27, 2008
2:30 p.m.
Borealis International Inc., Synergy Group (2000) Inc., Integrated Business Concepts Inc., Canavista Corporate Services Inc., Canavista Financial Center Inc., Shane Smith, Andrew Lloyd, Paul Lloyd, Vince Villanti, Larry Haliday, Jean Breau, Joy Statham, David Prentice, Len Zielke, John Stephan, Ray Murphy, Alexander Poole, Derek Grigor and Earl Switenky

s. 127 and 127.1

Y. Chisholm in attendance for Staff

Panel: WSW/DLK

June 24, 2008
2:30 p.m.
David Watson, Nathan Rogers, Amy Giles, John Sparrow, Leasesmart, Inc., Advanced Growing Systems, Inc., The Bighub.com, Inc., Pharm Control Ltd., 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: TBA

July 14, 2008
10:00 a.m.
Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin

s. 127

H. Craig in attendance for Staff

Panel: TBA

November 3, 2008 10:00 a.m.	**Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited** s. 127 E. Cole in attendance for Staff Panel: TBA
TBA	**Yama Abdullah Yaqeen** s. 8(2) J. Superina 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	**Frank Dunn, Douglas Beatty, Michael Gollogly** s.127 K. Daniels in attendance for Staff Panel: TBA
TBA	**Shane Suman and Monie Rahman** s. 127 & 127(1) K. Daniels 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: JEAT/ST
TBA	**Stanton De Freitas** s. 127 and 127.1 P. Foy in attendance for Staff Panel: JEAT/ST
TBA	**Rex Diamond Mining Corporation, Serge Muller and Benoit Holemans** s. 127 & 127(1) J. Corelli in attendance for Staff Panel: WSW/DLK/KJK

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

Euston Capital Corporation and George Schwartz

Al-Tar Energy Corp., Alberta Energy Corp., Eric O'Brien, Bill Daniels, Bill Jakes, John Andrews, Julian Sylvester, Michael N. Whale, James S. Lushington, Ian W. Small, Tim Burton and Jim Hennesy

1.1.2 Notice of Ministerial Approval of Amendments to NI 51-102 Continuous Disclosure Obligations and Related Amendments

NOTICE OF MINISTERIAL APPROVAL

OF AMENDMENTS TO

NATIONAL INSTRUMENT 51-102 *CONTINUOUS DISCLOSURE OBLIGATIONS*,
FORM 51-102F2 *ANNUAL INFORMATION FORM* AND FORM 51-102F5 *INFORMATION CIRCULAR*

AND

CONSEQUENTIAL AND OTHER AMENDMENTS TO

NATIONAL INSTRUMENT 52-107 *ACCEPTABLE ACCOUNTING PRINCIPLES, AUDITING STANDARDS AND REPORTING CURRENCY,*

MULTILATERAL INSTRUMENT 52-109
CERTIFICATION OF DISCLOSURE IN ISSUERS' ANNUAL AND INTERIM FILINGS,

MULTILATERAL INSTRUMENT 52-110 *AUDIT COMMITTEES,*

NATIONAL INSTRUMENT 58-101 *DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES,*

NATIONAL INSTRUMENT 71-102 *CONTINUOUS DISCLOSURE AND OTHER EXEMPTIONS RELATING TO FOREIGN ISSUERS,*

COMMISSION RULE 51-801 *IMPLEMENTING NATIONAL INSTRUMENT 51-102 CONTINUOUS DISCLOSURE OBLIGATIONS* AND

FORM 41-501F1 *INFORMATION REQUIRED IN A PROSPECTUS* UNDER
ONTARIO SECURITIES COMMISSION RULE 41-501 *GENERAL PROSPECTUS REQUIREMENTS*

On December 6, 2007, the Minister of Finance approved, pursuant to section 143.3 of the *Securities Act* (Ontario), amendments to the following rules and forms (the Instruments):

- National Instrument 51-102 *Continuous Disclosure Obligations*;
- Form 51-102F2 *Annual Information Form*,
- Form 51-102F5 *Information Circular*;
- National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;
- Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*;
- Multilateral Instrument 52-110 *Audit Committees*;
- National Instrument 58-101 *Disclosure of Corporate Governance Practices*;
- National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*;
- Ontario Securities Commission Rule 51-801 *Implementing National Instrument 51-102 Continuous Disclosure Obligations*; and
- Form 41-501F1 *Information Required in a Prospectus* under Ontario Securities Commission Rule 41-501 *General Prospectus Requirements*.

Previously, materials related to the amendments to the Instruments and amendments to Companion Policy 51-102CP *Continuous Disclosure Obligations* (the Companion Policy) were published in the Bulletin on October 12, 2007. The amendments to the Instruments and the Companion Policy will come into force on December 31, 2007.

The amendments to the Instruments and the Companion Policy are published in Chapter 5 of this Bulletin.

December 21, 2007

1.1.3 Notice of Ministerial Approval - Rescission of NP 48 Future-Oriented Financial Information and Amendments to NI 51-102 Continuous Disclosure Obligations and Related Consequential Amendments

RESCISSION OF NATIONAL POLICY 48 *FUTURE-ORIENTED FINANCIAL INFORMATION*

AND

AMENDMENTS TO NATIONAL INSTRUMENT 51-102 *CONTINUOUS DISCLOSURE OBLIGATIONS*

AND

RELATED CONSEQUENTIAL AMENDMENTS

NOTICE OF MINISTERIAL APPROVAL

On December 6, 2007, the Minister of Finance approved amendments (the Rule and Form Amendments) to:

- National Instrument 51-102 *Continuous Disclosure Obligations*,
- Form 51-102F1 *Management's Discussion and Analysis*,
- Form 44-101F1 *Short Form Prospectus*,
- Form 45-101F *Information Required in a Rights Offering Circular*,
- Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers*,
- Form 45-106F3 *Offering Memorandum for Qualifying Issuers*,
- Form 41-501F1 *Information Required in a Prospectus*,
- Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*.

The Minister also approved the revocation (the Revocation Regulation) of s. 60 of Ontario Regulation 1015 made under the Act (R.R.O. 1990, Reg. 1015, as am.).

The Rule and Form Amendments and other consequential policy amendments relating to the rescission of National Policy 48 *Future-Oriented Financial Information* (collectively, the Amendments) will come into force on **December 31, 2007**. The Amendments are found at Chapter 5 of this issue of the OSC Bulletin. The Revocation Regulation will also come into force on **December 31, 2007**. The Revocation Regulation is found at Chapter 9 of this issue of the OSC Bulletin.

December 21, 2007

1.1.4 Notice of Commission Approval – Material Amendments to CDS Procedures Relating to Issuer Buy-Back Procedures

CDS CLEARING AND DEPOSITORY SERVICES INC.

MATERIAL AMENDMENTS TO CDS PROCEDURES

ISSUER BUY-BACK PROCEDURES

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on December 18, 2007, amendments filed by CDS to its procedures relating to issuer buy-back procedures. The amendments require CDS participants to submit on a timely basis any securities they purchased on behalf of an issuer for cancellation under an issuer buy-back programme. A copy and description of these amendments were published for comment on November 2, 2007 at (2007) 30 OSCB 9198. No comment letters were received.

1.2 Notices of Hearing

1.2.1 Xiiva Holdings Inc. et al. - s. 127

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

AND

IN THE MATTER OF
XIIVA HOLDINGS INC. CARRYING ON BUSINESS AS
XIIVA HOLDINGS INC., XI ENERGY COMPANY,
XI ENERGY AND XI BIOFUELS

NOTICE OF HEARING
(Section 127)

TAKE NOTICE that the Ontario Securities Commission will hold a hearing pursuant to section 127 of the *Securities Act*, at the offices of the Ontario Securities Commission, 20 Queen Street West, 17th Floor Hearing Room, Toronto, Ontario on December 19, 2007 at 2:00 p.m., or as soon thereafter as the hearing can be held:

TO CONSIDER whether, pursuant to section 127 of the Act, it is in the public interest for the Commission:

(a) pursuant to s. 127(7), to extend the temporary order made December 14, 2007 until the final disposition of this matter or until the Commission considers appropriate; and

(b) to make such other order as the Commission considers appropriate.

BY REASON OF the allegations of Staff that the above named Respondent contravened ss. 25, 38 or 53 of the Act and such additional reasons as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this “14th” day of December, 2007

“Daisy G. Aranha”
Per: John Stevenson
Secretary to the Commission

1.2.2 Robert Waxman

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

AND

IN THE MATTER OF
ROBERT WAXMAN

NOTICE OF HEARING

TAKE NOTICE THAT the Ontario Securities Commission will hold a hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended, at its offices on the 17th Floor, 20 Queen Street West, Toronto, Ontario, commencing on December 21, 2007 at 9:00 a.m., or as soon thereafter as the hearing can be heard;

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to make an order approving the Settlement Agreement entered into by Staff of the Ontario Securities Commission and Robert Waxman;

BY REASON OF the allegations set out in the Statement of Allegations of Staff dated August 30, 2000 and amended October 12, 2005, December 9, 2005 and July 26, 2007, and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing;

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

DATED at Toronto this ”18th” day of December, 2007.

“John Stevenson”
Secretary

1.4 Notices from the Office of the Secretary

1.4.1 First Global Ventures, S.A. et al.

FOR IMMEDIATE RELEASE
December 17, 2007

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

AND

IN THE MATTER OF
FIRST GLOBAL VENTURES, S.A.,
ABRAHAM HERBERT GROSSMAN
(a.k.a. ALLEN GROSSMAN) AND
ALAN MARSH SHUMAN (a.k.a. ALAN MARSH)

TORONTO – Following a hearing held in April 2007, the Commission issued its Reasons For Decision on the Merits in the above noted matter.

A copy of the Reasons For Decision on the Merits dated December 14, 2007 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:	Wendy Dey Director, Communications & Public Affairs 416-593-8120
	Laurie Gillett Manager, Public Affairs 416-595-8913
	Carolyn Shaw-Rimmington Assistant Manager, Public Affairs 416-593-2361
For investor inquiries:	OSC Contact Centre 416-593-8314 1-877-785-1555 (Toll Free)

1.4.2 Norshield Asset Management (Canada) Ltd. et al.

FOR IMMEDIATE RELEASE
December 13, 2007

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

AND

IN THE MATTER OF
NORSHIELD ASSET MANAGEMENT (CANADA) LTD.,
OLYMPUS UNITED GROUP INC.,
JOHN XANTHOUDAKIS,
DALE SMITH AND PETER KEFALAS

TORONTO – The Commission issued an Order today which provides that the dates set by the Commission for the hearing of pre-hearing motions are adjourned to January 29 and 30, 2008 at 10:00 a.m. at the offices of the Commission on the 17th floor of 20 Queen St. West in Toronto.

A copy of the Order dated December 13, 2007 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

1.4.3 Saxon Financial Services et al.

FOR IMMEDIATE RELEASE
December 14 2007

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

AND

SAXON FINANCIAL SERVICES,
SAXON CONSULTANTS, LTD.,
INTERNATIONAL MONETARY SERVICES,
FXBRIDGE TECHNOLOGY, MEISNER CORPORATION,
MERCHANT CAPITAL MARKETS, S.A.,
MERCHANT CAPITAL MARKETS, MERCHANTMARX

AND

SIMON BACHUS, JOSEPH CUNNINGHAM,
RICHARD CLIFFORD, RYAN CASON,
JOHN HALL, DONNY HILL, JEREMY JONES,
MARK KAUFMANN, CONRAD PRAAMSMA,
JUSTIN PRAAMSMA, SCOTT SANDERS,
JACK SINNI, MARC THIBAULT, SEAN WILSON
AND TODD YOUNG

TORONTO – Following a hearing held today, the Commission issued an Order adjourning the hearing to March 28, 2008 at 11:00 a.m. and extending the temporary cease trade order of July 26, 2007, subject to certain conditions, to March 28, 2008.

A copy of the Order dated December 14, 2007 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

Carolyn Shaw-Rimmington
Assistant Manager,
Public Affairs
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1.4.4 Xiiva Holdings Inc. et al.

FOR IMMEDIATE RELEASE
December 17, 2007

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

AND

IN THE MATTER OF
XIIVA HOLDINGS INC. CARRYING ON BUSINESS AS
XIIVA HOLDINGS INC., XI ENERGY COMPANY,
XI ENERGY AND XI BIOFUELS

TORONTO – The Ontario Securities Commission (the "Commission") issued a temporary cease trade order pursuant to sections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") on December 14, 2007 that all trading in securities of Xiiva shall cease (the "Temporary Order"). In connection with the Temporary Order, the Commission also issued a Notice of Hearing setting the matter down to be heard on December 19, 2007 at 2:00 p.m.

Copies of the Temporary Order and Notice of Hearing are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

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Manager, Public Affairs
416-595-8913

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

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1.4.5 Stanton De Freitas

FOR IMMEDIATE RELEASE
December 18, 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 – On December 4, 2007 the Commission issued an Order that the hearing to extend the Temporary Order, as modified, is adjourned until December 5, 2007 at 11:00 a.m. and pursuant to subsection 127(8) of the Act, the Temporary Order, as modified, is extended until the conclusion of the hearing to extend the Temporary Orders or until further order of the Commission.

Following the hearing on December 5, 2007 the Commission issued an Order that the Temporary Order, as modified and extended by the Commission, is extended until the Commission releases its decision and reasons on the hearing to extend the Temporary Order or until further order of the Commission.

A copy of the Order dated December 4, 2007 and December 5, 2007 are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
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SECRETARY

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Director, Communications
& Public Affairs
416-593-8120

Laurie Gillett
Manager, Public Affairs
416-595-8913

Carolyn Shaw-Rimmington
Assistant Manager,
Public Affairs
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1.4.6 David Watson et al.

FOR IMMEDIATE RELEASE
December 18, 2007

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

AND

IN THE MATTER OF
DAVID WATSON, NATHAN ROGERS, AMY GILES,
JOHN SPARROW, LEASESMART, INC.,
ADVANCED GROWING SYSTEMS, INC.
(a Florida corporation), 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.

TORONTO – On December 4, 2007 the Commission issued an Order that the hearing to extend the Temporary Order in respect of Pharm Control, as modified, is adjourned until December 5, 2007 at 11:00 a.m. and pursuant to subsection 127(8) of the Act, the Temporary Order in respect of Pharm Control, as modified, is extended until December 5, 2007 or until further order of the Commission.

On December 5, 2007 the Commission issued an Order on consent by all parties that the hearing to extend the Temporary Order in respect of Pharm Control, as modified, is adjourned until June 24, 2008 at 2:30 p.m. and pursuant to subsection 127(8) of the Act, the Temporary Order in respect of Pharm Control, as modified, is extended until June 24, 2008 or until further order of the Commission.

A copy of the Order dated December 4, 2007 and December 5, 2007 are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

1.4.7 Al-tar Energy Corp. et al.

FOR IMMEDIATE RELEASE
December 18, 2007

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

AND

IN THE MATTER OF
AL-TAR ENERGY CORP., ALBERTA ENERGY CORP.,
ERIC O'BRIEN, BILL DANIELS, BILL JAKES,
JOHN ANDREWS, JULIAN SYLVESTER,
MICHAEL N. WHALE, JAMES S. LUSHINGTON,
IAN W. SMALL, TIM BURTON, AND JIM HENNESY

TORONTO – Following a hearing held today, the Commission ordered that pursuant to section 127(8) the Temporary Order is extended until the end of the hearing on the merits in the above named matter.

A copy of the Order dated December 18, 2007 is available at **www.osc.gov.on.ca**.

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1-877-785-1555 (Toll Free)

1.4.8 Robert Waxman

FOR IMMEDIATE RELEASE
December 18, 2007

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

AND

IN THE MATTER OF
ROBERT WAXMAN

TORONTO – The Office of the Secretary issued a Notice of Hearing today scheduling a hearing on Friday, December 21, 2007 at 9:00 a.m. in the above noted matter to consider a settlement agreement entered into by Staff of the Commission and Robert Waxman.

A copy of the Notice of Hearing dated December 18, 2007 is available at **www.osc.gov.on.ca**.

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JOHN P. STEVENSON
SECRETARY

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& Public Affairs
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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Pet Valu Canada Inc. and Pet Valu, Inc. - MRRS Decision

Headnote

MRRS – issuer does not satisfy conditions of exemption in sections 13.3 and 13.4 of NI 51-102 – issuer has both designated exchangeable securities and designated credit support securities outstanding – issuer has debentures that are neither designated exchangeable securities nor designated credit support securities outstanding – issuer exempt from certain continuous disclosure and certification under the Legislation, subject to conditions – previous order granting exemptive relief revoked

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 144.
National Instrument 51-102 Continuous Disclosure Obligations, ss. 13.1, 13.3, 13.4.
Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, ss. 4.3, 4.4, 4.5.

December 3, 2007

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

AND

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

AND

IN THE MATTER OF
PET VALU CANADA INC.
AND
PET VALU, INC.

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Provinces of Alberta, British Columbia, Manitoba and Ontario (the **Jurisdictions**) have received an application from Pet Valu Canada Inc. (**Pet Valu Canada**) and Pet Valu, Inc. (**PVUS** and, together with Pet Valu Canada, the **Filers**) for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that:

1. Pet Valu Canada is exempt from the requirements set out in National Instrument 51-102 – *Continuous Disclosure Obligations* (**NI 51-102**) and is exempt from any comparable continuous disclosure requirements under the Legislation that have not yet been repealed or otherwise rendered ineffective as a consequence of the adoption of NI 51-102 (together with NI 51-102, the **Continuous Disclosure Requirements**), subject to certain conditions;

2. Pet Valu Canada is exempt from the requirements (the **Certification Requirements**) set out in Multilateral Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings* (**MI 52-109**), subject to certain conditions;

3. The Orders (as defined below) be revoked;

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 decisions of each Decision Maker.

Interpretation

Unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 – *Definitions*.

Representations

The decisions are based on the following facts presented by the Filers:

Pet Valu Canada

1. Pet Valu Canada is a specialty retailer of food and supplies for dogs, cats, birds, fish, and small animals and a franchisor of pet food and pet-related supply outlets. Pet Valu Canada and its subsidiaries represent approximately 84% of the consolidated assets and approximately 76% of the consolidated revenues of the consolidated Pet Valu corporate entity, comprised of PVUS, Pet Valu Canada and their subsidiaries (the Pet Valu Group).

2. Pet Valu Canada was continued in its current form under the laws of the Province of Ontario by certificate and articles of arrangement dated April 23, 1996, is a reporting issuer in each of the Jurisdictions and, to the best of its knowledge, information and belief, is not in default of any requirement of the Legislation of the Jurisdictions. Pet Valu Canada's head office is located in Markham, Ontario.

3. Pursuant to a corporate reorganization of Pet Valu Canada and its subsidiaries by way of a plan of arrangement under section 182 of the *Business Corporations Act* (Ontario) effective on April 23, 1996, each holder of Pet Valu Canada's common shares received, in exchange for such common shares, an equal number of exchangeable non-voting shares of Pet Valu Canada (the **Exchangeable Shares**). The Exchangeable Shares are exchangeable on a one-for-one basis into shares of common stock of PVUS. The Exchangeable Shares are "designated exchangeable securities" (as defined in subsection 13.3(1) of NI 51-102).

PVUS

4. Pet Valu Canada's parent corporation is PVUS, a Delaware corporation. PVUS is a reporting issuer in each of the Jurisdictions. PVUS became a reporting issuer in each of the Jurisdictions as a result of the Decision Makers issuing a final receipt for a non-offering prospectus of PVUS on April 27, 2007. PVUS is not currently a registrant with the United States Securities and Exchange Commission under the *United States Securities Exchange Act of 1934*, as amended. To the best of its knowledge, information and belief, PVUS is not in default of any requirements under the Legislation.

Share Capital of Pet Valu Canada

5. The authorized share capital of Pet Valu Canada consists of an unlimited number of common shares, an unlimited number of Exchangeable Shares, 7,000,000 Class A convertible preferred shares (***Class A Shares***), 176,845 Class B convertible preferred shares (***Class B Shares***) and one Class C preferred share (***Class C Share***). None of the Class A Shares, Class B Shares or the Class C Share is currently outstanding. There are currently one common share (held by PVUS) and 8,977,416 Exchangeable Shares issued and outstanding as at September 30, 2007.

6. Holders of the Exchangeable Shares have voting rights in PVUS, pursuant to a voting and exchange trust agreement among Pet Valu Canada, PVUS and CIBC Mellon Trust Company (the ***Trustee***). Under the terms of this agreement, PVUS has issued to the Trustee and the Trustee currently holds 9,626,274 Special Voting Shares (as defined below) for the benefit of the holders of the Exchangeable Shares (other than PVUS or any entity controlled by PVUS). The Special Voting Shares carry, in the aggregate, that number of votes, exercisable at any meeting of stockholders of PVUS at which holders of PVUS common stock are or would be entitled to vote, equal to the number of Exchangeable Shares outstanding at such time (excluding those owned by PVUS and any entity controlled by PVUS). Each holder of an Exchangeable Share is entitled to instruct the Trustee as to the manner in which the votes attached to the Special Voting Shares and corresponding to the Exchangeable Shares held by such holder are to be voted. The voting rights attached to the Special Voting Shares are exercisable by the Trustee only upon receipt of instructions from the relevant holders of the Exchangeable Shares (other than PVUS or any entity controlled by PVUS).

7. Holders of Exchangeable Shares are entitled to receive dividends equivalent to the dividends paid from time to time on shares of the common stock of PVUS. The declaration date, record date and payment date for dividends on the Exchangeable Shares will be the same as that for the corresponding dividends on the common stock of PVUS.

8. In the event of the liquidation, dissolution or winding up of Pet Valu Canada, or any other distribution of the assets of Pet Valu Canada for the purpose of winding up its affairs, a holder of Exchangeable Shares is entitled to receive, subject to the prior rights of the holders of any shares ranking senior to the Exchangeable Shares with respect to priority in the distribution of assets upon dissolution, liquidation or winding up and subject to compliance with applicable securities laws, for each Exchangeable Share an amount to be satisfied by the issuance of one share of common stock of PVUS, together with a cash amount equivalent to the full amount of any dividends declared and unpaid on each such Exchangeable Share.

9. The Exchangeable Shares are listed and posted for trading on The Toronto Stock Exchange (the TSX) under the symbol "PVC". The warrants issued by Pet Valu Canada in connection with the rights offering in 1996 (described below) were listed on the TSX, under the symbol "PVC.WT", but were de-listed in July 2006 upon their expiry in accordance with their terms. Other than the Exchangeable Shares, no other securities of Pet Valu Canada or PVUS are traded on a "marketplace", as that term is defined under National Instrument 21-101 – Marketplace Operation.

Debentures and Warrants of Pet Valu Canada

10. In 1999, Pet Valu Canada issued 8.5% convertible unsecured debentures (the **1999 Debentures**) in the amount of C$6,327,934, C$2,627,934 of which was due in 2004 and C$3,700,000 of which is due in 2009. The 1999 Debentures are convertible, at any time, into Exchangeable Shares at a conversion price of C$5.50 per share and are repayable by Pet Valu Canada on the terms specified in the applicable debenture holder agreement. 1999 Debentures totalling C$2,627,934, along with accrued interest thereon, were repaid in 2005. C$3,700,000 of 1999 Debentures remain outstanding and are held by one registered holder. Interest on the 1999 Debentures is paid quarterly.

11. In 2004, Pet Valu Canada issued to Penfund Mezzanine Limited Partnership II (**Penfund**) a C$15,000,000 secured subordinated debenture (the **2004 Debentures**), as well as share purchase warrants entitling Penfund to purchase up to 924,200 Exchangeable Shares. The share purchase warrants (**Warrants**) were issued in three tranches, as follows: (1) 810,411 warrants exercisable at C$2.00 at the option of the holder (**Tranche A Warrants**); (2) 66,533 warrants exercisable at C$5.50 at the option of the holder (**Tranche B Warrants**); and (3) 47,256 warrants exercisable at C$5.50 (**Tranche C Warrants**). Each Warrant entitles the holder to purchase one Exchangeable Share. All Warrants expire on September 30, 2009. The Tranche C Warrants were cancelled on March 31, 2005 in accordance with their terms. Penfund exercised 25,000 of the Tranche A Warrants on or about June 27, 2006. The 2004 Debentures were prepaid in their entirety, in accordance with their terms, on October 31, 2006 using cash flow from current operations and availability under Pet Valu Canada's current bank operating line. 785,411 Tranche A Warrants and 66,533 Tranche B warrants remain outstanding. In December 2006, the Tranche A Warrants and Tranche B Warrants were sold to various funds managed by Goodwood Inc.

12. On July 24, 2006, Pet Valu Canada closed a private placement in which it issued 10% non-convertible unsecured subordinated debentures. The debentures are fully and unconditionally guaranteed by PVUS. Subscriptions of C$8,820,000 were received under the private placement.

Stock Options of Pet Valu Canada

13. Pet Valu Canada has an Executive Stock Option Plan and a Board Stock Option Plan (collectively, the **Plans**) that provide for the granting of options (***Options***) to purchase Exchangeable Shares to certain full-time employees of Pet Valu Canada, any subsidiary thereof, and Pet Valu International Inc., and to members of the board of directors of Pet Valu Canada. 877,610 Exchangeable Shares have been reserved for issuance pursuant to the Plans. As of September 30, 2007, there were 479,950 Options outstanding.

14. Other than the securities described in representations 5 through 13, Pet Valu Canada has no securities, including debt securities, outstanding.

Share Capital of PVUS

15. The authorized share capital of PVUS consists of 20,000,000 shares of common stock having a par value of US$0.0001 per share, one share of special non-participating voting stock having a par value of US$1.00, 9,626,274 shares of additional special non-participating voting stock having a par value of US$0.0001 per share (the **Special Voting Shares**) and 100,000,000 shares of preferred stock having a par value of US$0.0624 per share (**Preferred Stock**), of which 100 shares of PVUS common stock (held indirectly by a director of PVUS and Pet Valu Canada), 9,626,274 Special Voting Shares (held by CIBC Mellon Trust Company, as trustee), and 100,000,000 shares of Preferred Stock (held by PVUS Holdings Inc., a subsidiary of Pet Valu Canada) are issued and outstanding as of September 30, 2007.

16. Each holder of record of PVUS common stock has one vote in respect of each share held by him or her. Each holder is entitled to dividends when, as and if declared by the Board of Directors of PVUS out of the assets of PVUS which are by law available therefor. Each holder is further entitled, in the event of any liquidation, dissolution or winding up of PVUS, to the remaining assets of PVUS legally available for distribution, subject to prior rights of holders of Preferred Stock.

17. As indicated above, each Special Voting Share has the number of votes as is equal to the number obtained by dividing the number of Exchangeable Shares outstanding from time to time which are not owned by PVUS or any of its subsidiaries by 9,626,274. No dividend rights or rights upon dissolution or winding up of PVUS are attached to the Special Voting Shares.

18. The holders of Preferred Stock are not entitled to vote, except in the following limited circumstances: (i) when the provisions of the certificate of incorporation affecting the Preferred Stock are proposed to be changed or deleted; (ii) when dividends payable under the Preferred Stock have not been paid; (iii) when the meeting is for the purpose of authorizing the dissolution of PVUS or the sale of all or a substantial part of its assets; and (iv) where otherwise required by law. Each

holder of Preferred Stock is entitled to cumulative dividends at the rate of 8% per annum, payable annually on May 26 of each year. Upon the dissolution or winding up of PVUS, holders of Preferred Stock are entitled to be paid out of the assets of PVUS in an amount equal to US$0.0624 per share before any distribution or payment to any holder of any other class of stock ranking junior to the Preferred Stock. The Preferred Stock is redeemable, in accordance with certain specified terms, at the option of both PVUS and the holder. As indicated above, all of the Preferred Stock is owned by a subsidiary of Pet Valu Canada.

The Filers' Current Continuous Disclosure Regime

19. Pursuant to an order of the OSC dated February 18, 1998 (the **Order**), Pet Valu Canada is exempt from the requirements of sections 77, 78 and 79 of the *Securities Act* (Ontario), which relate to certain continuous disclosure obligations, provided that: (1) PVUS prepares, files and sends consolidated financial statements of PVUS; (2) PVUS complies with the requirements in respect of material changes in the affairs of PVUS; and (3) PVUS remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of Pet Valu Canada other than the Exchangeable Shares.

20. Pursuant to the Order, Pet Valu Canada has also obtained a ruling from the OSC exempting it from the requirements of subsection 81(2) of the *Securities Act* (Ontario), relating to the provision of an information circular, provided that either (1) PVUS files consolidated reports in compliance with subsection 81(2) of the *Securities Act* (Ontario), or (2) PVUS files a form of information circular prepared and filed in accordance with Part XIX of the *Securities Act* (Ontario).

21. Similar orders were granted by the British Columbia Securities Commission and the Alberta Securities Commission (together with the Order, the **Orders**).

22. The requirement to file an annual information form (**AIF**) is not covered by the Orders. In the past, Pet Valu Canada has filed its own AIF, which includes information about both Pet Valu Canada and PVUS. The AIFs for the fiscal years ended December 31, 2005 and December 30, 2006 were filed in the name of both Pet Valu Canada and PVUS and, as before, contained information about both Pet Valu Canada and PVUS.

23. PVUS currently files, and intends to continue to file following the grant of the requested relief, annual and interim financial statements prepared in U.S. dollars using Canadian GAAP and, with respect to its annual financial statements, audited in accordance with Canadian generally accepted auditing standards, as well as annual and interim financial statements prepared in U.S. dollars using U.S. GAAP and, with respect to its annual financial statements, audited in accordance with Canadian generally accepted auditing standards.

The Requested Relief

24. The requested relief will simplify PVUS and Pet Valu Canada's continuous disclosure obligations. Preparing and, where applicable, printing and distributing continuous disclosure materials of both PVUS and Pet Valu Canada is costly and time consuming.

25. The requested relief from the Continuous Disclosure Requirements is substantially similar to the exemptions available to "exchangeable security issuers" and "credit support issuers" under sections 13.3 and 13.4 of NI 51-102. However, the exemption in section 13.3 of NI 51-102 is not available because Pet Valu Canada has securities issued and outstanding other than those specified in paragraph 13.3(2)(c). The exemption in section 13.4 of NI 51-102 is not available because Pet Valu Canada has securities issued and outstanding other than those specified in paragraph 13.4(2)(c).

26. The requested relief from the Certification Requirements is substantially similar to the exemptions available under sections 4.3 and 4.4 of MI 52-109. However, the exemption in section 4.3 of MI 52-109 is not available because Pet Valu Canada is not qualified for the relief contemplated by, and is not in compliance with the requirements and conditions set out in, section 13.3 of NI 51-102. The exemption in section 4.4 of MI 52-109 is not available because Pet Valu Canada is not qualified for the relief contemplated by, and is not in compliance with the requirements and conditions set out in, section 13.4 of NI 51-102.

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 decisions has been met;

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

27. Pet Valu Canada is exempt from the Continuous Disclosure Requirements, provided that:

    (a) PVUS continues to be the direct or indirect beneficial owner of all the issued and outstanding voting securities of Pet Valu Canada (currently being the common share of Pet Valu Canada);

(b) PVUS remains a reporting issuer in each of the Jurisdictions that has filed all of the documents it is required to file under NI 51-102 as if PVUS is a non-venture issuer;

(c) From the date of this Decision, Pet Valu Canada does not issue any securities, other than:

(i) "designated exchangeable securities" (as defined in subsection 13.3(1) of NI 51-102) for which PVUS is the parent issuer (as defined in subsection 13.3(1) of NI 51-102);

(ii) "designated credit support securities" (as defined in subsection 13.4(1) of NI 51-102) for which PVUS is the credit supporter (as defined in subsection 13.4(1) of NI 51-102);

(iii) warrants and board and employee stock options under new or existing plans that are solely convertible into, or solely exchangeable for, Exchangeable Shares, which for greater certainty includes Options and Warrants;

(iv) convertible debt and convertible preferred shares that are solely convertible into Exchangeable Shares, provided that PVUS has provided alternative credit support or a full and unconditional guarantee in respect of such debt or preferred shares, as further described under the definition of "designated credit support securities" in Section 13.4 of NI 51-102;

(v) securities issued to and held by PVUS or an affiliate (as defined in NI 51-102) of PVUS;

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

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

(d) Pet Valu Canada does not have any securities outstanding other than securities that fall within the categories described in clauses 27(c)(i) through (vii), above, and the 1999 Debentures.

(e) Pet Valu Canada files in electronic format a notice indicating that it is relying on the continuous disclosure documents filed by PVUS and indicating that such documents can be found for viewing in electronic format on the SEDAR profile for PVUS;

(f) all holders of Pet Valu Canada's Exchangeable Shares are sent all disclosure materials that would be required to be sent to holders of the common shares of PVUS in the manner and at the time required by the Legislation;

(g) all holders of Pet Valu Canada's designated credit support securities that include debt are concurrently sent all disclosure materials that are sent to holders of similar debt of PVUS, if any, in the manner and at the time required by the Legislation;

(h) all holders of Pet Valu Canada's designated credit support securities that include preferred shares are concurrently sent all disclosure materials that are sent to holders of similar preferred shares of PVUS in the manner and at the time required by the Legislation;

(i) PVUS complies with the Legislation in respect of making public disclosure of material information on a timely basis and immediately issues in Canada and files any news release that discloses a material change in its affairs;

(j) Pet Valu Canada issues in Canada a news release and files a material change report in accordance with Part 7 of NI 51-102 for all material changes in respect of the affairs of Pet Valu Canada that are not also material changes in the affairs of PVUS;

(k) PVUS includes in all mailings of proxy solicitation materials to holders of Pet

Valu Canada's designated exchangeable securities a clear and concise statement that:

(i) explains the reason the mailed material relates to PVUS;

(ii) indicates that the designated exchangeable securities are, as nearly as practicable, the economic equivalent to the underlying securities; and

(iii) describes the voting rights associated with the designated exchangeable securities;

(l) PVUS files, as a separate document, with each copy of its interim and annual financial statements, consolidating summary financial information for PVUS presented with a separate column for each of the following: (i) PVUS; (ii) Pet Valu Canada; (iii) any other subsidiary of PVUS on a combined basis; (iv) consolidating adjustments; and (v) the total consolidated amounts, and prepared on the basis set out in section 13.4(2)(g)(ii) of NI 51-102;

(m) such exemption from the Continuous Disclosure Requirements will cease to apply on November 15, 2012.

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

28. Pet Valu Canada is exempt from the Certification Requirements, provided that

(a) Pet Valu Canada qualifies for the relief contemplated by, and PVUS and Pet Valu Canada are in compliance with the requirements and conditions set out in, the exemptive relief from the Continuous Disclosure Requirements set out in paragraph 27 above;

(b) PVUS satisfies and continues to satisfy the requirements set out in MI 52-109; and

(c) such exemption from the Certification Requirements will cease to apply on November 15, 2012.

DATED December 3, 2007

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

THE FURTHER DECISION of the Decision Makers, other than the Decision Maker in Manitoba, pursuant to the Legislation is:

29. The Orders are hereby revoked.

"Robert L. Shirriff"

"Suresh Thakrar"

2.1.2 Excel-Tech Ltd. - s. 1(10)

Headnote

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

Ontario Statutes

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

December 13, 2007

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

Attention: Rory Dyck

Dear Mr. Dyck:

Re: Excel-Tech Ltd. (the "Applicant") – application for an order not to be a reporting issuer under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia and Newfoundland & Labrador (the "Jurisdictions")

The Applicant has applied to the local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions for a decision under the securities legislation (the Legislation") of the Jurisdictions not to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that,

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

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

"Erez Blumberger"
Manager, Corporate Finance
Ontario Securities Commission

2.1.3 TD Mortgage Investment Corporation - s. 1(10)(b)

Headnote

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

Ontario Statutes

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

Citation: TD Mortgage Investment Corporation, 2007 ABASC 874

December 4, 2007

McCarthy Tétrault LLP
Box 48, Suite 4700
Toronto Dominion Bank Tower
Toronto, ON M5K 1E6

Attention: Rochelle Graub

Dear Madam:

Re: TD Mortgage Investment Corporation (the Applicant) - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador (the Jurisdictions)

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

As the Applicant has represented to the Decision Makers that:

1. the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;

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

3. the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and

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

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

Relief requested granted on the 4th day of December, 2007.

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

2.1.4 Taylor NGL Limited Partnership and AltaGas Income Trust - 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 limited partnership agreement 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.

December 5, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
QUEBEC 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
TAYLOR NGL LIMITED PARTNERSHIP
BY AN INDIRECT WHOLLY-OWNED SUBSIDIARY OF
ALTAGAS INCOME TRUST

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of Quebec and Ontario (the "Jurisdictions") has received an application from AltaGas Income Trust ("AltaGas") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirements of the Legislation that:

(a) a Compulsory Acquisition or Subsequent Acquisition Transaction (each as defined below), as applicable, be approved at a meeting of the unitholders (the "Unitholders") of Taylor NGL Limited Partnership ("Taylor"); and

(b) an information circular be sent to the Unitholders in connection with either a Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable,

be waived (the "Requested Relief") in connection with a potential take-over bid (the "Bid") by AltaGas Holding Limited Partnership No. 1 (the "Offeror"), an indirect wholly-owned subsidiary of AltaGas, for Taylor.

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

(a) the Ontario Securities Commission ("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 AltaGas and the Offeror:

1. The Offeror is a limited partnership formed under the laws of Alberta with AltaGas General Partner Inc. as its general partner and is an indirect wholly-owned subsidiary of AltaGas.

2. AltaGas is an unincorporated open ended investment trust governed by the laws of Alberta and created pursuant to a declaration of trust dated March 26, 2004, as from time to time amended, supplemented or restated.

3. The trust units of AltaGas ("Trust Units") are listed and posted for trading on the Toronto Stock Exchange under the symbol ALA.UN.

4. On November 11, 2007, AltaGas and Taylor entered into a support agreement (the "Support Agreement") pursuant to which AltaGas agreed, through one or more of its subsidiaries, and subject to the terms and conditions set forth in the Support Agreement, to make the Bid for all of the outstanding limited partnership units of Taylor ("Taylor Units") on the basis of, at the election of the holder: (a) $11.20 in cash; (b) 0.42 of a Trust Unit; or (c) a combination of class B limited partnership units of the Offeror and Trust Units (the "Exchangeable Alternative"), for each Taylor Unit, in each case subject to proration and in the case of the Exchangeable Alternative only, eligibility. The entry into of the Support Agreement was announced by AltaGas and Taylor on November 12, 2007. AltaGas and the Offeror are

proceeding to prepare the Circular to be sent to Unitholders in connection with the Bid.

5. One of the conditions of the Bid is that there shall have been validly deposited under the Bid and not withdrawn at the expiry of the Bid that number of Taylor Units representing at least 66 2/3% of the Taylor Units (excluding Taylor Units held at the date of the Bid by or on behalf of the Offeror or associates or affiliates thereof) (the "Minimum Condition").

6. If the conditions to the Bid are satisfied (or waived by the Offeror), including the Minimum Condition, and the Offeror takes up and pays for Taylor Units deposited pursuant to the Bid, the Offeror will be entitled to acquire the Taylor Units held by Unitholders who did not accept the Bid pursuant to the limited partnership agreement governing Taylor (the "Limited Partnership Agreement") for the same consideration per Unit as was paid under the Bid (or, at the election of the dissenting offeree exercised in accordance with the Limited Partnership Agreement, the fair value of the Taylor Units), by sending, within 60 days after the termination of the Bid, and in any event within 180 days after the date of the Offer, a notice to the dissenting offerees and otherwise complying with the Limited Partnership Agreement (a "Compulsory Acquisition").

7. If a Compulsory Acquisition as permitted under the Limited Partnership Agreement is not available to the Offeror, or the Offeror elects not to proceed under those provisions, the Offeror currently intends to take such action as is necessary, including calling a special meeting of the Unitholders to approve (or otherwise effecting by written resolution) an amendment to the Limited Partnership Agreement, a capital reorganization, a sale of assets or another transaction to effectively acquire the Taylor Units not tendered to the Bid (a "Subsequent Acquisition Transaction").

8. In order to effect either a Compulsory Acquisition (if available and if the Offeror elects to proceed thereunder) or a Subsequent Acquisition Transaction in accordance with the foregoing, rather than seeking the Unitholders' approval to the required amendments at a special meeting of the Unitholders to be called for such purpose, the Offeror intends to rely on the definition of "Extraordinary Resolution" in the Limited Partnership Agreement, which specifies that a written resolution in one or more counterparts signed by Unitholders holding in the aggregate at least 66 2/3% of the aggregate number of outstanding Taylor Units is as valid as approval by at least 66 2/3% of the votes cast in person or by proxy at a duly constituted meeting of the Unitholders (a "Written Resolution") .

9. If the Offeror decides not to pursue either the Compulsory Acquisition or the Subsequent Acquisition Transaction in the manner described above, the Offeror reserves the right, to the extent permitted by applicable law, to purchase additional Taylor Units in the open market or in privately negotiated transactions or otherwise, or take no further action to acquire additional Taylor Units, or acquire Taylor's assets by way of an arrangement, amalgamation, merger, reorganization, consolidation, recapitalization, redemption or other transaction involving the Offeror, AltaGas and/or any of their respective subsidiaries and Taylor. Alternatively, the Offeror may sell or otherwise dispose of any or all Taylor Units acquired pursuant to the Bid.

10. Notwithstanding the definition of "Extraordinary Resolution" in the Limited Partnership Agreement, section 4.2 of 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") may require in certain circumstances that the Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable, be approved at a meeting of Unitholders called for that purpose.

11. To effect either a Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable, the Filer will 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.

12. The offer and take-over bid circular provided to Unitholders in connection with the Bid will contain all disclosure required by applicable securities laws, including without limitation the take-over bid provisions and form requirements of the securities legislation in the Jurisdictions and the provisions of Rule 61-501 relating to the disclosure required to be included in information circulars distributed in respect of business combinations.

Decision

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

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

"Naizam Kanji"
Manager, Mergers & Acquisitions
Ontario Securities Commission

2.1.5 Brookfield Asset Management Inc. - MRRS Decision

Headnote

Wholly-owned subsidiaries of parent holding shares of parent -- parent to conduct reorganization to eliminate subsidiaries' holdings of parent shares - reorganization will not have any adverse tax or other consequences to issuer or the public shareholders - reorganization will not change public shareholders' beneficial interest in parent -- parent exempt from issuer bid requirements in connection with reorganization

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 95, 96, 97, 98, 100, 104(2)(c).

November 22, 2007

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

AND

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

AND

IN THE MATTER OF
BROOKFIELD ASSET MANAGEMENT INC.
(the Filer)

MRRS DECISION DOCUMENT

Background

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

BAM Shares means Class A Limited Voting Shares of the Filer;

BH means Brascan Holdings (2005) Inc.;

BHC means Brascan Holdings (2005) Corporation;

BHL means Brascan Holdings Limited;

EHL means Edper Holdings (Ontario) Limited;

HHL means Hees Holdings Limited;

HIL means HIL Corporation; and

Mico means Mico Consolidated Ltd.

OBCA means the *Business Corporations Act* (Ontario).

Representations

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

1. The Filer was formed pursuant to articles of amalgamation dated August 1, 1997 and is organized pursuant to articles of amalgamation filed under the laws of Ontario dated January 1, 2005. The Filer is a reporting issuer under the Legislation and is not in default of any requirements of the Legislation.

2. The authorized capital of the Filer consists of: (i) an unlimited number of BAM Shares; (ii) an unlimited number of preference shares designated as Class A Preference Shares, issuable in series, of which 17 series have been created; (iii) an unlimited number of preference shares designated as Class AA Preference Shares, issuable in series, of which no series have been created or issued; and (iv) 85,120 Class B Limited Voting Shares. As of September 30, 2007, 580,890,329 BAM Shares were issued and outstanding, not including 377,481,798 BAM Shares held internally by subsidiaries of the Filer arising from a prior amalgamation. These shares are not included in the number of shares issued and outstanding in this class for voting or financial reporting purposes.

3. The BAM Shares, with the exception of the internally held BAM Shares, are co-listed on the Toronto Stock Exchange and the New York Stock Exchange.

4. BH is incorporated under the laws of Ontario and is not a reporting issuer under the Legislation. BH is an investment holding company and does not carry on any active business. All of the common shares and preferred shares issued by BH are held by the Filer or by entities that are wholly-owned, directly or indirectly, by the Filer. BH holds 66,271,438 BAM Shares.

5. BHL is incorporated under the laws of Ontario and is not a reporting issuer under the Legislation. BHL is an investment holding company and does not carry on any active business. All of the common shares and preferred shares issued by BHL are held by the Filer or by entities that are wholly-owned, directly or indirectly, by the Filer. BHL holds 44,524,291 BAM Shares.

6. BHC is incorporated under the laws of Ontario and is not a reporting issuer under the Legislation. BHC is an investment holding company and does not carry on any active business. All of the common shares and preferred shares issued by BHC are held by entities that are wholly-owned, directly or indirectly, by the Filer. BHC holds 126,657,675 BAM Shares.

7. HIL is incorporated under the laws of Ontario and is not a reporting issuer under the Legislation. HIL is an investment holding company and does not carry on any active business. All of the common shares and preferred shares issued by HIL are held by the Filer or by entities that are wholly-owned, directly or indirectly, by the Filer. HIL holds 29,562,538 BAM Shares.

8. HHL is incorporated under the laws of Ontario and is not a reporting issuer under the Legislation. HHL is an investment holding company and does not carry on any active business. After certain preferred shares of HHL are redeemed according to their terms prior to the Reorganization, all of the common shares and preferred shares issued by HHL will be held by entities that are wholly-owned, directly or indirectly, by the Filer. HHL holds 60,539,743 BAM Shares.

9. Mico is incorporated under the laws of Quebec and is not a reporting issuer under the Legislation. Mico is an investment holding company and does not carry on any active business. All of the common shares and preferred shares issued by Mico are held by HHL. Mico holds 39,667,882 BAM Shares.

10. EHL is incorporated under the laws of Ontario and is not a reporting issuer under the Legislation. EHL is an investment holding company and does not carry on any active business. All of the common shares and preferred shares issued by EHL are held by entities that are wholly-owned, directly or indirectly, by the Filer. EHL holds 342,562 BAM Shares.

11. The Filer is proposing to reorganize to eliminate the internal holdings of BAM Shares, which is required by section 28(2) of the OBCA.

12. The reorganization entails a number of transactions which may be summarized as follows:

    (a) BH, BHL and BHC will amalgamate to form Amalco 1 by way of an amalgamation under the OBCA;

    (b) on the amalgamation of BH, BHL and BHC:

        (i) the Filer will issue Class A Preference Shares to the holders of preferred shares of BH; and

        (ii) Amalco 1 will acquire the BAM Shares held by BH, BHL and BHC;

    (c) Mico will be wound up into HHL;

    (d) HIL and HHL will amalgamate to form Amalco 2 by way of an amalgamation under the OBCA;

    (e) on the amalgamation of HIL and HHL, Amalco 2 will acquire the BAM Shares held by HIL and HHL;

    (f) EHL will transfer 342,562 BAM Shares to Amalco 2 in exchange for preferred shares of Amalco 2, which will subsequently be redeemed by Amalco 2 in exchange for a promissory note; and

    (g) Amalco 1 and Amalco 2 will be wound up into the Filer and the BAM Shares held by Amalco 1 and Amalco 2 will be cancelled.

13. The reorganization does not and will not have any adverse tax or other consequences to the Filer, Amalco 1, Amalco 2, or the public shareholders of the Filer generally.

14. The reorganization will not change the number of publicly traded BAM Shares issued and outstanding as internally held BAM Shares are not included in the number of publicly-traded BAM Shares.

15. Following the reorganization, each of the public shareholders of the Filer will beneficially own the same aggregate number and same relative percentages of publicly traded BAM Shares that they owned immediately prior to the reorganization and will have the same rights and benefits in respect of such shares that they currently have.

16. The reorganization is subject to approval by the board of directors of the Filer.

17. The acquisition by Mico and Amalco 2 of BAM Shares and the acquisition by the Filer of the BAM Shares held by Amalco 1 and Amalco 2 on the wind-up of Amalco 1 and Amalco 2 into the Filer may be considered issuer bids under the Legislation.

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 to the Filer.

"Paul K. Bates"
Commissioner
Ontario Securities Commission

"Suresh Thakrar"
Commissioner
Ontario Securities Commission

2.1.6 ALSTOM - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Application for relief from prospectus and dealer registration requirements in respect of certain trades in units in connection with an employee share offering by a fonds commun de placement d'enterprise (FCPE) - The issuer cannot rely on the employee exemption in section 2.24 of National Instrument 45-106 Prospectus and Registration Exemptions as the shares are not being offered to Canadian participants directly by the issuer, but through the FCPEs - The offering contains a "leveraged fund" component - The issuer is a designated foreign issuer under National Instrument 71-102 - The issuer has a de minimis presence in Canada - Relief granted, subject to conditions.

Applicable Ontario Statutory Provisions

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

Rules

National Instrument 71-102 - Continuous Disclosure and Other Exemptions Relating to Foreign Issuers.
National Instrument 45-106 - Prospectus and Registration Exemptions, s. 2.24.

Translation

December 10, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, 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
ALSTOM (the "Filer")

MRRS DECISION DOCUMENT

Background

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

1. an exemption from the prospectus requirements of the Legislation (the "Prospectus Relief") so that such requirements do not apply to:

   (a) trades in units ("Units") of;

      (i) ALSTOM Sharing Classic compartment (the "Principal Classic Compartment"), a compartment of ALSTOM FCPE (the "Fund") which is a collective shareholding vehicle of a type commonly used in France for the conservation of shares held by employee-investors;

      (ii) ALSTOM Relais 2007 International FCPE (the "Temporary Classic Fund" and, together with the Fund, the "Funds"), another collective shareholding vehicle which will merge with the Principal Classic Compartment following the Employee Share Offering (as defined below) as further described in paragraph 19; and

      (iii) ALSTOM Sharing Plus 2007 International compartment (the "Leveraged Compartment"), a compartment of the Fund,

   (the Principal Classic Compartment, the Temporary Classic Fund and the Leveraged Compartment, collectively, the "Compartments") made pursuant to the Employee Share Offering (as defined below) to or with Qualifying Employees (as defined below) resident in the Jurisdictions who elect to participate in the Employee Share Offering (the "Canadian Participants");

   (b) trades of ordinary shares of the Filer (the "Shares") by the Compartments to Canadian Participants upon the redemption of Units by Canadian Participants, nor to the issuance of Units of the Principal Classic Compartment to holders of Leveraged Compartment Units upon the transfer of the Canadian Participants' assets in the Leveraged Compartment to the Principal Classic Compartment at the end of the Lock-Up Period (as defined below);

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

   (a) trades in Units of the Temporary Classic Fund or the Principal Classic

Compartment made pursuant to the Employee Share Offering to or with Canadian Participants;

(b) trades in Units of the Leveraged Compartment made pursuant to the Employee Share Offering to or with Canadian Participants not resident in Ontario (the "Registrant Jurisdiction");

(c) trades of Shares by the Compartments to Canadian Participants upon the redemption of Units by Canadian Participants; and

(d) the issuance of Units of the Principal Classic Compartment to holders of Leveraged Compartment Units upon the transfer of the Canadian Participants' assets in the Leveraged Compartment to the Principal Classic Compartment at the end of the Lock-Up Period (as defined below);

3. an exemption from the adviser registration requirements and dealer registration requirements of the Legislation so that such requirements do not apply to the manager of the Funds, BNP PARIBAS ASSET MANAGEMENT SAS (the "Management Company"), to the extent that its activities described in paragraphs 36 and 37 hereof require compliance with the adviser registration requirements and dealer registration requirements (collectively, with the Prospectus Relief and the Registration Relief, the "Initial Requested Relief"); and

4. an exemption from the prospectus and dealer registration requirements of the Legislation so that such requirements do not apply to the first trade in any Units or Shares acquired by Canadian Participants under the Employee Share Offering (the "First Trade Relief").

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

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

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

Interpretation

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

Representations

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

1. The Filer is a corporation formed under the laws of France.

2. The Filer carries on business in Canada through the following affiliated companies: ALSTOM Canada Inc., ALSTOM Hydro Canada Inc., and Telecite Inc. (the "Canadian Affiliates", together with the Filer and other affiliates of the Filer, the "ALSTOM Group"). Each of the Canadian Affiliates is an indirect controlled subsidiary of the Filer and is not, and has no current intention of becoming, a reporting issuer (or equivalent) under the Legislation.

3. The Filer's authorized share capital consists of 1,950,009,082 Shares. As at October 18, 2007, there were 139,286,363 Shares of the Filer issued and outstanding.

4. The Filer's Shares are listed on Eurolist by Euronext Paris and is subject to the rules and regulations of such foreign exchange. The Shares trade under the symbol "ALO". The Shares are not currently listed for trading on any stock exchange in Canada and there is no intention to have the Shares so listed.

5. There are approximately 787 employees resident in Canada eligible to participate in the Employee Share Offering (defined below), of which approximately 572 are resident in Québec, 108 are resident in Ontario, 10 are resident in British Columbia, 92 are resident in Alberta, 1 is resident in New Brunswick, 3 is resident in Nova Scotia and 1 is resident in Newfoundland and Labrador. Together, they represent in the aggregate less than 1.5% of the number of employees in the ALSTOM Group worldwide.

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

7. The Filer is a reporting issuer under the Legislation and has continuous disclosure obligations in all Jurisdictions. The Filer also has continuous disclosure obligations in Saskatchewan and Manitoba (together with the Jurisdictions, the "Reporting Jurisdictions"). The Filer has no current intention of becoming a reporting issuer in any other Canadian jurisdiction

in which it is not currently a reporting issuer. The Filer is a designated foreign issuer within the meaning of Canadian National Instrument 71-102 - Continuous Disclosure and Other Exemptions Relating to Foreign Issuers ("NI 71-102") and is subject to the foreign regulatory requirements of the Autorité des marchés financiers française ("French AMF"). Further to NI 71-102, the Filer satisfies its Canadian continuous disclosure requirements by filing the disclosure documents it is required to file under securities laws in France with the applicable Canadian securities regulatory authorities.

8. To the Filer's knowledge, it is not in default of the securities legislation of the Reporting Jurisdictions.

9. The Filer is a paper filer in accordance with National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR) ("NI 13-101") .

10. The Filer has established a global employee share offering for employees of the ALSTOM Group (the "Employee Share Offering"). The Employee Share Offering is comprised of two subscription options: (i) an offering of Shares to be subscribed through the Temporary Classic Fund, which will be merged with the Principal Classic Compartment after completion of the Employee Share Offering (the "Classic Offer"); and (ii) an offering of Shares to be subscribed through the Leveraged Compartment, coupled with a grant of free shares by the Filer (the "Leveraged Offer").

11. Only persons who are employees of a member of the ALSTOM Group during the subscription/revocation period for the Employee Share Offering and who meet other employment criteria (the "Qualifying Employees") will be allowed to participate in the Employee Share Offering.

12. The Compartments were established for the purpose of implementing the Employee Share Offering.

13. The Compartments are not and have no current intention of becoming reporting issuers under the Legislation.

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

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

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

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

18. The Shares will be held in the Temporary Classic Fund and the Canadian Participant will receive Units in the Temporary Classic Fund.

19. After completion of the Employee Share Offering, the Temporary Classic Fund will be merged with the Principal Classic Compartment (subject to the French AMF's approval). Units of the Temporary Classic Fund held by Canadian Participants will be replaced with Units of the Principal Classic Compartment on a pro rata basis and the Shares subscribed for under the Employee Share Offering will be held in the Principal Classic Compartment (the "Merger"). The term "Classic Compartment" used herein means, prior to the Merger, the Temporary Classic Fund, and following the Merger, the Principal Classic Compartment.

20. Dividends paid on the Shares held in the Classic Compartment will be contributed to the Classic Compartment and used to purchase additional Shares. To reflect this reinvestment, new Units (or fractions thereof) will be issued to participants.

21. Under the Leveraged Offer, Canadian Participants will subscribe for Units in the Leveraged Compartment, and the Leveraged Compartment will then subscribe for Shares using the Employee Contribution (as described below) and certain financing made available by Calyon (the "Bank"), which is governed by the laws of France.

22. Canadian Participants in the Leveraged Offer receive a 20% discount on the Reference Price. Under the Leveraged Offer, the Canadian Participants effectively receive a share appreciation potential entitlement in the increase in value, if any, of the Shares financed by the Bank Contribution (described below).

23. Participation in the Leveraged Offer represents a potential opportunity for Qualifying Employees to obtain significantly higher gains than would be available through participation in the Classic Offer, by virtue of the Qualifying Employee's indirect participation in a financing arrangement involving a swap agreement (the "Swap Agreement") between the Leveraged Compartment and the Bank. In economic terms, the Swap Agreement effectively involves the following exchange of payments: for each Share which may be subscribed for by the Qualifying Employee's contribution (the "Employee Contribution") under the Leveraged Offer at the Reference Price less the 20% discount, the Bank will lend to the Leveraged Compartment (on behalf of the Canadian Participant) an amount sufficient to enable the Leveraged Compartment (on behalf of the Canadian Participant) to subscribe for an additional 6 Shares (the "Bank Contribution") at the Reference Price less the 20% discount.

24. Under the terms of the Swap Agreement, at the end of the Lock-Up Period, the Leveraged Compartment will transfer to the Bank all Shares held in the Leveraged Compartment, less 100% of the Shares that were purchased with the Employee Contribution amounts, and the Bank will owe to the Leveraged Compartment, for every Unit, an amount equal to approximately four times the positive difference, if any, between (a) the average of the Share price on a specified date each month during the entire Lock-Up Period of such Shares and (b) the Reference Price (the "Appreciation Amount").

25. If, at the end of the Lock-Up Period, the market value of the Shares held in the Leveraged Compartment is less than 100% of the Employee Contributions, the Bank will, pursuant to a guarantee agreement, make a cash contribution to the Leveraged Compartment to make up such shortfall (the "Guaranteed Amount").

26. In addition, the Filer will, for each Unit purchased under the Leveraged Offer, irrevocably grant the employee the right to receive one Share shortly after the end of the Lock-Up Period, subject to continued employment until June 30, 2013 subject to certain exceptions (the "Matching Contribution"). No dividends will be distributed for these free Shares during the Lock-Up period.

27. At the end of the Lock-Up Period, the Swap Agreement will terminate after the making of final swap payments and (i) a Canadian Participant may, within a specified time, elect to redeem his or her Leveraged Compartment Units in consideration for Shares with the value equal to the Shares purchased with the Canadian Participant's Employee Contribution and the Canadian Participant's portion of the Guaranteed Amount and the Appreciation Amount, if any, to be settled, at the choice of the Canadian Participant, by delivery of such number of Shares equal to such amount or the cash equivalent of such amount to the Canadian Participant (the "Redemption Formula"); or (ii) if a Canadian Participant does not redeem his or her Units in the Leveraged Compartment, his or her investment in the Leveraged Compartment will be transferred to the Principal Classic Compartment. New Units of the Principal Classic Compartment will be issued to the applicable Canadian Participants in recognition of the assets transferred to the Principal Classic Compartment. The Canadian Participants may redeem the new Units whenever they wish. However, following a transfer to the Principal Classic Compartment, the Employee Contribution and the Appreciation Amount will not be covered by the Swap Agreement or the guarantee agreement.

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

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

30. During the term of the Swap Agreement, an amount equivalent to the net amounts of any dividends paid on the Shares held in the Leveraged Compartment will be remitted by the Leveraged Compartment to the Bank as partial consideration for the obligations assumed by the Bank under the Swap Agreement.

31. For Canadian federal income tax purposes, the Canadian Participants in the Leveraged Compartment should be deemed to receive all dividends paid on the Shares financed by either the Employee Contribution or the Bank Contribution, at the time such dividends are paid to the Leveraged Compartment, notwithstanding the actual non-receipt of the dividends by the Canadian Participants by virtue of the terms of the Swap Agreement. Consequently, Canadian Participants will be required to fund the tax liabilities associated with the dividends without recourse to the actual dividends.

32. The declaration of dividends on the Shares is determined by the Filer's shareholders. The Filer has not made any commitment to the Bank as to any minimum payment in respect of dividends.

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

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

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

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

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

38. Shares issued in the Employee Share Offering will be deposited in the relevant Compartment through BNP PARIBAS SECURITIES SERVICES (the "Depositary"), a large French commercial bank subject to French banking legislation.

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

40. Participation in the Employee Share Offering is voluntary, and the Canadian resident Qualifying Employees will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.

41. The total amount invested by a Canadian Participant in the Employee Share Offering cannot exceed 25% of his or her estimated gross annual remuneration for the 2007 calendar year. For the purposes of calculating this limit, a Canadian Participant's maximum "investment" in the Leveraged Compartment will include the additional Bank Contribution.

42. None of the Filer, the Management Company, the Canadian Affiliates or any of their employees, agents or representatives will provide investment

advice to the Canadian Participants with respect to an investment in the Shares or the Units.

43. The Shares are not currently listed for trading on any stock exchange in Canada and there is no intention to have the Shares so listed. As there is no market for the Shares in Canada, and as none is expected to develop, first trades of Shares by Canadian Participants will be effected through the facilities of, and in accordance with, the rules and regulations of the Euronext Paris.

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

45. Units of the Leveraged Compartment will be evidenced by account statements issued by the Leveraged Compartment.

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

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

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

49. As the Funds are not "related entities" of the Filer for securities law purposes, they are unable to rely upon the registration and prospectus exemption provided in section 2.24 of NI 45-106 in respect of the issuance of the Units and the subsequent trade of Shares on redemption. Moreover, exemptions from the prospectus and registration requirements which might otherwise apply to first trades in Shares acquired by Canadian Participants upon redemption are unavailable.

Decision

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

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

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

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

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

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

   (b) the first trade is made

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

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

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

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

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

"Mario Albert"
Superintendent, Distribution
Autorité des marchés Financiers

2.1.7 Canadian Apartment Properties Real Estate Investment Trust - MRRS Decision

Headnote

MRRS – relief from filing a business acquisition report – using income from the continuing operations of the filer to determine the significance of a certain acquisition leads to anomalous results – filer permitted to use a net operating income test rather than the income test provided for in Part 8 of National Instrument 51-102 Continuous Disclosure Obligations.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 8.3.

December 10, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK, NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR, NORTHWEST TERRITORIES, NUNAVUT AND YUKON

AND

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

AND

IN THE MATTER OF
CANADIAN APARTMENT PROPERTIES REAL ESTATE INVESTMENT TRUST

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Nunavut and Yukon (collectively, the Jurisdictions) has received an application from Canadian Apartment Properties Real Estate Investment Trust (the REIT) for a decision pursuant to the securities legislation in the Jurisdictions (the Legislation) granting relief to use the NOI Test (defined below) rather than the income test specified under Part 8 of National Instrument 51-102 – Continuous Disclosure Obligations (NI 51-102) for the purposes of the REIT's continuous disclosure obligations in respect of the September 26, 2007 acquisition (the Acquisition) of certain multi-unit residential properties (the TransGlobe Portfolio) (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

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

Interpretation

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

Representations

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

1. The REIT is an internally managed unincorporated closed-end real estate investment trust owning interests in multi-unit residential properties including apartment buildings and townhouses located in major urban centres across Canada and two land lease adult lifestyle communities.

2. The REIT was established under the laws of the Province of Ontario by a declaration of trust and its head office is located in Toronto, Ontario.

3. The REIT is a reporting issuer under the securities legislation of each of the provinces and territories of Canada.

4. The units of the REIT are listed and posted for trading on the Toronto Stock Exchange under the trading symbol CAR.UN.

5. The REIT completed its initial public offering on May 21, 1997 pursuant to its final long form prospectus dated May, 12 1997.

6. As at October 22, 2007, the REIT had ownership interests in 27,853 residential suites well diversified by geographic location and asset class and 1,233 land lease sites.

7. As at and for the year ended December 31, 2006 the REIT had assets in excess of $2 billion, net operating income (NOI) of approximately $132.5 million (calculated as revenue less operating expenses (including trust expenses, interest income and interest on bank indebtedness), but before deducting mortgage interest expense and depreciation expense) and income from continuing operations of approximately $722,000.

8. As at and for the year ended December 31, 2005 the REIT had assets of approximately $1.9 billion, NOI of approximately $120.9 million and income from continuing operations of approximately $1.3 million.

9. Under NI 51-102, the REIT is required to file a business acquisition report (BAR) for any completed acquisition that is determined to be significant based on the acquisition satisfying any of the three significance tests set out in subsection 8.3(2) of NI 51-102

10. One of the significance tests in subsection 8.3(2) requires the REIT to compare its proportionate share of the income from continuing operations of the TransGlobe Portfolio to its own income from continuing operations based on the most recently completed financial year of each ended before the date of the acquisition (the Income Test).

11. The application of the Income Test produces an anomalous result for the REIT in comparison to the results of the other tests of significance in subsection 8.3(2) of NI 51-102 that were not triggered.

12. The use of a test based on a comparison of the REIT's proportionate share of the NOI of the TransGlobe Portfolio to its own NOI based on the most recently completed financial year of each ended before the date of the acquisition , (the NOI Test) more accurately reflects the significance of the Acquisition from a business and commercial perspective and its results are generally consistent with the other tests of significance in subsection 8.3(2) of NI 51-102.

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.

"Erez Blumberger"
Manager, Corporate Finance

2.2 Orders

2.2.1 Norshield Asset Management (Canada) Ltd. et al.

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

AND

NORSHIELD ASSET MANAGEMENT (CANADA) LTD.,
OLYMPUS UNITED GROUP INC.,
JOHN XANTHOUDAKIS,
DALE SMITH AND PETER KEFALAS

ORDER

WHEREAS on October 11, 2006, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and Statement of Allegations with respect to this matter (the "Proceeding");

AND WHEREAS pursuant to an order made by the Commission on July 5, 2007, counsel for Staff of the Commission ("Staff") and counsel for the individual Respondents attended before the Commission on September 17, 2007, at which time the Commission set December 17, 18 and 19, 2007 as the dates for any pre-hearing motions in the Proceedings;

AND WHEREAS a pre-hearing conference with respect to this matter took place before the Commission on November 9, 2007 at which Staff and counsel for the individual respondents were in attendance and agreed to attend before the Commission on January 29 and 30, 2008 for the hearing of a motion with respect to disclosure;

AND WHEREAS Staff and counsel for the individual Respondents consent to the making of this Order;

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

IT IS HEREBY ORDERED that the dates set by the Commission for the hearing of pre-hearing motions be adjourned to January 29 and 30, 2008 at 10:00 a.m. at the offices of the Commission on the 17th floor of 20 Queen St. West in Toronto.

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

"Wendell S. Wigle"

"David L. Knight"

2.2.2 Saxon Financial Services et al. - s. 127(8)

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

AND

IN THE MATTER OF
SAXON FINANCIAL SERVICES,
SAXON CONSULTANTS LTD.,
INTERNATIONAL MONETARY SERVICES,
FXBRIDGE TECHNOLOGIES, INC.,
MEISNER CORPORATION,
MERCHANT CAPITAL MARKETS, S.A.,
MERCHANT CAPITAL MARKETS, MERCHANTMARX,
SIMON BACHUS, JOSEPH CUNNINGHAM,
RICHARD CLIFFORD, RYAN CASON,
JOHN HALL, DONNY HILL, JEREMY JONES,
MARK KAUFMANN, CONRAD PRAAMSMA,
JUSTIN PRAAMSMA, SCOTT SANDERS,
JACK SINNI, MARC THIBAULT, SEAN WILSON
AND TODD YOUNG

ORDER
Section 127(8)

WHEREAS on July 26, 2007, the Ontario Securities Commission (the "Commission") ordered pursuant to clause 2 of subsection 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that the Respondents, their officers, directors, employees and/or agents cease trading in all securities immediately (the "Temporary Order");

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

AND WHEREAS on July 26, 2007 the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on August 9, 2007 at 10:00 a.m.;

AND WHEREAS pursuant to subsections 127(1) and 127(8) of the Act, a hearing was held on August 9, 2007 where the Respondents, FxBridge Technologies, Inc., International Monetary Services, Simon Bachus and Joseph Cunningham, were in attendance and the hearing was adjourned to October 10, 2007 and the Temporary Order was extended on consent of all parties present during the period of the adjournment;

AND WHEREAS on October 10, 2007 a hearing was held and the Commission was advised that the Respondents, FxBridge Technologies, Inc. and Joseph Cunningham requested an adjournment of the hearing and a further extension of the Temporary Order during the period of the adjournment and the Respondents, International Monetary Services and Simon Bachus

consented to the adjournment and further extension of the Temporary Order during the period of the adjournment;

AND WHEREAS on December 14, 2007 a hearing was held and the Commission was advised that the Respondents, International Monetary Services and Simon Bachus requested an adjournment of the hearing and a further extension of the Temporary Order during the period of the adjournment and the Respondents, FxBridge Technologies, Inc. and Joseph Cunningham consented to the adjournment and further extension of the Temporary Order during the period of the adjournment;

AND WHEREAS the Commission is of the opinion that the time required to conclude a hearing could be prejudicial to the public interest;

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

AND WHEREAS pursuant to section 127(8) of the Act, satisfactory information has not been provided to the Commission by any of the Respondents;

IT IS ORDERED pursuant to subsection 127(8) of the Act that:

(a) the hearing is adjourned to March 28, 2008 at 11:00 a.m., or as soon thereafter as the hearing can be held; and

(b) the Temporary Order be extended during the period of the adjournment, subject to the following:

1. Bachus and Cunningham are permitted to trade in securities for their own accounts 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 they have sole legal and beneficial ownership and interest, provided that:

   (i) the securities are listed and posted for trading on a prescribed stock exchange (as defined in Regulation 3200 to the *Income Tax Act* (Canada)) or are issued by a mutual fund which is a reporting issuer;

   (ii) in the case of securities listed and posted for trading on a prescribed stock exchange (as defined in Regulation 3200 to the *Income Tax Act* (Canada)), Bachus and Cunningham do not own legally or beneficially more than one per cent of the outstanding securities of the class or series of the class in question; and

   (iii) Bachus and Cunningham must carry out permitted trading through a registered dealer and through accounts opened in their name only and must close any accounts in Ontario in which they have any legal or beneficial ownership or interest that were not opened in their name only.

Dated at Toronto this 14th day of December, 2007

"James E.A. Turner"

"Carol S. Perry"

2.2.3 Xiiva Holdings Inc. et al. - ss. 127(1), 127(5)

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

AND

IN THE MATTER OF
XIIVA HOLDINGS INC. CARRYING ON BUSINESS
AS XIIVA HOLDINGS INC., XI ENERGY COMPANY,
XI ENERGY AND XI BIOFUELS

TEMPORARY ORDER
Section 127(1) & 127(5)

WHEREAS it appears to the Ontario Securities Commission that:

1. XI Holdings Inc. ("Xiiva") is an Ontario corporation with a registered office in Mississauga. XI Energy Company is the operating name of Xiiva;

3. Securities of Xiiva have been issued to residents of, among other places, Ontario the United States, Europe, Asia, Africa and Australia by representatives of Xiiva;

4. Share certificates in respect of the issuance of these securities were prepared in the name of Xiiva, Xiiva operating as XI Energy and Xiiva operating as XI Biofuels;

5. No prospectus receipt has been issued for Xiiva;

6. There is no record of Xiiva having been registered under the Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act") or having made any filings pursuant to Rule 45-106 in reliance on a prospectus exemption under the Act;

7. No exemptions from the registration and prospectus requirements under the Act appear to apply to Xiiva or to the shares of Xiiva;

8. Staff of the Commission ("Staff") are conducting an investigation into the trading of Xiiva and it appears that Xiiva may be conducting a distribution of securities without complying with s. 53 of the Act and without entitlement to an exemption from the Act's prospectus requirements;

9. In addition, representatives of Xiiva may be trading in securities without the necessary registration under s. 25 of the Act;

10. Representatives of Xiiva may be making prohibited representations to investors, contrary to s. 38 of the Act, in order to effect sales of Xiiva shares;

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

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, the Commission authorized each 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, to exercise the powers of the Commission to make temporary orders under s. 127 of the Act;

IT IS ORDERED pursuant to clause 2 of subsection 127(1) of the Act that all trading in securities of Xiiva shall cease;

IT IS FURTHER ORDERED that pursuant to clause 3 of subsection 127(1) of the Act that the exemptions contained in Ontario securities law do not apply to Xiiva;

IT IS FURTHER ORDERED that pursuant to subsection 127(6) of the Act this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission.

Dated at Toronto this 14th day of December, 2007

”James E. A. Turner”
Vice-Chair

2.2.4 Stanton De Freitas - ss. 127(1), 127(5), 127(8)

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), (5) and (8))

WHEREAS on May 30, 2007, the Commission made a temporary order, pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5., as amended (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 the Temporary Order has been modified and extended from time to time by the Commission;

AND WHEREAS on September 28, 2007, the Commission ordered that the hearing to extend the Temporary Order, as modified and extended by the Commission, be adjourned until November 29, 2007;

AND WHEREAS on September 28, 2007, the Commission further ordered that the Temporary Order, as modified and extended by the Commission, be further extended until November 29, 2007 or until further order of the Commission;

AND WHEREAS on November 29, 2007, the Commission ordered that the hearing to extend the Temporary Order, as modified and extended by the Commission, be adjourned until December 4, 2007;

AND WHEREAS on November 29, 2007, the Commission further ordered that the Temporary Order, as modified and extended by the Commission, be further extended until the conclusion of the hearing to extend the Temporary Order or until further order of the Commission;

AND WHEREAS on December 4, 2007, the Commission ordered that the hearing to extend the Temporary Order, as modified and extended by the Commission, be adjourned until December 5, 2007;

AND WHEREAS on December 5, 2007, the Commission heard the parties' submission on whether the Temporary Order, as modified and extended by the Commission, should be further extended;

AND WHEREAS the Commission is of the opinion that it is in the public interest to extend the Temporary Order, as modified and extended by the Commission, until the Commission releases its decision and reasons on the hearing to extend the Temporary Order;

IT IS ORDERED that the Temporary Order, as modified and extended by the Commission, is extended until the Commission releases its decision and reasons on the hearing to extend the Temporary Order or until further order of the Commission.

DATED at Toronto this 5th day of December, 2007.

"James E. A. Turner"

"Suresh Thakrar"

2.2.5 Stanton De Freitas - ss. 127(1), 127(5), 127(8)

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), (5) and (8))

WHEREAS on May 30, 2007, the Commission made a temporary order, pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5., as amended (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 the Temporary Order has been modified and extended from time to time by the Commission;

AND WHEREAS on November 29, 2007, the Commission ordered that the hearing to extend the Temporary Order, as modified, is adjourned until December 4, 2007 and further, that the Temporary Order, as modified, is extended until the conclusion of the hearing or until further order of the Commission;

AND UPON being advised that the parties consent to the matter being put over until December 5, 2007;

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 to extend the Temporary Order, as modified, is adjourned until December 5, 2007 at 11:00 a.m.; and

2. pursuant to subsection 127 (8) of the Act, the Temporary Order, as modified, is extended until the conclusion of the hearing to extend the Temporary Orders or until further order of the Commission.

DATED at Toronto this "4th" day of December, 2007.

"James E. A. Turner"

"Suresh Thakrar"

2.2.6 David Watson et al. - ss. 127(1), 127(5), 127(8)

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

AND

IN THE MATTER OF
DAVID WATSON, NATHAN ROGERS, AMY GILES, JOHN SPARROW, LEASESMART, INC., ADVANCED GROWING SYSTEMS, INC. (a Florida corporation), 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.

TEMPORARY ORDER
(Sections 127(1), (5) and (8))

WHEREAS, on May 18, 2007, the Ontario Securities Commission (the "Commission") made an order, pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5., as amended (the "Act"), that:

i) trading in the securities of the following companies shall cease and that any exemptions contained in Ontario securities law do not apply to them: The Bighub.Com, Inc. ("Bighub.Com"); Advanced Growing Systems, Inc. (a Florida corporation) ("Advanced Growing Systems"); LeaseSmart, Inc. ("LeaseSmart"); Cambridge Resources Corporation ("Cambridge Resources"); NutriOne Corporation ("NutriOne"); International Energy Ltd. ("International Energy"); Universal Seismic Associates Inc. ("Universal Seismic"); Pocketop Corporation ("Pocketop"); Asia Telecom Ltd. ("Asia Telecom"); and Pharm Control Ltd. ("Pharm Control"); and

ii) all trading in any securities by Jason Wong, David Watson, Nathan Rogers, Amy Giles, John Sparrow and Kervin Findlay shall cease;

AND WHEREAS on May 22, 2007, by further order of the Commission made pursuant to subsections 127(1) and (5) of the Act, it was ordered that trading in any securities by Select American Transfer Co. ("Select American") shall cease and that any exemptions contained in Ontario securities law do not apply to them;

AND WHEREAS the temporary orders dated May 18 and May 22, 2007 (the "Temporary Orders") were modified and extended from time to time by the Commission;

AND WHEREAS on December 4, 2007, the Commission ordered in respect of Pharm Control that the hearing to extend the Temporary Orders, as modified and extended by the Commission, was adjourned until December 5, 2007 and further, that the Temporary Order is extended until then;

AND UPON being advised that Pharm Control consents to the making of this order;

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 to extend the Temporary Order in respect of Pharm Control, as modified, is adjourned until June 24, 2008 at 2:30 p.m..; and

2. pursuant to subsection 127(8) of the Act, the Temporary Order in respect of Pharm Control, as modified, is extended until June 24, 2008 or until further order of the Commission.

DATED at Toronto this 5th day of December, 2007.

"James E. Turner"

"Suresh Thakrar"

2.2.7 David Watson et al. - ss. 127(1), 127(5), 127(8)

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

AND

IN THE MATTER OF
DAVID WATSON, NATHAN ROGERS, AMY GILES, JOHN SPARROW, LEASESMART, INC., ADVANCED GROWING SYSTEMS, INC. (a Florida corporation), 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.

TEMPORARY ORDER
(Sections 127(1), (5) and (8))

WHEREAS, on May 18, 2007, the Ontario Securities Commission (the "Commission") made an order, pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5., as amended (the "Act"), that:

i) trading in the securities of the following companies shall cease and that any exemptions contained in Ontario securities law do not apply to them: The Bighub.Com, Inc. ("Bighub.Com"); Advanced Growing Systems, Inc. (a Florida corporation) ("Advanced Growing Systems"); LeaseSmart, Inc. ("LeaseSmart"); Cambridge Resources Corporation ("Cambridge Resources"); NutriOne Corporation ("NutriOne"); International Energy Ltd. ("International Energy"); Universal Seismic Associates Inc. ("Universal Seismic"); Pocketop Corporation ("Pocketop"); Asia Telecom Ltd. ("Asia Telecom"); and Pharm Control Ltd. ("Pharm Control"); and

ii) all trading in any securities by Jason Wong, David Watson, Nathan Rogers, Amy Giles, John Sparrow and Kervin Findlay shall cease;

AND WHEREAS on May 22, 2007, by further order of the Commission made pursuant to subsections 127(1) and (5) of the Act, it was ordered that trading in any securities by Select American Transfer Co. ("Select American") shall cease and that any exemptions contained in Ontario securities law do not apply to them;

AND WHEREAS the temporary orders dated May 18 and May 22, 2007 (the "Temporary Orders") were modified and extended from time to time by the Commission;

AND WHEREAS on November 29, 2007, the Commission ordered in respect of Pharm Control that the hearing to extend the Temporary Orders, as modified and extended by the Commission, was adjourned until December 4, 2007 and further, that the Temporary Order is extended until then;

AND UPON being advised that the parties consent to the matter being put over until December 5, 2007;

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 to extend the Temporary Order in respect of Pharm Control, as modified, is adjourned until December 5, 2007 at 11:00 a.m.; and

2. pursuant to subsection 127(8) of the Act, the Temporary Order in respect of Pharm Control, as modified, is extended until December 5, 2007 or until further order of the Commission.

DATED at Toronto this "4th" day of December, 2007.

"James E. A. Turner"

"Suresh Thakrar"

2.2.8 Morgan Meighen & Associates Limited et al. - s. 113

Headnote

Relief granted from the mutual fund conflict of interest investment restrictions under securities legislation in connection with proposed investments by pooled funds in underlying pooled funds under common management – Investments by pooled funds in underlying funds may cause pooled funds to become "substantial security holder" in underlying funds – Pooled funds may invest in an underlying fund in which a substantial security holder of the pooled fund or its management company has a significant interest – Relief granted subject to certain conditions.

Applicable Legislative Provisions

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

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

AND

IN THE MATTER OF
MORGAN MEIGHEN & ASSOCIATES LIMITED ("MMA"),
MORGAN MEIGHEN INCOME POOLED FUND AND
MORGAN MEIGHEN GROWTH POOLED FUND

ORDER
(Section 113 of the OSA)

Background

The Ontario Securities Commission (the "Commission") has received an application from Morgan Meighen Income Pooled Fund, Morgan Meighen Growth Pooled Fund (collectively, the "Current Funds"), and MMA on behalf of any other pooled fund established after the date hereof that is managed by MMA (the "Future Funds", together with the Current Funds, the "MMA Funds") for an order under section 113 of the OSA exempting the MMA Funds from the restrictions contained in paragraphs 111(2)(b) and (c), and subsection 111(3) of the OSA prohibiting 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 security holder, or in an issuer in which any officer or director of the mutual fund, its management company or distribution company or an associate of any of them, or any person or company who is a substantial security holder of the mutual fund, its management company or its distribution company, has a significant interest (the "Requested Relief").

Interpretation

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

Each MMA Fund that invests in units of another current or future MMA Fund is referred to as a "Top Fund" and an MMA Fund that a Top Fund invests in is referred to as an "Underlying Fund".

Representations

1. MMA is a corporation incorporated under the laws of Ontario.

2. MMA is the manager, investment manager and trustee of the Current Funds and is registered as an adviser under the categories of investment counsel and portfolio manager with the Commission. MMA is not a reporting issuer.

3. MMA will be the manager, investment manager and trustee of the Future Funds.

4. Each of the MMA Funds are or will be mutual funds in Ontario, as defined under the OSA, but are not or will not be reporting issuers. Units of the MMA Funds are or will be offered for sale only on a private placement basis pursuant to available prospectus exemptions in Ontario.

5. One or more of the Top Funds may invest a certain portion of its assets in units of one or more Underlying Funds. MMA will actively manage each Top Fund's investments in an Underlying Fund, with discretion to buy and sell units of the Underlying Fund. The investment by a Top Fund in an Underlying Fund is or will be compatible with the fundamental investment objectives of the Top Fund.

6. 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 the Underlying Fund. A Top Fund would be a "substantial security holder" in an Underlying Fund pursuant to paragraph 110(2)(b) of the OSA if at any time, a Top Fund, alone or together with one or more related Top Funds, holds more than 20% of the voting securities of an Underlying Fund.

7. From time to time, a Top Fund may invest in an Underlying Fund in which a substantial security holder of the Top Fund or a substantial security holder of the Top Fund's management company has a significant interest .

8. Unitholders of Top Funds will benefit from investments by a Top Fund in Underlying Funds because Top Funds will achieve greater portfolio diversification at lower cost than investing directly in the securities held by the Underlying Funds.

9. Investment by Top Funds in Underlying Funds will create larger pools of assets for the Underlying Funds, which should also provide additional benefits to unitholders of the Underlying Funds, including more favorable pricing and transaction costs on portfolio trades, increased access to investments where there is a minimum subscription or purchase amount and better economies of scale through lower custodian fees and greater administrative efficiency.

10. Where a Top Fund commences investments in one or more Underlying Funds, existing investors of the Top Fund will receive written notice prior to the Top Fund first undertaking such investment under this Order, which discloses: (i) the intent of the Top Fund to purchase securities of Underlying Funds; (ii) the fact that both the Top Fund and the Underlying Funds are managed by MMA; and (iii) the approximate or maximum percentage of the net assets of the Top Fund that is dedicated to investment in units of Underlying Funds.

11. New investors in the Top Funds will receive an offering memorandum, term sheet or similar disclosure document that contains the disclosure outlined in items (i) – (iii) in paragraph 10 above.

12. The annual financial statements of the Top Funds will be provided to unitholders of the Top Funds in accordance with securities legislation, together with an auditor's report. In addition, either (a) summary disclosure of the securities held by the applicable Underlying Funds will be included in the annual financial statements of the Top Funds; or (b) the audited annual financial statements of any applicable Underlying Funds will be sent to unitholders of the Top Funds.

13. MMA will ensure that there is no duplication of management fees as between the Top Funds or the Underlying Funds.

14. There will be no charges levied on the purchase or redemption of securities of the Underlying Funds by the Top Funds.

15. Where a matter relating to an Underlying Fund requires a vote of unitholders of the Underlying Fund, MMA will not cause the units of the Underlying Fund held by a Top Fund to be voted at such meeting.

16. In the absence of the Requested Relief, each Top Fund would be precluded from investing in an Underlying Fund due to the investment restrictions contained in paragraphs 111(2)(b) and (c) and subsection 111(3) of the OSA.

17. Any investment by the Top Funds in units of an Underlying Fund will represent the business judgment of responsible persons uninfluenced by

considerations other than the best interests of the Top Funds.

Order

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

The Commission orders that the Requested Relief is granted to the Top Funds, provided that:

1. units of the Top Funds are distributed only on a private placement basis pursuant to available prospectus exemptions in accordance with National Instrument 45-106 – *Prospectus and Registration Exemptions*;

2. MMA does not vote the units of the Underlying Funds that are held by a Top Fund;

3. 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;

4. no sales or redemption charges will be payable by a Top Fund in relation to its purchases or redemptions of units of an Underlying Fund; and

5. investors in a Top Fund receive prior written disclosure which discloses:

   (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 MMA; and

   (iii) the approximate or maximum percentage of the net assets of the Top Fund that is dedicated to investment in units of the Underlying Funds.

DATED December 11, 2007.

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

2.2.9 Al-tar Energy Corp. et al. - ss. 127(1), 127(8)

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

AND

IN THE MATTER OF
AL-TAR ENERGY CORP., ALBERTA ENERGY CORP.,
ERIC O'BRIEN, BILL DANIELS, BILL JAKES,
JOHN ANDREWS, JULIAN SYLVESTER,
MICHAEL N. WHALE, JAMES S. LUSHINGTON,
IAN W. SMALL, TIM BURTON, AND JIM HENNESY

ORDER
(Sections 127(1) & 127(8))

WHEREAS on July 3, 2007 the Ontario Securities Commission (the "Commission") issued a Temporary Order pursuant to section 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that: (i) all trading by Al-tar Energy Corp., Alberta Energy Corp. and their officers, directors, employees and/or agents in securities of Al-tar Energy Corp. and Alberta Energy Corp. shall cease; and (ii) the Respondents cease trading in all securities (the "Temporary Order");

AND WHEREAS on July 3, 2007, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS on July 6, 2007 the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on July 17, 2007 at 10 a.m.;

AND WHEREAS on July 17, 2007 the Commission held a hearing, none of the Respondents attended and the Commission ordered that the Temporary Order be extended until September 11, 2007;

AND WHEREAS on September 11, 2007 the Commission held a hearing, none of the Respondents attended and the Commission ordered that the Temporary Order be extended until December 18, 2007;

AND WHEREAS on December 18, 2007 the Commission held a hearing and none of the Respondents attended;

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

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

AND WHEREAS pursuant to section 127(8) satisfactory information has not been provided to the Commission by any of the Respondents;

IT IS HEREBY ORDERED pursuant to section 127(8) that the Temporary Order is extended until the end of the hearing on the merits.

DATED at Toronto this 18th of December, 2007.

"Robert L. Shirriff"

"Suresh Thakrar"

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 First Global Ventures, S.A. et al. - s. 127

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

AND

IN THE MATTER OF
FIRST GLOBAL VENTURES, S.A.,
ABRAHAM HERBERT GROSSMAN
(a.k.a. ALLEN GROSSMAN) AND
ALAN MARSH SHUMAN (a.k.a. ALAN MARSH)

REASONS FOR DECISION ON THE MERITS
(Section 127 of the Securities Act)

Hearing:	April 17, 19 and 20, 2007		
Written Submissions Received:	May 18, 2007 June 29, 2007 July 9, 2007 July 18, 2007		
Decision:	December 14, 2007		
Panel:	Wendell S. Wigle, Q.C.	-	Commissioner (Chair of the Panel)
	Suresh Thakrar	-	Commissioner
	Margot C. Howard	-	Commissioner
Counsel:	Derek Ferris	-	For Staff of the Ontario Securities Commission
	Ari Kulidjian	-	For Allen Grossman
	Alan Marsh Shuman	-	On his own behalf
	First Global Ventures, S.A.	-	No one appeared on behalf of First Global Ventures, S.A.

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REASONS AND DECISION ON THE MERITS

I. Overview

[1] This was a hearing on the merits before the Ontario Securities Commission (the "Commission") pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), to consider whether First Global Ventures, S.A. ("First Global"), Abraham Herbert Grossman (a.k.a. Allen Grossman) ("Grossman") and Alan Marsh Shuman (a.k.a. Alan Marsh or Al Marsh) ("Shuman") (collectively, the "Respondents") breached the Act and acted contrary to the public interest.

[2] The parties agreed that this proceeding should be bifurcated; first, a hearing on the merits of the case; and second, if necessary, a hearing to address sanctions.

[3] This hearing arose from a Statement of Allegations and Notice of Hearing filed by Staff of the Commission ("Staff") on June 5, 2006. On July 11, 2006, an Amended Statement of Allegations and an Amended Notice of Hearing were issued. Subsequently, on March 8, 2007, an Amended Amended Statement of Allegations was issued, and on March 9, 2007, an Amended Amended Notice of Hearing was issued setting down the hearing on the merits for April 17, 2007 (the "First Global Proceeding").

[4] Staff make the following allegations against the Respondents in the Amended Amended Statement of Allegations:

(a) First Global, Grossman and Shuman are not registered with the Commission in any capacity and thus they have traded in securities contrary to subsection 25(1) of the Act and contrary to the public interest;

(b) First Global, Grossman and Shuman solicited individuals to purchase shares of First Global, which are shares that have never been previously issued and are therefore distributions, which is contrary to subsection 53(1) of the Act and contrary to the public interest;

(c) Grossman, Shuman and First Global and its representatives made misleading representations to investors, including representations regarding the future listing and future value of First Global shares with the intention of effecting sales of First Global shares contrary to subsections 38(2) and (3) of the Act and contrary to the public interest;

(d) Grossman's conduct constitutes a breach of the Commission order issued on January 24, 2006, against him, Maitland Capital Ltd. ("Maitland") and others;

(e) the conduct of First Global and Shuman after May 29, 2006 constitutes a breach of the Commission order issued against First Global and its officers and employees on May 29, 2006;

(f) Shuman's activities after June 28, 2006 constitute a breach of the Commission order issued against him on June 28, 2006;

(g) the Respondents used high-pressure sales tactics when selling First Global shares to the public, contrary to the public interest;

(h) by order dated September 12, 2006, the Commission ordered First Global to post a copy of the Commission order dated September 12, 2006 prominently on the homepage of First Global's website. This order was never posted on First Global's website and First Global remains in breach of the Commission order of September 12, 2006; and

(i) the conduct of the Respondents was contrary to the public interest and harmful to the integrity of the Ontario capital markets.

[5] With respect to allegation (c) regarding subsections 38(2) and (3) of the Act, we note that in paragraph 132 of Staff's written submissions, Staff states that they "do not seek any findings that the Respondents made any representations that First Global will be listed on an exchange contrary to subsection 38(3) of the Act or provided an undertaking as to the future value of First Global shares in order to effect sales of First Global shares contrary to subsection 38(2) of the Act." In addition, at paragraph 138, Staff's written submissions state: "Staff request that the Commission find that: (a) Staff have proved all the allegations set out in the Amended Amended Statement of Allegations dated March 8, 2007 *except the alleged breaches of subsections 38(2) and 38(3) of the Act* […]" [emphasis added]. We find that these statements in Staff's written submissions constitute a withdrawal of the allegation that the Respondents breached subsections 38(2) and 38(3) of the Act.

[6] On April 17, 19, and 20, 2007, we heard the evidence in this matter. The respondent Grossman was represented by counsel, the respondent Shuman represented himself and was present only on the first day of the hearing, and the respondent First Global was not represented by counsel and did not participate in the hearing.

[7] Following the close of the evidence, the parties provided the Commission with written submissions regarding the merits. We received written submissions from Staff on May 18, 2007; from Shuman on June 29, 2007; and, from Grossman on July 9, 2007. Staff also provided written reply submissions on July 18, 2007. First Global did not provide any written submissions.

[8] The following are our Reasons and Decision on the merits.

II. Background

A. The Respondents

1. First Global

[9] First Global is a Panamanian corporation, incorporated on March 28, 2006. According to Panamanian law, a corporation may register using nominee directors. The directors and officers listed for First Global are: Isis Del Carmen Lara G., Daniel Issac Chi and Akina Chi Pardo.

[10] First Global's only address was a virtual office located at Ave. Aquilino De La Guardia y Calle 47, Edificio Ocean Business Plaza, Piso 18, Panama City, Panama, Apartado postal 0816-02273 (the "First Global Virtual Office"). First Global did not have any actual office space at this location.

[11] On October 6, 2006, the First Global Virtual Office was shut down by the Panamanian National Securities Commission (the "PNSC"). The administrative manager at the Ocean Business Center informed Shuman by e-mail that it was terminating its virtual office services to First Global as instructed by the PNSC.

[12] First Global is not a reporting issuer in Ontario, and it has never filed a prospectus with the Commission. First Global is not and has never been registered under the Act.

[13] As mentioned, First Global did not participate in the hearing on the merits, and was not represented by counsel. Staff provided an affidavit of service of Tammy Orta, sworn on April 17, 2007, indicating that Staff did serve the documents on First Global by a number of means, including: courier, fax, and e-mail.

2. Shuman

[14] Shuman resides in Toronto, Ontario. His title at First Global is "Vice-President, Venture Capital". However, Shuman claims that although his title is Vice-President, he is not an officer, but an employee. Shuman is not and has never been registered under the Act.

[15] Shuman while working for First Global, used the names "Al Marsh", "Alan Marsh" and "Alan Marsh Shuman".

[16] Shuman was not represented by counsel. He attended the first day of the hearing, and left after the cross-examination of the second witness on that day. Shuman did not attend the hearing on April 19 and 20, 2007.

3. Grossman

[17] Grossman is the president and director of Maitland, and resides in Richmond Hill, Ontario. Maitland's office is located at 161 Eglinton Ave. East, Suite 310, Toronto, Ontario.

[18] Grossman is also the president and sole director of Introvest Consulting Ltd. ("Introvest"). Introvest was incorporated in Ontario on February 27, 2006. Its registered office is located at 161 Eglinton Ave. East, Suite 310, Toronto, Ontario, the same address as Maitland.

[19] Grossman is not and has never been registered under the Act. During the First Global Proceeding, Grossman was represented by counsel.

[20] In addition to the First Global Proceeding, Grossman is currently subject to regulatory proceedings (in Ontario and other Canadian jurisdictions) and a section 122 proceeding commenced under the Act in relation to Maitland (the "Section 122 Proceeding").

B. The Events and Circumstances Surrounding the First Global Proceeding

1. The Relationship Between the First Global Proceeding and the Maitland Proceeding

[21] The First Global Proceeding arose out of the ongoing Maitland proceeding (the "Maitland Proceeding") under section 127 of the Act, which was commenced by a Statement of Allegations and Notice of Hearing on January 24, 2006. In order to understand the relationship between the First Global Proceeding and the Maitland Proceeding, it is important to identify the background facts relating to: (1) the Maitland Proceeding, and (2) the Consulting and Professional Services Agreement entered into by Grossman on behalf of Introvest with First Global (the "Consulting Agreement").

(i) The Maitland Proceeding

[22] The Maitland Proceeding concerns allegations regarding violations of sections 25, 38 and 53 of the Act in relation to the sale of Maitland shares by Grossman and others.

[23] In the Maitland Proceeding, Maitland and a number of individual respondents, including Grossman, were cease traded by the Commission by order dated January 24, 2006 (the "Maitland Cease Trade Order"). Specifically, the Maitland Cease Trade Order provides that: (a) Maitland and its officers, directors, employees and/or agents cease all trading in Maitland securities; (b) Maitland, Grossman and others cease trading in all securities; and (c) any exemptions in Ontario securities law do not apply to Maitland, Grossman and the other respondents in the Maitland Proceeding. This cease trade order still remains in effect and will continue to be in effect until the end of the Maitland Proceeding.

[24] On May 19, 2006, a Section 122 Proceeding was commenced against Grossman, Hanoch Ulfan, and Maitland before the Ontario Court of Justice pursuant to section 122 of the Act.

[25] The Maitland Proceeding has been stayed pending the outcome of the Section 122 Proceeding commenced before the Ontario Court of Justice.

(ii) The Incorporation of Introvest

[26] A month after the Maitland Cease Trade Order came into force on January 24, 2006, Grossman incorporated Introvest on February 27, 2006. Introvest's office is located at the same address as Maitland's: 161 Eglinton Ave. East, Suite 310, Toronto, Ontario.

[27] After Introvest was incorporated, the Maitland Bell Phone Account, the Maitland FedEx Account and the Maitland Purolator Account were transferred to Introvest's name, and the contact address remained the same as for Maitland.

[28] In addition, Introvest had another account with Bell Canada for business telephone lines (account no. 416-544-9292), and this account provided for at least fifteen Introvest telephone numbers, including 416-544-0220, which was Grossman's contact number for one of the Maitland Bell internet accounts.

(iii) Consulting Agreement Between Introvest and First Global

[29] On behalf of Introvest, on April 1, 2006, Grossman entered into the Consulting Agreement with First Global. Shuman signed the Consulting Agreement on behalf of First Global and Grossman signed the Consulting Agreement on behalf of Introvest.

[30] The Consulting Agreement provides for the performance of "support services" for First Global. These services included:

- the design, set-up, registration and administration of First Global's website;
- the provision of office services, including the use of a boardroom and secretarial or administrative assistance;
- the arrangement for a courier to pick-up and deliver packages for First Global; and
- the provision of a lead generation service, whereby Introvest used subcontractors to conduct telephone surveys, to gather information concerning individuals' investment experience, including the likelihood to invest. A written record of the completed surveys was sent to First Global.

[31] The Consulting Agreement also sets out the fees payable by First Global to Introvest for its services. These fees include:

- a monthly "consulting fee" of $10,000;
- a fee of $500 per day for boardroom services;
- a fee of $100 per lead for the introduction of potential investors to First Global;
- a fee of 20% above cost for general office services (mail, couriers, fax, telephone, and secretarial services);
- a fee of 20% above cost for website design, set-up, registration and administration; and
- a fee of 20% above cost for legal, accounting and other professional services.

[32] Introvest invoiced First Global for services from May 2006 to October 2006 totalling $324,040.50. Of the total amount invoiced, $67,300 was charged by Introvest for 673 investor leads. Introvest's bank records show that Introvest received payment from First Global in the amount of $21,892.25 CAD and $114,446.77 USD over the period of April 17, 2006 to September 29, 2006.

[33] Through the Consulting Agreement between First Global and Introvest, Grossman, the president and director of Maitland, provided First Global with the names of investors. A number of the investors were Maitland shareholders, and they were solicited to invest in First Global shares. The details of the solicitation of potential investors, including Maitland shareholders, is described below.

2. Solicitations by First Global and Shuman

[34] Staff alleges that starting in April 2006, Maitland shareholders and others were contacted by phone by Shuman (who identified himself as either "Al Marsh" or "Alan Marsh") and/or a representative of First Global. Shuman advised Maitland shareholders that their Maitland shares were no longer promising and that Maitland shares could be exchanged for First Global shares by paying an additional sum per share.

[35] Staff also points out that First Global's shares were not previously issued at the time potential investors were contacted, and no prospectus receipt was issued for First Global shares.

[36] Further, Staff alleges that potential investors for First Global were contacted in Ontario and in other provinces. Specifically, Staff alleges in paragraphs 6 and 7 of the Statement of Allegations that:

> At the time of the solicitations, most, if not all, of the Maitland shareholders were not accredited investors as defined in *Commission Rule 45-501 – Ontario Prospectus and Registration Exemptions* or *National Instrument 45-106 – Prospectus and Registration Exemptions* and in other Canadian jurisdictions in *National Instrument 45-106 - Prospectus and Registration Exemptions* and no effort was made to determine the investors' status [and] First Global and Shuman have solicited additional Maitland shareholders and other individuals in Ontario and in other jurisdictions to purchase shares in First Global. Most, if not all, of these shareholders were not accredited investors.

[37] At the time First Global and Shuman solicited investors to invest in First Global, the Maitland Cease Trade Order issued by the Commission in January of 2006, was still in effect.

3. First Global's Website

[38] Grossman retained a Toronto web development company (the "Web Development Company"), to create a website for First Global in April 2006. On April 20, 2006, First Global had the domain name www.firstglobalventures.com registered. The First Global website was up and running on May 2, 2006. This website included the following representations: (a) First Global currently manages over $340 million in capital; (b) First Global's partners have been involved in energy, media, technology and communications for over 8 years; and (c) First Global was founded in 1998.

[39] First Global's website has been removed from the servers of three web hosting companies, due to a number of orders that have been made by securities commissions in a number of Canadian provinces and Panama. At the time of the hearing, First Global's website www.firstglobalventures.net was still operational on a different server.

4. Cease Trade Orders

(i) Orders Relating to First Global

[40] The following is a description of the chronology of orders that the Commission has issued in the First Global Proceeding.

[41] The first temporary cease trade order against First Global and its directors, officers and employees was issued on May 29, 2006 (the "First Temporary Order"). The First Temporary Order, has been extended to remain in effect until the conclusion of the First Global Proceeding, and it orders that: (a) all trading by First Global and its officers, directors, employees and/or agents in securities cease forthwith; (b) all trading cease in the securities of First Global; and (c) any exemptions in Ontario securities law do not apply to First Global.

[42] Shuman is an officer and employee of First Global, thus the First Temporary Order applied to him.

[43] The First Temporary Order was extended by subsequent orders of the Commission dated June 13, 2006, June 28, 2006, and July 13, 2006, until the end of the First Global Proceeding.

[44] After the First Temporary Order was issued, Staff received information that Maitland shareholders were still being contacted to purchase First Global Shares in exchange for Maitland shares and an additional payment of $1 USD per share. Staff sent a letter dated June 16, 2006 to First Global and Shuman to advise that Staff would take the necessary steps if the First Temporary Order was not complied with.

[45] On June 28, 2006, the Commission issued another temporary cease trade order against Shuman, which ordered that: (a) Shuman cease trading in all securities; and (b) any exemptions in Ontario securities law do not apply to Shuman. This order also remains in effect until the conclusion of the First Global Proceeding.

[46] In addition, on September 12, 2006, the Commission issued an order requiring First Global to post a copy of the Commission Order dated September 12, 2006 prominently on the home page of First Global's website at www.firstglobalventures.com.

(ii) Orders Relating to Maitland

[47] The Maitland shares offered to be exchanged for shares in First Global have been subject to temporary cease trade orders issued by a number of provincial securities commissions. The Commission issued the Maitland Cease Trade Order on January 24, 2006, against Maitland, Grossman and others. This order was extended on February 8 and 28, 2006, April 19, 2006, May 29, 2006 and June 28, 2006.

III. The Issues

[48] This proceeding raised the following issues:

(1) Did the Respondents trade in securities while not being properly registered with the Commission contrary to subsection 25(1) of the Act and contrary to the public interest?

(2) Did the Respondents engage in a distribution contrary to subsection 53(1) of the Act and contrary to the public interest?

(3) Did Grossman's activities constitute a breach of the Commission's Maitland Cease Trade Order issued against him, Maitland and others on January 24, 2006?

(4) Did the activities of First Global and Shuman after May 29, 2006, constitute a breach of the Commission order issued against First Global and its officers and employees on May 29, 2006?

(5) Did Shuman's activities after June 28, 2006, constitute a breach of the Commission order issued against him on June 28, 2006?

(6) Did the Respondents use high-pressure sales tactics when selling First Global shares to the public contrary to the public interest?

(7) Did First Global fail to comply with the Commission order dated September 12, 2006, by not posting a copy of the September 12, 2006 Commission order on the homepage of First Global's website?

(8) Was the conduct of the Respondents contrary to the public interest and harmful to the integrity of the Ontario capital markets?

IV. The Evidence

[49] Staff presented documentary evidence, including an agreed statement of facts and called nine witnesses to support their case. The witnesses called by Staff included:

- four Maitland investors solicited to purchase First Global shares: Investor #1, Investor #2, Investor #3, and Investor #4;
- two of Staff's investigators: Jody Sikora ("Sikora") and Jasmine Handanovic ("Handanovic");
- an investigator with the New Brunswick Securities Commission (the "NBSC"), Ed LeBlanc ("LeBlanc");
- the president of the Web Development Company (the "President of the Web Development Company"), the company which designed the websites of First Global and Introvest; and
- a former employee of Interactive Offices Worldwide ("Interactive Offices"), who dealt with Grossman (the "Interactive Offices Employee").

[50] No witnesses were called by any of the Respondents.

[51] Grossman and Shuman did not testify or give oral evidence during the hearing. Grossman provided an affidavit, sworn June 9, 2006, and Shuman provided an affidavit sworn June 12, 2006; however, there was no cross-examination on these affidavits.

[52] The following is a summary of the testimony of the witnesses and the evidence adduced in this matter.

A. The Witnesses

1. The Investors

[53] Staff called four Maitland investors, Investor #1, Investor #2, Investor #3 and Investor #4 (the "Investors"), to testify that they were solicited over the phone to purchase First Global shares in exchange for their Maitland shares and an additional sum of money. All four Investors testified that their net assets totalled less than a million dollars, their net annual income before taxes was less than $200,000, and their net annual income before taxes with their spouse did not exceed $300,000. Therefore, none of these investors qualified as accredited investors. The relevant testimony from the Investors is described below.

(i) Investor #1

[54] Investor #1 testified that in April of 2006, he was contacted by Shuman to purchase First Global shares through the exchange of Maitland shares and an additional sum of money. Investor #1 testified that at this time, "Maitland's stocks were not going to do well [and that he] could invest [his] money from Maitland into First Global". During the phone conversation with Shuman, Investor #1 was told that because of the Commission's investigation relating to Maitland, his Maitland investment was not going to turn out as expected, and that by transferring his shares into First Global shares, there would be a "little higher risk but a higher profit". He was also referred to the First Global website by Shuman.

[55] Investor #1 also testified that the price of First Global shares was higher than Maitland shares and that he had to pay the difference between the value of the two shares, that he had never met Shuman in person, and he was never asked any questions regarding his annual income and financial assets.

[56] In his testimony, Investor #1 also mentioned that the contact number he was given for First Global was a Panama number, although he did not recall the exact number.

[57] Further, Investor #1 testified that he did not invest in First Global because he did not think it would be profitable and that it was best to cut his losses at this point.

(ii) Investor #2

[58] Investor #2 testified that he met Grossman a couple of years ago through one of his contacts, and that he made an investment of $10,000 in Maitland shares (for a total of 4000 shares at $2.50 per share) after meeting with Grossman in person.

[59] Further, Investor #2 testified that around May of 2006, he was advised by Grossman that several companies including First Global were interested in purchasing his Maitland shares. After this initial conversation with Grossman, Investor #2 testified that he was contacted by phone, approximately 10 to 20 times, by an individual named Sam Richards to purchase First Global shares, at a price of $3.50 per share, by exchanging his Maitland shares and making an additional payment of a dollar per share. Investor #2 also testified that he was told that he was locked in to purchase First Global shares at $3.50 a share and that the price per share was going to rise to $3.75.

[60] In addition, Investor #2 testified that Sam Richards was calling him from a Panamanian telephone number, and he was also referred to First Global's website; however, Investor #2 never visited this website. After being contacted by Sam Richards, Investor #2 testified that he phoned Grossman to discuss the offer to trade in his Maitland shares for First Global shares and that he finally decided to invest in First Global after Sam Richards called him a number of times. During his testimony, Investor #2 confirmed that he sent a certified cheque in the amount of $5,833.07 to First Global in Panama via Purolator. The Purolator invoice listed the account number 8526921.

[61] Investor #2 also testified that in the end he did not end up exchanging his Maitland shares for First Global shares because there was a problem with First Global accepting his certified cheque and First Global required the funds to be wired to them instead. At this point, Investor #2 testified that he pulled out and had his certified cheque returned to him. With respect to Shuman, Investor #2 testified that he spoke to him once over the phone with respect to the Commission's actions regarding Maitland.

[62] During cross-examination by Shuman, Investor #2 acknowledged that Shuman addressed and discussed with him the risk factors involved in the situation.

(iii) Investor #3

[63] Investor #3 testified that Grossman started phoning him in 2003, and that he met Grossman for the first time in person sometime in November or December 2004 to discuss investing in Maitland. Investor #3 also testified that an individual named Hank Ulfan was also present at this meeting, which was held at Grossman's office in North York. Further, Investor #3 testified that he decided to invest $15,000 in Maitland shares approximately a week or two after his meeting with Grossman. Investor #3 confirmed that he received a document from Grossman entitled "Pre-IPO Opportunities" and a letter dated December 2, 2004, in which Grossman wrote, "we will make some money…as usual." Investor #3 also testified that a year later on April 29, 2005, he invested another $10,000 in Maitland shares, bringing his total investment in Maitland to $25,000. Investor #3 explained that he decided to invest more into Maitland because he was encouraged by Grossman. He was told that the market was going to hit and that Maitland shares would double or triple in value.

[64] With respect to First Global, Investor #3 testified that Grossman phoned him in May 2006 to inform him that he would be getting a phone call from a representative of First Global regarding transferring his Maitland shares since the Commission was "tying things up in Ontario". Moreover, Investor #3 testified that Grossman told him that he had invested a lot of money in First Global and that he was quite comfortable with it. Investor #3 testified that he was in fact contacted by phone by Shuman and Rick Lopez, and they explained that Maitland shares could be exchanged for First Global shares for an additional payment of $1 per share. Investor #3 confirmed that he was called on a daily basis for a about a week to invest in First Global, and that he was given a contact number for First Global in Panama.

[65] Investor #3 also mentioned during his testimony that he was referred to First Global's website by Shuman or Rick Lopez. Investor #3 also testified that when he expressed uncertainty about investing in First Global, Shuman reassured him by referring him to the First Global website and told him "your best bet is to look at the website to see what we're doing, see what we're all about".

[66] According to Investor #3, Grossman also explained that because the Commission was tying up all the Maitland investments in Canada, this could be bypassed by transferring Maitland shares to First Global in Panama. On June 8, 2006, Investor #3 purchased 10,000 First Global shares. Shuman arranged for a courier to pick-up Investor #3's Maitland share certificates and gave Investor #3 instructions to transfer $2,500 USD to the HSBC Bank (Panama) S.A. with First Global listed as the final beneficiary.

[67] Further, Investor #3 testified that about two weeks after purchasing First Global shares, he was contacted by Shuman to discuss why he was going to the Commission. Investor #3 explained that at this point, he asked Shuman questions about his investments and was informed by Shuman that the Panama Office was a virtual office. Investor #3 also testified that he asked for a copy of a First Global prospectus; however, he never received a prospectus regarding his First Global shares and he only received his share certificates on September 1, 2006.

(iv) Investor #4

[68] Investor #4 testified that he became aware of Maitland through a telephone conversation with an individual named Joe Candida ("Candida") and that he and his brother purchased 10,000 Maitland shares for $25,000 on behalf of Investor #4's company. Investor #4 testified that he invested through his company because he did not have enough of his own money to invest.

[69] Further, Investor #4 testified that over a period of about a month, he was phoned to invest in Maitland and he was informed during these phone calls that the cost of Maitland shares was rising. Moreover, Investor #4 testified that he was told by Candida that once Maitland stocks hit the open stock market, then the value of the shares would rise almost automatically a dollar and a half per share.

[70] With respect to First Global, Investor #4 testified that he became aware of this company when he was telephoned by an individual named Al Marsh (a.k.a Shuman) in the Spring of 2006. Investor #4 explained that he was told by Shuman that First Global was trying to acquire Maitland and that investors in Maitland were being contacted to transfer their Maitland shares to First Global shares for an extra $1.50 per share. Investor #4 also testified that he did not immediately transfer his shares to First Global and that for a period of a month he kept getting phone calls from Shuman and another person named Sam Richards. Investor #4 explained that in the end he chose not to purchase First Global shares.

2. Testimony Regarding the Websites

(i) The President of the Web Development Company

[71] The President of the Web Development Company testified that he owns and operates the Web Development Company, which deals with web services such as hosting, design and maintenance of websites.

[72] With respect to Grossman, the President of the Web Development Company testified that starting in February/March 2006, he provided Grossman with web design, web maintenance and web hosting services for Maitland's website. The content for the website was supplied by Grossman. The President of the Web Development Company also confirmed that his company implemented two other websites for Introvest and First Global. The work done regarding the Introvest website was billed to Maitland. Also, the President of the Web Development Company confirmed that Grossman was the administrative contact on file for the First Global website, and the work done regarding First Global was billed to Introvest.

[73] The President of the Web Development Company also testified that the First Global Website was completed on May 2, 2006, and that starting on May 15 or 16, 2006, Grossman or his assistant were able to update the website by using software tools that the President of the Web Development Company recommended to them.

[74] During his testimony, the President of the Web Development Company also explained that the majority of the email activity for First Global originated from two IP addresses: 67.71.54.151 and 69.159.199.87. At paragraph 94, an Agreed Statement of Facts between Staff and counsel for Grossman confirms that these IP addresses were assigned by Bell to Maitland for certain periods. The President of the Web Development Company provided two email logs to Commission Staff, and he testified that Bell was the internet provider associated with these two IP addresses.

[75] Further, the President of the Web Development Company testified that with respect to Maitland and Introvest, he dealt with Grossman, and with respect to First Global he dealt initially with Grossman and then later on with Shuman.

[76] In addition, the President of the Web Development Company testified that after being contacted by the Commission, he consulted with his lawyer, who recommended that he cancel the First Global account in order to protect himself.

3. The Investigators

(i) LeBlanc

[77] LeBlanc is an investigator with the NBSC. He testified that he became aware of First Global after receiving a call from a potential investor, who had received a call from an individual named Al Marsh, regarding First Global and its website. LeBlanc testified further that he reviewed First Global's website, googled the website and googled series of words from First Global's website. LeBlanc confirmed that certain phrases such as "was founded in 1998 on the premise that the convergence of" were

copied from another website. LeBlanc also explained that he contacted the President of the Web Development Company and the President of the Web Development Company informed him that the First Global website was registered at the instruction of Grossman.

[78] LeBlanc testified that he was the investigator from the NBSC on that file, and that he received phone calls from a number of investors located in New Brunswick, Newfoundland and Manitoba regarding being approached by First Global to purchase First Global shares by exchanging Maitland shares and making an additional payment. LeBlanc also testified that his investigation revealed that First Global's address was a virtual office located in Panama at the Ocean Business Center. The First Global Virtual Office forwarded any mail, faxes, or telephone messages for First Global to Shuman in Toronto.

[79] Moreover, LeBlanc confirmed that his investigation revealed that the Purolator account used to correspond with First Global investors was account no. 8526921 and this account number was associated with Introvest located at 161 Eglinton Avenue East, Suite 310, Toronto, Ontario. He also confirmed that his investigation of Bell telephone records revealed that the phone records also corresponded to the address 161 Eglinton Avenue East, Suite 310, Toronto, Ontario.

[80] The NBSC issued a temporary cease trade order on March 31, 2006, against Maitland, Grossman and others. This order was extended on April 11, 2006 and May 24, 2006.

(ii) Handanovic

[81] Handanovic is an assistant investigator with the Enforcement branch of the Commission. Handanovic testified that she was assigned to the First Global investigation in September/October 2006.

[82] She testified that she telephoned Maitland shareholders and conducted interviews with them. She confirmed that out of the twenty Maitland investors she spoke with, ten were contacted by First Global, and these investors were contacted by either Shuman or Sam Richards. Handanovic explained that her investigation revealed that these ten Maitland investors were told that First Global was a company located in Panama and that they could trade in their Maitland shares and an additional payment "from about 25 cents U.S. per share to $4.00 U.S. per share" for First Global shares.

(iii) Sikora

[83] Sikora is a forensic accountant with the Enforcement Branch of the Commission. He testified that he became aware of First Global while investigating Maitland in early May 2006. He explained that he conducted a search on First Global's website and found that First Global was located in Panama, that Grossman was the administrative contact for the First Global website and that the website was created by the Web Development Company.

[84] Sikora also testified that he acquired the email logs for First Global from the Web Development Company and that Bell Canada provided information regarding who was registered to the IP addresses.

[85] In his testimony, Sikora also described his communications with legal counsel from the PNSC. Sikora testified that the PNSC informed him that they did not find any proof that the offering of shares of First Global had happened and that First Global did not file for a licence as a securities intermediary to operate in Panama.

[86] On September 19, 2006, the PNSC issued an order against First Global (the "PNSC Order") on the basis that First Global lacks the necessary licence to carry on business as a securities intermediary to or from Panama. On November 22, 2006, the Commission posted a translation of the PNSC Order on the Commission's website.

[87] In addition, Sikora gave testimony regarding the compelled interview conducted with Shuman. In particular, reference was made to the following statement from Shuman:

> I guess the most important thing was to make sure that [investors] understand the nature of the investments that they were looking at and also that any salespeople of First Global Ventures hadn't indicated to them or promised them anything that is just not something that's acceptable within the limited guidelines of procedure or, you know, qualified applicant guidelines that I was provided with.
>
> Beyond that I was the face of First Global. […] the ownership is, first of all, completely false and erroneous. I'm just a face. I was the one who signed documents and made arrangements with you know, various organizations for them. […]

[88] Further, reference was also made to the following excerpt from Shuman's compelled interview:

> […] part of that face of First Global was to be a more – what's the appropriate word – be a voice of more responsibility I guess is the best way I can put it.

In other words, these people were talking to a salesman of sort and if the – they had questions that the salesman couldn't answer or didn't feel comfortable in answering […] those individuals would be passed to myself; and one of the mandates when answering questions that would come from any client was to also ensure that they understood the nature of the investment they're in.

4. Testimony Regarding Interactive Offices Worldwide

(i) The Interactive Offices Employee

[89] The Interactive Offices Employee testified that she worked as a receptionist at Interactive Offices Worldwide from January to March 2006. Her duties as a receptionist included answering the phones, booking boardrooms and forwarding mail for companies that used Interactive Offices Worldwide services.

[90] In her testimony, the Interactive Offices Employee explained that she knew Grossman because he was a client of Interactive Offices Worldwide. She testified that she would answer the phone for Grossman as "Maitland Capital" and she would inform Grossman if any mail/packages were received on his behalf. The Interactive Offices Employee also testified that in January of 2006 Grossman asked her for a fax code in order to send a fax. She testified that she gave him Interactive Offices Worldwide's fax code, since Maitland did not have its own fax code set up. Further, the Interactive Offices Employee testified that she had no knowledge of the content of the fax or where the fax was being sent.

[91] The Interactive Offices Employee also testified that about two weeks after this fax was sent, she was contacted by an investigator from the Commission, and that she realised that the fax the Commission Staff was enquiring about was the fax that Grossman sent. The Interactive Offices Employee confirmed that when she verified the fax activity report she noticed that the fax was sent to a long distance number.

[92] On cross-examination by counsel for Grossman, the Interactive Offices Employee testified that she did not know of any other company or entity associated with Grossman other than Maitland.

B. The Agreed Statement of Facts

[93] Staff and counsel for Grossman provided an agreed statement of facts relating to the Bell Canada search results (the "Agreed Statement of Facts"). The Agreed Statement of Facts sets out that Staff requested that Bell Canada Corporate Security review two email logs, which were provided to Staff by the President of the Web Development Company. Staff requested the names and addresses for persons with the following IP addresses: 69.159.199.87; 67.71.54.151; 65.95.108.129 and 65.23.158.63.

[94] Specifically, the Agreed Statement of Facts sets out that:

- the IP addresses 69.159.199.87; 67.71.54.151; and 65.95.108.129 belong exclusively to Bell Canada;
- Bell Canada account holders are assigned a dynamic IP address each time a directly connected computer or router (in the case of a network) is turned on or is reset;
- dynamic IP addresses may only be assigned to one account at any given time;
- dynamic IP addresses are not permanently assigned to any given account and change when the directly connected computer or router (in the case of a network) is restarted or reset;
- the account of Maitland Capital Ltd. (contact Al Grossman) 161 Eglinton Ave., rm. 603 was assigned IP Address 69.159.199.87 from June 2, 2006 at 02:53:12 EST until June 6, 2006 at 18:05:21 EST;
- the account of Maitland Capital (contact Al Grossman) 161 Eglinton Ave., rm. 603 was assigned IP address 67.71.54.151 from May 18, 2006 at 11:37:39 EST until June 5, 2006 at 13:55:00 EST;
- the account of Maitland Capital (contact Al Grossman) 161 Eglinton Ave., rm. 603 was assigned IP address 65.95.108.129 on June 5, 2006 at 15:49:38 EST and was still assigned on June 12, 2006 when the request for a Bell Canada Corporate Security search was received; and
- Bell Canada had no information on IP address 65.23.158.63.

C. Evidence Relating to Grossman

[95] Staff also introduced evidence regarding Grossman and Maitland that is relevant to the First Global Proceeding:

- Grossman and Maitland salespersons contacted investors to have them purchase Maitland shares. These investors were told that Maitland was in the business of investing in oil fields and that Maitland would eventually be listed on a stock exchange;
- Grossman and Maitland set up a courier Federal Express account, no. 3046-9244-8 (the "Maitland FedEx Account") and a Purolator account, no. 8526921 (the "Maitland Purolator Account") to pick-up cheques and deliver documents to investors who purchased Maitland shares;
- Maitland had an account with Bell Canada for business telephone lines under the account telephone number 416-485-5701 (the "Maitland Bell Phone Account"); and
- Maitland had two Bell Sympatico Internet accounts, 416-544-0220 and 416-485-1742 under the address 161 Eglinton Ave. East, Suite 310, Toronto, Ontario (the "Maitland Bell Internet Accounts"). Grossman was the contact person for these two accounts.
- The evidence also established that the Maitland Bell Phone Account, the Maitland FedEx Account, and the Maitland Purolator Account were transferred to Introvest's name and Grossman was still listed as the contact person for these accounts.

D. The Affidavits

1. The Affidavit of Grossman

[96] Grossman provided an affidavit, sworn June 9, 2006. Grossman did not testify and thus was not cross-examined by Staff on this affidavit.

[97] Grossman's affidavit addresses his involvement in Introvest and the Consulting Agreement. Grossman sets out in his affidavit that: he is the president of Introvest; Introvest entered into the Consulting Agreement with First Global; under the Consulting Agreement, instructions and approvals for all work performed were provided to Introvest by Shuman; Shuman gave instructions and approvals for First Global's website content; invoices for the work on First Global's website were addressed to First Global care of Introvest; under the Consulting Agreement First Global had the right to certain office services provided by Introvest; and Introvest arranged Federal Express courier to pick-up and deliver packages for First Global, but Grossman did not have any knowledge of the contents of the packages.

[98] Grossman's affidavit also addresses Grossman's involvement with providing investor leads. Grossman's affidavit states that:

> The final service provided by Introvest to [First Global] under the [Consulting] Agreement to date is effectively a "lead generation" service, whereby Introvest utilizes subcontractors to conduct a survey on behalf of Introvest over the telephone, according to survey questions which are contained in a script. The survey takes less than 30 seconds and contains basic questions about an individual's investment experience and style. […] There is no mention of any particular investments and no solicitations are made. No further contact is made by Introvest or its subcontractors with these individuals. The subcontractors are paid by Introvest on a weekly basis and Introvest, in turn charges [First Global] a $100 fee per "lead" generated from the surveys conducted, as per the [Consulting] Agreement. […]

[99] In addition, Grossman's affidavit states that Grossman had no knowledge of First Global's capital position or corporate history. The affidavit also states that Grossman and Alan Marsh (a.k.a Shuman) are not the same individual, and that Grossman has never represented himself as "Al Marsh" (a.k.a Shuman) to investors.

2. The Affidavit of Shuman

[100] Shuman provided an affidavit dated June 12, 2006. This affidavit sets out that since 1982, Shuman uses the name "Alan Marsh" for business purposes to protect his family and friends from discrimination.

[101] Shuman also stated in his affidavit that he signed the Consulting Agreement in his capacity as an officer of First Global. Under the Consulting Agreement, all instructions and approvals for the content of the First Global website were provided by Shuman, and Introvest facilitated the set-up, design, registration and administration of the website by subcontracting this work to a website company. Work on the website was invoiced to First Global care of Introvest.

[102] With respect to investor leads, Shuman's affidavit states that:

> Under the [Consulting] Agreement, Introvest provides [First Global] with the results of a general telephone campaign which identifies prospective investors. [First Global] purchases the names from the campaign for a fee. Introvest does not provide individuals with any information about [First Global], nor do they solicit sales. To date, to my knowledge, [First Global] had not utilized any of the names provided on lists obtained from Introvest for any purpose whatsoever.

[103] Shuman's affidavit also states that "Alan Marsh" and "Allen Grossman" are two different individuals.

E. Shuman's Admissions

[104] During Staff's investigation, Shuman made the following admissions regarding his conduct in the First Global Proceeding:

- Shuman admits that he may have spoken to 80-200 former Maitland investors;
- Shuman admits that he made telephone calls to Maitland shareholders to transfer Maitland shares in exchange for First Global shares;
- Shuman admits that he explained to investors the nature and risks of investing in First Global; and
- Shuman admits that he has never been to Panama.

V. Submissions

[105] After the close of the evidence, the parties were asked to provide written submissions regarding facts and law.

[106] Staff provided written submissions on May 18, 2007.

[107] On June 29, 2007, Shuman provided us with a page and a half long letter as his submissions on the First Global Proceeding. Shuman was not represented by counsel.

[108] On July 9, 2007, written submissions were submitted on behalf of Grossman.

[109] Staff submitted reply submissions on July 18, 2007.

VI. Analysis

A. Preliminary Issues

1. The Failure of Some of the Respondents to Appear at the Hearing

[110] The principle established by subsection 7(1) of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22 (the "SPPA"), is that a party is entitled to notice of an oral hearing; however, a tribunal may proceed in the absence of a party when that party has been given adequate notice. Specifically, subsection 7(1) of the SPPA states:

> **7.**(1) Where notice of an oral hearing has been given to a party to a proceeding in accordance with this Act and the party does not attend at the hearing; the tribunal may proceed in the absence of the party and the party is not entitled to any further notice in the proceeding.

[111] This was also articulated by the Commission in *Re Allen* (2005), 28 O.S.C.B. 8541:

> If an oral hearing is held, a party is entitled to notice of it and to be present at all times while evidence and submissions are being presented in order to obtain full disclosure of the case the party has to meet. However, pursuant to section 7 of the *Statutory Powers Procedure Act*, RSO. 1990, c. S.22 (the "SPPA") where a party who has been given proper notice of a hearing fails to respond or to attend, the tribunal may proceed in the party's absence and the party is not entitled to any further notice in the proceeding. (*Re Allen*, *supra* at para. 9)

[112] First Global did not appear at the hearing, and Shuman only appeared for part of the first day of the hearing. We find that both First Global and Shuman were given adequate notice of the hearing date in advance and were properly served. First, the Notice of Hearing setting down the date of the First Global Proceeding for April 17, 2007, was issued in advance on March 8, 2007. Second, Staff introduced sufficient evidence in the form of affidavits of service to demonstrate that the respondents were duly served with the Notice of Hearing.

2. The Use of Hearsay Evidence

[113] During the testimony of some of the witnesses, hearsay evidence was adduced. Counsel for Grossman contested the use of this hearsay evidence during the hearing. He argued that hearsay is unreliable because the original author or recipient of the document was not present to testify to the truth of the contents of the document.

[114] In response, counsel for Staff submitted that hearsay is admissible before proceedings of administrative tribunals pursuant to subsection 15 of the SPPA.

[115] The Commission has recognized that subsection 15 of the SPPA applies to Commission hearings, and that hearsay evidence is admissible in proceedings before the Commission (*Re Allen*, *supra* at para. 15).

[116] In *YBM Magnex International* (Ruling of the Panel in Hearing Transcript dated July 18, 2001, at pp. 1-10), the Hearing Panel addressed the admissibility of hearsay evidence and stated that threshold reliability and necessity need to be taken into account.

[117] In *Re Allen*, the Commission explained that "threshold reliability is concerned with whether the circumstances surrounding the statement itself provide circumstantial guarantees of trustworthiness. Ultimate reliability requires that the statement be corroborated by and consistent with other evidence" (*Re Allen*, *supra* at para. 16).

[118] Specifically, counsel for Grossman objected to hearsay evidence given by LeBlanc relating to the Manitoba Securities Commission ("MSC"). LeBlanc's hearsay evidence dealt with the reports of investigators of the MSC, Jan Banasiak and Jason Roy, dated May 17, 2006. Counsel for Grossman raised the issue that the authors of these reports were not present to address them.

[119] These reports discuss how an individual in Manitoba was contacted by phone to trade in Maitland shares for an additional amount of $1.00 more per share for First Global shares. We note that later, the individual discussed in the MSC investigation reports changed her mind, and did not want to cooperate with the MSC. Since we were unable to question this individual directly, and we were unable to directly question the MSC investigators as to why this individual changed her position regarding the solicitations to exchange Maitland shares for First Global shares and an additional sum of money, we have chosen to give little weight to the MSC investigation reports.

[120] We find that the hearsay evidence given by the other witnesses in this case is consistent with and is corroborated by the testimony of the other witnesses and other documents adduced into evidence. As a result, we find that the hearsay evidence adduced in this matter is admissible and reliable, with the exception of the hearsay evidence relating to the MSC.

B. Issue 1 - Did the Respondents trade in securities while not being properly registered with the Commission contrary to subsection 25(1) of the Act and contrary to the public interest?

1. The Law

[121] Subsection 25(1) of the Act states the following:

> **25.** (1) No person or company shall,
>
> (a) trade in a security or act as an underwriter unless the person or company is registered as a dealer, or is registered as a salesperson or as a partner or as an officer of a registered dealer and is acting on behalf of the dealer; or
>
> (b) Repealed: 1999, c. 9, s. 199 (2).
>
> (c) act as an adviser unless the person or company is registered as an adviser, or is registered as a representative or as a partner or as an officer of a registered adviser and is acting on behalf of the adviser,
>
> and the registration has been made in accordance with Ontario securities law and the person or company has received written notice of the registration from the Director and, where the registration is subject to terms and conditions, the person or company complies with such terms and conditions.

[122] This section is an important cornerstone of the Act because through the registration process, the Commission attempts to ensure that those who engage in the trading of securities meet the necessary proficiency requirements, are of good character and satisfy the appropriate ethical standards (*Re Gregory Co. v. Quebec (Securities Commission)*, [1961] S.C.R. 584 at p. 4).

[123] Subsection 25(1) refers to the term "trade", which is defined in subsection 1(1) of the Act as follows:

> (a) any sale or disposition of a security for valuable consideration, whether the terms of payment be on margin, installment or otherwise, but does not include a purchase of a security or, except as provided in clause (d), a transfer, pledge or encumbrance of securities for the purpose of giving collateral for a debt made in good faith,
>
> (b) any participation as a trader in any transaction in a security through the facilities of any stock exchange or quotation and trade reporting system,
>
> (c) any receipt by a registrant of an order to buy or sell a security,
>
> (d) any transfer, pledge or encumbrancing of securities of an issuer from the holdings of any person or company or combination of persons or companies described in clause (c) of the definition of "distribution" for the purpose of giving collateral for a debt made in good faith, and
>
> (e) *any act, advertisement, solicitation, conduct or negotiation directly or indirectly in furtherance of any of the foregoing* [emphasis added]

[124] It is now necessary to determine whether the evidence and submissions presented support the allegations that Grossman, Shuman and First Global traded in securities in contravention of subsection 25(1) of the Act (i.e. while not being properly registered with the Commission).

2. Grossman's Conduct Constituted Acts in Furtherance of a Trade

[125] In written submissions, counsel for Grossman referred us to the case law relating to acts in furtherance of a trade. Counsel for Grossman also pointed out examples where the Commission declined to determine that acts in furtherance of a trade occurred.

[126] We agree with counsel for Grossman that an act in furtherance of a trade must have a sufficiently proximate connection between the act and the trade in securities. As stated in *Re Costello* (2003), 26 O.S.C.B. 1617:

> There is no bright line separating acts, solicitations and conduct indirectly in furtherance of a trade from acts, solicitations and conduct not in furtherance of a trade. Whether a particular act is in furtherance of an actual trade is a question of fact that must be answered in the circumstances of each case. A useful guide is whether the activity in question had a sufficiently proximate connection to an actual trade. (*Re Costello*, *supra* at para. 47)

[127] However, we disagree with counsel for Grossman's position that acts in furtherance of a trade did not take place. The following conduct of Grossman constitutes acts in furtherance of a trade:

- As part of the Consulting Agreement, Grossman sold the names of 673 potential investors to First Global at a cost of $100 USD per name. In particular, Grossman provided the names of Maitland shareholders to First Global, which permitted First Global to contact those individuals. The Commission has recognized that providing a list of prospective investors and the receipt of consideration or some other direct or indirect benefit, indicates an act in furtherance of a trade (see for example, *Re Brown* (2004), 27 O.S.C.B. 7955 at para. 34; and *Luccis & Co. – Broker Dealer*, June 1962 O.S.C.B. 1 at pp. 1-2);

- As part of the Consulting Agreement, Grossman contracted with the Web Development Company to create First Global's website and he was the administrative contact for First Global's website. The President of the Web Development Company also testified that Grossman provided him with the content for First Global's website. Also, Grossman made arrangements for First Global's new website, www.firstglobalventures.net, after www.firstglobalventures.com was shut down. According to the case law, the act of setting up a website that offers securities and information about securities to investors over the Internet constitutes an act in furtherance of a trade (see for example, *Re First Capital (Canada) Corp.*, (2004), 27 O.S.C.B. 1603 at para. 45; and *Re American Technology Exploration Corp.*, 1998 LNBCSC 1 (B.C.S.C.) at p. 9);

- As part of the Consulting Agreement, Grossman provided courier accounts (i.e. the FedEx and Purolator Accounts) for First Global to use to pick up documents including subscription agreements and cheques from First Global investors;

- Grossman communicated with Maitland shareholders, such as Investor #3, about the opportunity to trade in Maitland shares for First Global shares. This constitutes solicitation, and in doing so, Grossman advised shareholders such as Investor #3, that investing in First Global was a great opportunity. Furthermore, the definition of trade in subsection 1(1) of the Act states that solicitation constitutes an act in furtherance of a

trade and that it is irrelevant whether an actual trade occurs as a result of the solicitation (see for example, *Re First Federal Capital (Canada) Corp.* (2004) 27 O.S.C.B. 1603 at paras. 46-51); and

- Grossman billed First Global at least $320,000 for the services of Introvest, including, providing office space, courier services, telephone services, fax services and internet accounts, and the provision of a list of potential investors, which helped First Global facilitate the solicitation of potential First Global investors, including Maitland shareholders.

[128] We also note that Grossman was not registered under the Act in any capacity. In such cases, a contextual approach must be taken to determine whether acts in furtherance of a trade have occurred. The primary focus of this assessment is the effect of the acts in question on the persons on whom the acts were directed (*Re Momentas Corp.* (2006), 29 O.S.C.B. 7408 at para. 77).

[129] We agree with Staff's submission that the combination and the entirety of Grossman's conduct set out above, constitutes an act or acts in furtherance of trades of First Global shares. Basically, the conduct of Grossman helped First Global contact potential investors, including Maitland shareholders, and ultimately sell First Global shares, such was the case for Investor #3. Moreover, Grossman's dealings with Maitland put him in a prior relationship with many of the potential First Global investors, and this put Grossman in a position to influence investors regarding investing in First Global.

[130] Counsel for Grossman pointed out in his written submissions that in *Re Tibollo* (2006), 29 O.S.C.B. 303, the Commission found that the conduct of a respondent did not amount to an act in furtherance of a trade because the respondent only provided information and his actions were in the capacity of a business consultant. However, we do not find that Grossman's role was merely to provide information. Instead, the evidence demonstrates that Grossman not only provided information, but he also provided services beyond information services, through the Consulting Agreement with Introvest. Grossman counselled investors about the appeal of investing in First Global, and he allowed Shuman and others to telephone investors from Introvest's premises. In addition, Grossman had a prior relationship with many of the potential investors (through Maitland) and was in a position to influence their investment decisions. In particular, Grossman provided assistance with setting up the First Global website, arranging courier services to collect the cheques of First Global investors and Grossman even phoned investors, such as Investor #3, to influence them to invest in First Global shares. This enabled First Global to solicit potential investors. As a result, we find that *Re Tibollo* does not apply in this case.

[131] After considering all the facts, evidence and written submissions, we have concluded that Grossman is not registered under the Act and Grossman's conduct qualifies as acts in furtherance of trades of First Global shares, and thus subsection 25(1) of the Act was violated.

3. Shuman's Conduct Constituted Acts in Furtherance of a Trade

[132] Shuman was not registered in any capacity under the Act.

[133] Shuman made a number of admissions that fulfill the criteria of an act in furtherance of a trade relating to First Global shares. Specifically: (1) Shuman admits that he may have spoken to 80-200 former Maitland investors; (2) Shuman admits that he made telephone calls to convince Maitland shareholders to purchase First Global shares in exchange for their Maitland shares, plus an additional sum of money; and (3) Shuman admits that he explained to investors the nature and risks of investing in First Global. In our view, communicating with investors regarding investing in securities, advising regarding the appropriateness of securities and convincing investors to purchase securities constitute acts in furtherance of trades of securities.

[134] As explained by the Commission in *Re Anderson* (2004) 27 O.S.C.B. 7955:

> For a person to act in furtherance of a sale or disposition of a security that is in fact being sold or disposed of by someone else, *there must be at a minimum something done by that person for the purpose of furthering or promoting the sale or disposition* of the security by the one engaged in that activity […]. [emphasis added] (*Re Anderson*, *supra* at para. 34)

In the present matter, we find that Shuman's admissions are clearly acts that were done for the purpose of promoting the sale of First Global shares. In particular, Shuman communicated with investors to discuss the attractiveness of First Global shares. This was more than a minimal involvement. By communicating with potential investors of First Global, Shuman took a direct approach to personally promote and sell First Global shares. For instance, Shuman contacted Investor #3 to discuss exchanging Maitland shares for First Global shares, and Investor #3 did in fact purchase First Global shares.

[135] In view of Shuman's admissions, we find that Shuman was not registered under the Act in any capacity and engaged in acts in furtherance of trades of First Global shares. Thus, subsection 25(1) of the Act was violated.

4. First Global Engaged in Acts in Furtherance of a Trade

[136] We have also found that First Global, through its officer Shuman, and its employees/representatives, such as Sam Richards and Rick Lopez, engaged in acts in furtherance of trades of First Global. We note that Sam Richards and Rick Lopez are both listed as contacts on First Global's website. It is also evident from the testimony of the investors that these two individuals made phone calls to promote the sale of First Global shares, and thus, worked for First Global.

[137] In particular, Investor #3 testified that he was contacted by phone by Rick Lopez and Shuman regarding exchanging his Maitland shares for First Global shares, and Investor #2 testified that he was contacted by Sam Richards for this same purpose. Therefore, First Global through its employees/representatives engaged in conduct to influence investors to purchase First Global shares.

[138] Also, First Global was not registered in any capacity under the Act. As a result, we find that First Global violated subsection 25(1) of the Act by engaging in conduct for the furtherance of the trade of First Global shares while not being properly registered under the Act.

5. The Respondents do not Qualify for Exemptions

[139] Subsection 2.3(1) of National Instrument 45-106 provides an exemption from the registration requirements for trades in securities if the purchaser is an "accredited investor". The term, "accredited investor" is defined in section 1.1 of National Instrument 45-106 as follows:

> 1.1 […]
>
> (j) an individual who, either alone or with a spouse, beneficially owns, directly or indirectly, financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds $1,000,000,
>
> (k) an individual whose net income before taxes exceeded $200,000 in each of the 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded $300,000 in each of the 2 most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year,
>
> (l) an individual who, either alone or with a spouse, has net assets of at least $5,000,000,
>
> […]

[140] None of the investors who testified before us were accredited investors. All four Investors testified that their net annual assets totalled less than a million dollars, their net annual income before taxes was less than $200,000 and their net annual income before taxes with their spouse did not exceed $300,000. Therefore, they do not fulfill the definition of an "accredited investor" as defined in section 1.1 of National Instrument 45-106.

[141] Counsel for Grossman argued that since the investors, such as Investor #1, signed the form "Purchaser's Representation, Warranties and Covenants", the purchaser represented that they were an accredited investor. While some of the Investors, such as Investor #1, did sign the form, which contained a clause stating that they met the requirements of the exemptions, we are of the view that this does not exonerate Grossman or the other Respondents. The responsibility for ensuring that the requirements of an exemption are met is the responsibility of the person seeking to rely on the exemption. As a result, the Respondents should have inquired directly with the Investors regarding their financial history and background. They should not have simply relied on a signed boiler-plate form to determine whether the Investors satisfied the criteria for an "accredited investor". As stated by the Alberta Securities Commission in *Re InstaDial Technologies Corp.* (2005) ABASC 965 (A.S.C.):

> In short, the seller of securities seeking to rely on the accredited investor exemption has a duty to make a reasonable, serious effort to ensure that the purchaser is indeed an accredited investor. (*Re InstaDial Technologies Corp.*, *supra* at para. 61)

[142] We are of the view that the Respondents did not ensure that investors were "accredited investors". The testimony from Investors revealed that no financial background questions regarding their income or assets were asked of them. Consequently, we have determined that the Respondents did not ensure that the Investors were "accredited investors", and as such, the Respondents cannot benefit from the exemptions in National Instrument 45-106.

C. Issue 2 - Did the Respondents engage in a distribution contrary to subsection 53(1) of the Act and contrary to the public interest?

1. The Law

[143] Subsection 53(1) of the Act sets out that:

> Prospectus required
>
> **53.** (1) No person or company shall trade in a security on his, her or its own account or on behalf of any other person or company if the trade would be a distribution of the security, unless a preliminary prospectus and a prospectus have been filed and receipts have been issued for them by the Director.
>
> Filing without distribution
>
> (2) A preliminary prospectus and a prospectus may be filed in accordance with this Part to enable the issuer to become a reporting issuer, despite the fact that no distribution is contemplated.

[144] The term distribution is defined in subsection 1(1) of the Act as follows:

> "distribution", where used in relation to trading in securities, means,
>
> (a) a trade in securities of an issuer that have not been previously issued,
>
> (b) a trade by or on behalf of an issuer in previously issued securities of that issuer that have been redeemed or purchased by or donated to that issuer,
>
> (c) a trade in previously issued securities of an issuer from the holdings of any control person,
>
> (d) a trade by or on behalf of an underwriter in securities which were acquired by that underwriter, acting as underwriter, prior to the 15th day of September, 1979 if those securities continued on that date to be owned by or for that underwriter, so acting,
>
> (e) a trade by or on behalf of an underwriter in securities which were acquired by that underwriter, acting as underwriter, within eighteen months after the 15th day of September, 1979, if the trade took place during that eighteen months, and
>
> (f) any trade that is a distribution under the regulations,
>
> and on and after the 15th day of March, 1981, includes a distribution as referred to in subsections 72 (4), (5), (6) and (7), and also includes any transaction or series of transactions involving a purchase and sale or a repurchase and resale in the course of or incidental to a distribution and "distribute", "distributed" and "distributing" have a corresponding meaning; ("placement", "placer", "placé")

[145] The requirement to comply with section 53 of the Act is important because a prospectus ensures that prospective investors have full information on which to properly assess the risks of certain investments, and it enables them to make informed investment decisions. As the Canadian securities regulatory system is primarily disclosure-based, the prospectus requirements of the Act play a significant role in the overall scheme of investor protection. As explained by the court in *Jones v. F.H. Deacon Hodgson Inc.* (1986), 9 O.S.C.B. 5579 (H.C.), "there can be no question but that the filing of a prospectus and its acceptance by the Commission is fundamental to the protection of the investing public who are contemplating purchase of the shares" (at p. 5590).

[146] Therefore, it is important that when shares are sold to the public that the prospectus requirements under the Act are adhered to. The next section addresses whether First Global, Shuman and Grossman complied with section 53 of the Act.

2. The Evidence Demonstrating that the Respondents Engaged in Conduct Contrary to Subsection 53(1) of the Act

[147] Subsection 53(1) of the Act, set out above, establishes the principle that no person or company shall trade in a security on his, her or its own account or on behalf of any other person or company where such trade would be a distribution of such security, unless a preliminary prospectus and a prospectus have been filed and receipts have been obtained from the Director.

[148] The evidence establishes that First Global is not a reporting issuer and has never filed a preliminary prospectus or a prospectus with the Commission. Therefore, the issuance of any First Global shares is a distribution because these securities were never previously issued.

[149] In addition, the evidence shows that a prospectus was never provided to potential investors who were solicited to invest in First Global. This is evident from the testimony of Investor #3. Investor #3 purchased shares of First Global, and testified that he had asked for a prospectus but was never given one.

[150] As established in our Analysis, Grossman, Shuman and First Global all engaged in acts in furtherance of a trade of First Global shares. We find that Grossman, Shuman and First Global, by engaging in acts in furtherance of trades of First Global shares, contravened subsection 53(1) of the Act, because at the time the acts in furtherance of trades of First Global shares took place, First Global shares were not previously issued, and therefore constituted a distribution.

D. Issue 3 - Did Grossman's activities constitute a breach of the Commission order issued against him, Maitland and others on January 24, 2006?

[151] The Maitland Cease Trade Order issued by the Commission on January 24, 2006, ordered, among other things, that all trading in Maitland securities cease and ordered Grossman to cease trading in all securities.

[152] As we have concluded above, Grossman's acts constituted acts in the furtherance of a trade. As a result, Grossman traded in securities contrary to the Maitland Cease Trade Order.

E. Issue 4 - Did the activities of First Global and Shuman after May 29, 2006, constitute a breach of the Commission order issued against First Global and its officers and employees on May 29, 2006?

[153] Pursuant to the Commission's order on May 29, 2006, Shuman and First Global were prohibited from trading in First Global shares and trading in securities. This order also applied to First Global's other officers, directors, employees and/or agents.

[154] The evidence shows that acts in furtherance of trades of First Global shares were made after May 29, 2006:

- First Global issued a subscription order invoice to Investor #2 for First Global shares on June 5, 2006;
- First Global issued a subscription order invoice to Investor #3 for First Global shares on May 30, 2006;
- First Global made arrangements to pick up Investor #3's Maitland share certificates (to exchange for First Global shares) on June 6, 2006;
- First Global received the money transfer from Investor #3 for the difference in the value of the share prices on June 8, 2006;

[155] As a result, First Global's conduct (through its employees and representatives), breached the Commission order of May, 29, 2006.

[156] With respect to Shuman, we find that there is insufficient evidence to establish that Shuman breached the May 29, 2006 Commission order.

F. Issue 5 - Did Shuman's activities after June 28, 2006, constitute a breach of the Commission order issued against him on June 28, 2006?

[157] Pursuant to the Commission order on June 28, 2006, Shuman was ordered to cease trading in all securities. We find that there is insufficient evidence to establish that Shuman breached the June 28, 2006 Commission order.

G. Issue 6 - Did the Respondents use high-pressure sales tactics when selling First Global shares to the public contrary to the public interest?

[158] High pressure sales tactics encompass a broad range of activity that has the effect of persuading individuals to invest inappropriately. A key characteristic of high pressure sales tactics is that these tactics put individuals in a position where they are pressured to make a decision quickly because the investment opportunity may disappear. High pressure sales tactics include, but are not limited to, selling tactics designed to induce, and having the effect of inducing, clients to purchase securities inappropriate to their situation on the basis of inadequate investment information and/or misinformation as to the issuers of the securities, the value of the securities, and the prospects of the issuer and the securities. Comments that give the impression that shares are attractive and quick action is needed because an investment opportunity will expire in a short time frame and

repeatedly calling investors to get them to make an investment decision quickly based on misleading information also qualify as high pressure sales tactics.

[159] In our view, the Respondents in this case have used these kinds of tactics to influence individuals to purchase First Global shares, and we find that the testimony of Investor #2 and Investor #3 demonstrate that high-pressure sales tactics were used when they were solicited to purchase First Global shares.

[160] First, Investor #2 testified that he was told by Sam Richards of First Global that he was locked in to purchase First Global shares at a price of $3.50 per share and that the price per share was soon going to rise to $3.75 per share. Therefore, through a representative, First Global used the potential rise in price of First Global stocks to entice Investor #2 to invest in First Global. Furthermore, Shuman (along with other individuals associated with First Global) phoned Investor #3 frequently.

[161] Moreover, all four Investors testified that they were contacted many times by First Global, or Shuman over a period of time ranging from a week to a month, regarding investing in First Global shares. In particular, Staff presented evidence that:

- Investor #1 was phoned on 5 occasions on or between May 3 and May 8, 2006;
- Investor #2 was phoned on 30 occasions on or between May 25 and November 28, 2006; and
- Investor #4 was phoned on 24 occasions on or between May 9 and September 26, 2006.

[162] We find that this persistent conduct was used by First Global and Shuman to convince, persuade and put pressure on investors to purchase First Global shares. In our view, persistently phone calling investors multiple times is a form of a high pressure sales tactic to induce individuals to invest.

[163] In addition, we find that in the case of Investor #2 and Investor #3, high pressure sales tactics were used to make First Global's shares look and sound attractive. For instance, comments regarding the potential increase in the price of First Global's shares were used as a tactic to influence investors to act fast and to buy First Global shares before they missed the opportunity. Grossman also told Investor #3 that he had "a lot of dollars invested in First Global Group, and […] felt comfortable with it", and that First Global was a safe place to invest money, and that the value of First Global shares would double or triple.

[164] Further, Grossman told Investor #3 that he could bypass the Commission's cease trade order regarding Maitland's shares by transferring his Maitland shares to First Global with the payment of an additional sum of money.

[165] We find that all of these comments were made in order to influence individuals to purchase First Global shares, and together these comments gave an impression to investors that First Global shares were attractive and were good investments that had to be acted on quickly otherwise, an investment opportunity would be lost. In our view, these are high pressure sales tactics used by the Respondents to persuade potential investors including Maitland shareholders to invest in First Global shares, and this conduct is contrary to the public interest.

H. Issue 7 - Did First Global fail to comply with the Commission order dated September 12, 2006, by not posting a copy of the September 12, 2006 Commission order on the homepage of First Global's website?

[166] The Commission order dated September 12, 2006, ordered First Global to post a copy of the Commission order dated September 12, 2006 prominently on the homepage of First Global's website. This order was never posted on First Global's original website www.firstglobalventures.com. Further, this order is not posted on First Global's current website www.firstglobalventures.net. As a result, First Global remains in breach of the Commission order dated September 12, 2006.

I. Issue 8 - Was the conduct of the Respondents contrary to the public interest and harmful to the integrity of Ontario's capital markets?

1. The Law

[167] Pursuant to section 1.1 of the Act, it is the Commission's mandate to:

(a) provide protection to investors from unfair, improper or fraudulent practices; and

(b) foster fair and efficient capital markets and confidence in those capital markets.

[168] In addition, section 2.1 of the Act sets out the means for achieving the purposes of the Act, which include:

(a) requirement for timely, accurate and efficient disclosure of information;

(b) restrictions on fraudulent and unfair market practices and procedures; and

(c) requirements for the maintenance of high standards of fairness and business conduct to ensure honest and responsible conduct by market participants.

[169] Clearly, sections 1.1 and 2.1 are protective in nature and this enables the Commission to prevent likely future harm to Ontario's capital markets (*Re Committee for Equal Treatment of Asbestos Minority Shareholders v. Ontario (Securities Commission)*, [2001] 2 S.C.R. 132 at para. 42). As a result, the Commission has a broad public interest jurisdiction to intervene in activities related to Ontario's capital markets. As stated by the Commission in *Re Mithras Management Ltd.* (1990), 13 O.S.C.B. 1600:

> […] the role of this Commission is to protect the public interest by removing from the capital markets –- wholly or partially, permanently or temporarily, as the circumstances may warrant –- those whose conduct in the past leads us to conclude that their conduct in the future may well be detrimental to the integrity of [the] capital markets. […] We are here to restrain, as best we can, future conduct that is likely to be prejudicial to the public interest in having capital markets that are both fair and efficient. […] And in so doing, we may well conclude that a person's past conduct has been so abusive of the capital markets as to warrant our apprehension and intervention, even if no particular breach of the Act has been made out. (*Re Mithras Management Ltd.*, *supra* at p. 1610 and 1611)

[170] The Commission need not find that a specific provision of the Act has been violated in order to make a finding of conduct contrary to the public interest. This was articulated in *Re Canadian Tire Corp.*:

> Equally clear in our view, the Commission should act to restrain a transaction that is clearly abusive of investors and of the capital markets, whether or not that transaction constitutes a breach of the Act, regulations or a policy statement. (*Re Canadian Tire Corp.* (1987), 10 O.S.C.B. 857 at p. 933 aff'd (1987), 59 O.R. (2d) 79 (H.C.))

[171] The next sections address the Respondents' conduct contrary to the public interest.

2. Information Posted on First Global's Website is Contrary to the Public Interest

[172] We note that First Global's current website also contains a letter, dated May 23, 2006, addressed to First Global shareholders, written by Shuman (however, Shuman signed it using his alternative name Alan Marsh). This letter has been posted at the bottom of the webpage address: http://www.firstglobalventures.net/bulletin.htm. This letter states the following:

> Recently, one of the many Canadian securities commissions have seen fit to make frivolous allegations about FGV and its business practices and to issue their version of a cease trade order. Those of you that have been with us for sometime know that these types of allegations are without merit and not worthy of a response. We anticipate the redundancy of the Canadian securities regulatory system to have a ripple effect and therefore we expect all of their other jurisdictions to follow the same misguided directions.
>
> […]
>
> This is not the first time we have had these kinds of intrusive information requests made under the guise of a regulatory body or a foreign jurisdiction. These types of outlandish demands regarding investor's private information are made by bureaucrats whose sole function and purpose is to undermine and eventually eliminate your democratic right to privacy.
>
> […]

[173] We find that this letter misleads First Global investors and potential investors regarding the regulatory proceedings commenced against First Global by provincial securities commissions in Canada. This is contrary to the public interest because it undermines public confidence in the capital markets.

3. Disregard for Commission Orders

[174] We find that all the Respondents blatantly disregarded Commission orders. The cease trade orders issued in both the First Global Proceeding and the Maitland Proceeding were not complied with by the Respondents. Despite these cease trade orders, Grossman, Shuman and First Global were involved with soliciting investors to purchase First Global shares in exchange for their Maitland shares and an additional sum of money. The Respondents ignored Commission orders and this is contrary to the public interest.

[175] In addition, First Global did not comply with the Commission order of September 12, 2006, to post a copy of the Commission order on their website. Instead, First Global posted and retained on its website a letter criticizing the Commission. This shows deliberate disregard for the Commission and its processes, and is contrary to the public interest.

[176] We find that the Respondent's repetitive disregard for multiple Commission orders is egregious conduct.

4. Misrepresentations Contrary to the Public Interest

[177] The Respondents also made misrepresentations contrary to the public interest to convince individuals to invest in First Global shares. The evidence adduced at the hearing shows that the Respondents made a number of misrepresentations, including:

- Shuman led investors to believe that he was in Panama by using virtual office services from a company in Panama, when in fact, he had never been to Panama;
- Shuman promoted First Global's shares and spoke to the nature and risks of these shares; however, Shuman admitted making no effort to inquire into First Global before promoting it;
- Shuman told investors that they did not need to worry about the regulatory proceeding against First Global in Canada because First Global was a Panamanian company;
- Grossman told Investor #3 that the value of First Global shares would double or triple.
- Grossman told investors that he was trying to get Maitland going, but that the Commission was interfering and preventing investors from getting any return on their investment;
- Grossman told Investor #3 that investing in First Global, a Panamanian company, was a way of bypassing the jurisdiction of the Commission;
- The testimony of the Investors demonstrates that Grossman made representations regarding Maitland's shares being eventually listed on an European stock exchange;
- Sam Richards told Investor #2 that the price of First Global shares was going to increase from $3.50 per share to $3.75 per share;
- First Global's website states that First Global was founded in 1998 and its office is in Panama City, Panama. In reality, First Global was incorporated in March of 2006, and its location in Panama was only a virtual office.
- First Global's website also represents that First Global specializes in investing in emerging energy companies, enterprise services, technology services and communications companies, and that First Global holds substantial positions in such companies. However, we were not given any evidence regarding First Global's holdings or positions in any such companies. In addition, the evidence adduced during the hearing demonstrated that First Global's website contained numerous false or misleading statements that were copied from other websites.

[178] All three Respondents made misrepresentations. No evidence was presented by any of the Respondents at the Hearing to refute the testimony of the Investors and the investigators. Grossman and Shuman did not testify on their own behalf and First Global did not appear at the hearing. As a result, we find that the testimony tendered by Staff's witnesses is credible, consistent with other witnesses and cogent, and should be accepted.

[179] The Commission has previously established that making misleading statements to investors is contrary to the public interest and egregious conduct:

> What concerned us most about Mr. Koonar's conduct was not just the fact that he failed to register as a registrant or that he issued securities without a prospectus, but that *some of his statements to investors were untrue, some of the statements he made to staff were untrue; those parts of his conduct, we believe, show bad ethics and morality*, as opposed to ignorance of the law. For these reasons also *we consider his conduct to be an egregious violation of the public interest.* [Emphasis added.] (*Re Koonar* (2002), 25 O.S.C.B. 2691 ("*Koonar*") at p. 4)

[180] We find that the misrepresentations made by the Respondents are corroborated by the Agreed Statement of Facts and the testimony of the Investors, investigators and other witnesses, and that they fall into the category of misleading statements as described in the *Koonar* case. As a result, we find that all three Respondents made misrepresentations contrary to the public interest.

[181] We find that these misrepresentations are contrary to the public interest because they misled investors with inaccurate and false information. First Global investors were provided inaccurate, false and misleading information, and consequently, these investors invested in First Global, lost money and suffered a prejudice.

5. Conclusion on Public Interest

[182] The efficient functioning of the capital markets relies on investors making informed choices based on accurate information. Indeed, this is also one of the purposes of the Act pursuant to section 1.1, "to foster fair and efficient capital markets and confidence in capital markets." When investors base their choices on false and/or misleading information this harms the capital markets because investors can lose money and the public will lose confidence in the proper functioning of the capital markets. Transparency and efficiency in the markets is diminished when inaccurate information is disseminated in the market place. In this case numerous misrepresentations were made by the Respondents as part of a plan to entice individuals to invest in First Global. We find that the combination of these misrepresentations, misleading information published on First Global's website and the disregard of Commission Orders amounts to egregious conduct on behalf of the Respondents.

[183] The evidence further demonstrates that: (1) the Respondents traded in securities while not being properly registered with the Commission contrary to subsection 25(1) of the Act; (2) the Respondents violated subsection 53(1) of the Act; (3) the Respondents failed to comply with numerous Commission orders; and (4) the Respondents used high pressure sales tactics when selling First Global shares to the public.

[184] We find that the Respondents engaged in conduct contrary to the public interest and harmful to Ontario's capital markets.

VII. Conclusion

[185] In conclusion, we have made the following findings regarding Staff's allegations:

- We find that First Global, Shuman and Grossman engaged in acts in furtherance of a trade relating to First Global, and therefore traded in First Global shares, contrary to subsection 25(1) and contrary to the public interest;
- We find that the conduct of First Global, Shuman and Grossman violated subsection 53(1) of the Act and was contrary to the public interest;
- We find that Grossman's acts in furtherance of trades of First Global shares, violated the terms of the Maitland Cease Trade Order, which ordered Grossman to cease trading in all securities;
- We find that First Global's conduct breached the Commission order of May 29, 2006;
- We find that there is insufficient evidence to establish that Shuman's conduct breached the Commission orders of May, 29, 2006 and June 28, 2006;
- We find that Shuman, Grossman and First Global (through its employees and representatives), used high-pressure sales tactics when selling First Global shares to the public, contrary to the public interest;
- We find that First Global failed to comply with the Commission order dated September 12, 2006, because it did not post this order on First Global's website; and
- We find that the conduct of First Global, Shuman and Grossman was harmful to the integrity of Ontario's capital markets and contrary to the public interest.

[186] As a result of this Decision, the parties are directed to contact the Secretary's Office within the next 10 days in order to set time limits for the filing of written submissions on sanctions and to set a date for a hearing relevant to the matter of sanctions, failing which, a date will be set by the Office of the Secretary of the Commission.

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

"Wendell S. Wigle"

"Suresh Thakrar"

"Margot C. Howard"

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
Delta Systems, Inc.	18 Dec 07	28 Dec 07		
Cimatec Environmental Engineering Inc.	04 Dec 07	14 Dec 07	14 Dec 07	

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Peace Arch Entertainment Group Inc.	13 Dec 07	24 Dec 07			

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
AldeaVision Solutions Inc.	03 May 07	16 May 07	16 May 07		
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
Constellation Copper Corporation	15 Nov 07	28 Nov 07	28 Nov 07		
CoolBrands International Inc.	30 Nov 06	13 Dec 06	13 Dec 06		
Fareport Capital Inc.	13 Jul 07	26 Jul 07	26 Jul 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		
VVC Exploration Corporation	04 Jun 07	15 Jun 07	15 Jun 07		
Rainmaker Income Fund	30 Nov 07	13 Dec 07		15 Dec 07	

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Chapter 5

Rules and Policies

5.1.1. Amendments to NI 51-102 Continuous Disclosure Obligations and Related Amendments

AMENDMENTS TO
NATIONAL INSTRUMENT 51-102 *CONTINUOUS DISCLOSURE OBLIGATIONS*

1. National Instrument 51-102 *Continuous Disclosure Obligation*s is amended by this Instrument.

2. Subsection 1.1(1) is amended by,

a. in the definition of "approved rating organization", striking out "Dominion Bond Rating Service Limited**" and substituting "**DBRS Limited**".**

b. repealing the definition of "investment fund",

c. repealing the definition of "non-redeemable investment fund",

d. in the the definition of "venture issuer", striking out "the market known as OFEX**" and substituting "**the PLUS markets operated by PLUS Markets Group plc**".**

3. Subparagraph 4.10(2)(a)(ii) is repealed and the following substituted:

(ii) if the reporting issuer did not file a document referred to in subparagraph (i), or the document does not include the financial statements for the reverse takeover acquirer that would be required to be included in a prospectus, the financial statements prescribed under securities legislation and described in the form of prospectus that the reverse takeover acquirer was eligible to use prior to the reverse takeover for a distribution of securities in the jurisdiction;

4. This amendment comes into force December 31, 2007.

AMENDMENTS TO
FORM 51-102F2 *ANNUAL INFORMATION FORM*

1. Form 51-102F2 *Annual Information Form* is amended by this Instrument.

2. Form 51-102F2 is amended by,

a. repealing subsection 10.2(1) and substituting the following:

(1) If a director or executive officer of your company is, as at the date of the AIF, or was within 10 years before the date of the AIF, a director, chief executive officer or chief financial officer of any company (including your company), that:

(a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or

(b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,

state the fact and describe the basis on which the order was made and whether the order is still in effect.

(1.1) For the purposes of subsection (1), "order" means

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

(1.2) If a director or executive officer of your company, or a shareholder holding a sufficient number of securities of your company to affect materially the control of your company

(a) is, as at the date of the AIF, or has been within the 10 years before the date of the AIF, a director or executive officer of any company (including your company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact; or

(b) has, within the 10 years before the date of the AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder, state the fact.

b. in Instruction (i) after subsection 10.2(3), adding ", (1.2)**" after "**subsections (1)**", wherever it appears,**

c. repealing Instruction (ii) after subsection 10.2(3) and substituting the following:

(ii) A management cease trade order which applies to directors or executive officers of a company is an "order" for the purposes of paragraph 10.2(1)(a) and must be disclosed, whether or not the director, chief executive officer or chief financial officer was named in the order.

d. adding the following as Instruction (iv) after subsection 10.2(3):

(iv) The disclosure in paragraph 10.2(1)(a) only applies if the director or executive officer was a director, chief executive officer or chief financial officer when the order was issued against the company. You do not have to provide disclosure if the director or executive officer became a director, chief executive officer or chief financial officer after the order was issued.

e. repealing section 18.1 and substituting the following:

18.1 Additional Disclosure

For companies that are not required to send a Form 51-102F5 to any of their securityholders, disclose the information required under Items 6 to 10, 12 and 13 of Form 51-102F5, as modified below, if applicable:

Form 51-102F5 Reference	Modification
Item 6 - Voting Securities and Principal Holders of Voting Securities	Include the disclosure specified in section 6.1 without regard to the phrase "entitled to be voted at the meeting". Do not include the disclosure specified in sections 6.2, 6.3 and 6.4. Include the disclosure specified in section 6.5.
Item 7 – Election of Directors	Disregard the preamble of section 7.1. Include the disclosure specified in section 7.1 without regard to the word "proposed" throughout. Do not include the disclosure specified in section 7.3.
Item 8 – Executive Compensation	Disregard the preamble and paragraphs (a), (b) and (c) of Item 8. A company that does not send a management information circular to its securityholders must provide the disclosure required by Form 51-102F6.
Item 9 – Securities Authorized for Issuance under Equity Compensation Plans	Disregard subsection 9.1(1).
Item 10 – Indebtedness of Directors and Executive Officers	Include the disclosure specified throughout; however, replace the phrase "date of the information circular" with "date of the AIF" throughout. Disregard paragraph 10.3(a).
Item 12 – Appointment of Auditor	Name the auditor. If the auditor was first appointed within the last five years, state the date when the auditor was first appointed."

3. This amendment comes into force December 31, 2007.

AMENDMENTS TO
FORM 51-102F5 *INFORMATION CIRCULAR*

1 Form 51-102F5 *Information Circular* is amended by this Instrument.

2. Form 51-102F5 is amended by,

a. repealing section 7.2 and substituting the following:

7.2 If a proposed director

(a) is, as at the date of the information circular, or has been, within 10 years before the date of the information circular, a director, chief executive officer or chief financial officer of any company (including the company in respect of which the information circular is being prepared) that,

(i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,

state the fact and describe the basis on which the order was made and whether the order is still in effect; or

(b) is, as at the date of the information circular, or has been within 10 years before the date of the information circular, a director or executive officer of any company (including the company in respect of which the information circular is being prepared) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact; or

(c) has, within the 10 years before the date of the information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director, state the fact.

b. repealing Instruction (ii) after section 7.2.2 and substituting the following:

(ii) A management cease trade order which applies to directors or executive officers of a company is an "order" for the purposes of paragraph 7.2(a)(i) and must be disclosed, whether or not the proposed director was named in the order.

c. adding the following as Instruction (iv) after section 7.2.2:

(iv) The disclosure in paragraph 7.2(a)(i) only applies if the proposed director was a director, chief executive officer or chief financial officer when the order was issued against the company. You do not have to provide disclosure if the proposed director became a director, chief executive officer or chief financial officer after the order was issued.

d. adding the following as section 7.2.3:

7.2.3 For the purposes of subsection 7.2(a), "order" means

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

e. repealing the last paragraph of section 14.2 and substituting the following:

The disclosure must be the disclosure (including financial statements) prescribed under securities legislation and described in the form of prospectus that the entity would be eligible to use immediately prior to the sending and filing of the information circular in respect of the significant acquisition or restructuring transaction, for a distribution of securities in the jurisdiction.

3. This amendment comes into force December 31, 2007.

AMENDMENTS TO
COMPANION POLICY 51-102CP *CONTINUOUS DISCLOSURE OBLIGATIONS*

1. Companion Policy 51-102CP *Continuous Disclosure Obligations* is amended by,

a. adding the following after subsection 1.4(3):

Similarly, the terms chief executive officer and chief financial officer should be read to include the individuals who have the responsibilities normally associated with these positions or act in a similar capacity. This determination should be made irrespective of an individual's corporate title or whether that individual is employed directly or acts pursuant to an agreement or understanding.

b. adding the following after section 9.1:

9.2 Prospectus-level Disclosure in Certain Information Circulars

Section 14.2 of Form 51-102F5 *Information Circular* requires an issuer to provide prospectus-level disclosure about certain entities if securityholder approval is required in respect of a significant acquisition under which securities of the acquired business are being exchanged for the issuer's securities or in respect of a restructuring transaction under which securities are to be changed, exchanged, issued or distributed.

Section 14.2 provides that the disclosure must be the disclosure (including financial statements) prescribed by the form of prospectus that the entity would be eligible to use immediately prior to the sending and filing of the information circular in respect of the significant acquisition or restructuring transaction, for a distribution of securities in the jurisdiction.

For example, if disclosure was required in an information circular of Company A for both Company A (an issuer that was only eligible to file a long form prospectus) and Company B (an issuer that was eligible to file a short form prospectus), the disclosure for Company A would be that required by the long form prospectus rules and the disclosure for Company B would be that required by the short form prospectus rules. Any information incorporated by reference in the information circular of Company A would have to comply with paragraph (c) of Part 1 of Form 51-102F5 and be filed under Company A's profile on SEDAR.

2. This amendment comes into force December 31, 2007.

CONSEQUENTIAL AMENDMENTS TO
NATIONAL INSTRUMENT 52-107 *ACCEPTABLE ACCOUNTING PRINCIPLES, AUDITING STANDARDS AND REPORTING CURRENCY*

1. National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* is amended by this Instrument.

2. National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* is amended in section 1.1 by repealing the definition of "investment fund".

3. This amendment comes into force December 31, 2007.

CONSEQUENTIAL AMENDMENTS TO
MULTILATERAL INSTRUMENT 52-109 *CERTIFICATION OF DISCLOSURE IN ISSUERS' ANNUAL AND INTERIM FILINGS*

1. Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* is amended by this Instrument.

2. Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* is amended in section 1.1 by repealing the definition of "investment fund".

3. This amendment comes into force December 31, 2007.

CONSEQUENTIAL AND OTHER AMENDMENTS TO
MULTILATERAL INSTRUMENT 52-110 *AUDIT COMMITTEES*

1. Multilateral Instrument 52-110 *Audit Committees* is amended by this Instrument.

2. Multilateral Instrument 52-110 *Audit Committees* is amended:

(a) in section 1.1 by,

(i) repealing the definition of "AIF" and substituting the following:

"AIF" has the meaning ascribed to it in NI 51-102;

(ii) repealing the definition of "asset-backed security" and substituting the following:

"asset-backed security" has the meaning ascribed to it in NI 51-102;

(iii) repealing the definition of "credit support issuer" and substituting the following:

"credit support issuer" has the meaning ascribed to it in section 13.4 of NI 51-102;

(iv) repealing the definition of "exchangeable security issuer" and substituting the following:

"exchangeable security issuer" has the meaning ascribed to it in section 13.3 of NI 51-102;

(v) repealing the definition of "investment fund",

(vi) repealing the definition of "National Instrument 51-102",

(vii) adding the following definition of "NI 51-102":

"NI 51-102" means National Instrument 51-102 *Continuous Disclosure Obligations*;

(viii) repealing the definition of "venture issuer" and substituting the following:

"venture issuer" means an issuer that, at the end of its most recently completed financial year, did not have any of its securities listed or quoted on any of the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

(b) in section 1.2 by striking out "National Instrument 51-102**" and substituting "**NI 51-102**" wherever it appears.**

3. This amendment comes into force December 31, 2007.

CONSEQUENTIAL AND OTHER AMENDMENTS TO
NATIONAL INSTRUMENT 58-101 *DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES*

1. National Instrument 58-101 *Disclosure of Corporate Governance Practices* is amended by this Instrument.

2. National Instrument 58-101 *Disclosure of Corporate Governance Practices* is amended:

(a) in section 1.1 by,

(i) repealing the definition of "AIF" and substituting the following:

"AIF" has the same meaning as in NI 51-102;

(ii) adding the following definition of "asset-backed security":

"asset-backed security" has the same meaning as in NI 51-102;

(iii) repealing the definition of "executive officer" and substituting the following:

"executive officer" has the same meaning as in NI 51-102;

(iv) repealing the definition of "MD&A" and substituting the following:

"MD&A" has the same meaning as in NI 51-102;

(v) adding the following definition of "NI 51-102":

"NI 51-102" means National Instrument 51-102 *Continuous Disclosure Obligations*;

(vi) repealing the definition of "venture issuer" and substituting the following:

"venture issuer" means a reporting issuer that, at the end of its most recently completed financial year, did not have any of its securities listed or quoted on any of the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc.

(b) in section 1.3 by striking out "National Instrument 51-102**" and substituting "**NI 51-102**" wherever it appears.**

3. This amendment comes into force December 31, 2007.

CONSEQUENTIAL AMENDMENTS TO
NATIONAL INSTRUMENT 71-102 *CONTINUOUS DISCLOSURE*
AND OTHER EXEMPTIONS RELATING TO FOREIGN ISSUERS

1. National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* is amended by this Instrument.

2. National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* is amended in section 1.1 by repealing the definition of "investment fund".

3. This amendment comes into force December 31, 2007.

AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 51-801
IMPLEMENTING NATIONAL INSTRUMENT 51-102 CONTINUOUS DISCLOSURE OBLIGATIONS

1. **Ontario Securities Commission Rule 51-801 *Implementing National Instrument 51-102 Continuous Disclosure Obligations* is amended by this Instrument.**

2. **Section 3.13 is amended by striking "**subsection 9.1(3)**" and substituting "**subsection 9.1(2)**".**

3. **This amendment comes into force December 31, 2007.**

AMENDMENTS TO
FORM 41-501F1 *INFORMATION REQUIRED IN A PROSPECTUS* UNDER
ONTARIO SECURITIES COMMISSION RULE 41-501 *GENERAL PROSPECTUS REQUIREMENTS*

1. Form 41-501F1 *Information Required in a Prospectus* of Ontario Securities Commission Rule 41-501 *General Prospectus Requirements* is amended by this Instrument.

2. Form 41-501F1 is amended by repealing Item 16.2 and substituting the following:

16.2 Corporate Cease Trade Orders or Bankruptcies

(1) If a director or officer of the issuer

(a) is, or within 10 years before the date of the prospectus or *pro forma* prospectus, as applicable, has been, a director, chief executive officer or chief financial officer of any other issuer that,

(i) was subject to an order that was issued while the director or officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(ii) was subject to an order that was issued after the director or officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,

state the fact and describe the basis on which the order was made and whether the order is still in effect; or

(b) is, or has been within 10 years before the date of the prospectus or *pro forma* prospectus, as applicable, a director or executive officer of any issuer that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.

(2) For the purposes of paragraph 16.2(1)(a), "order" means

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

INSTRUCTION

(1) The disclosure in subparagraph 16.2(1)(a)(i) only applies if the director or officer was a director, chief executive officer or chief financial officer when the order was issued against the issuer. You do not have to provide disclosure if the director or officer became a director, chief executive officer or chief financial officer after the order was issued.

(2) A management cease trade order which applies to directors or officers of an issuer is an "order" for the purposes of subparagraph 16.2(1)(a)(i) and must be disclosed, whether or not the director, chief executive officer or chief financial officer was named in the order.

3. This amendment comes into force December 31, 2007.

5.1.2 Revocation of NP 48 Future-Oriented Financial Information and Amendments to NI 51-102 Continuous Disclosure Obligations and Related Consequential Amendments

REVOCATION OF
NATIONAL POLICY 48 *FUTURE-ORIENTED FINANCIAL INFORMATION*

National Policy 48 *Future-Oriented Financial Information* is revoked, effective December 31, 2007.

AMENDMENTS TO
NATIONAL INSTRUMENT 51-102 *CONTINUOUS DISCLOSURE OBLIGATIONS*

1. National Instrument 51-102 Continuous Disclosure Obligations is amended by this Instrument.

2. National Instrument 51-102 Continuous Disclosure Obligations is amended by adding the following definition to subsection 1.1(1) after the definition of "executive officer",

"financial outlook" means forward-looking information about prospective results of operations, financial position or cash flows that is based on assumptions about future economic conditions and courses of action and that is not presented in the format of a historical balance sheet, income statement or cash flow statement;

"FOFI", or "future-oriented financial information", means forward-looking information about prospective results of operations, financial position or cash flows, based on assumptions about future economic conditions and courses of action, and presented in the format of a historical balance sheet, income statement or cash flow statement.

3. The following new Part 4A is added after section 4.11,

PART 4A – FORWARD-LOOKING INFORMATION

4A.1 **Application**

This Part applies to forward-looking information that is disclosed by a reporting issuer other than forward-looking information contained in oral statements.

4A.2 **Reasonable Basis**

A reporting issuer must not disclose forward-looking information unless the issuer has a reasonable basis for the forward-looking information.

4A.3 **Disclosure**

A reporting issuer that discloses material forward-looking information must include disclosure that

(a) identifies forward-looking information as such;

(b) cautions users of forward-looking information that actual results may vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information;

(c) states the material factors or assumptions used to develop forward-looking information; and

(d) describes the reporting issuer's policy for updating forward-looking information if it includes procedures in addition to those described in subsection 5.8(2).

PART 4B – FOFI AND FINANCIAL OUTLOOKS

4B.1 **Application**

(1) Subject to subsection (2), this Part applies to FOFI or a financial outlook that is disclosed by a reporting issuer.

(2) This Part does not apply to disclosure that is

(a) subject to requirements in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* or National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;

(b) made to comply with the conditions of any exemption from the requirements referred to in paragraph (a) that a reporting issuer received from a regulator or securities regulatory authority unless the regulator or securities regulatory authority orders that this Part applies to disclosure made under the exemption; or

(c) contained in an oral statement.

4B.2 **Assumptions**

(1) A reporting issuer must not disclose FOFI or a financial outlook unless the FOFI or financial outlook is based on assumptions that are reasonable in the circumstances.

(2) FOFI or a financial outlook that is based on assumptions that are reasonable in the circumstances must, without limitation,

(a) be limited to a period for which the information in the FOFI or financial outlook can be reasonably estimated; and

(b) use the accounting policies the reporting issuer expects to use to prepare its historical financial statements for the period covered by the FOFI or the financial outlook.

4B.3 **Disclosure**

In addition to the disclosure required by section 4A.3, if a reporting issuer discloses FOFI or a financial outlook, the issuer must include disclosure that

(a) states the date management approved the FOFI or financial outlook, if the document containing the FOFI or financial outlook is undated; and

(b) explains the purpose of the FOFI or financial outlook and cautions readers that the information may not be appropriate for other purposes.

4. Part 5 is amended by adding the following after section 5.7,

5.8 **Disclosure Relating to Previously Disclosed Material Forward-Looking Information**

(1) **Application** – This section applies to material forward-looking information that is disclosed by a reporting issuer other than

(a) forward-looking information contained in an oral statement; or

(b) disclosure that is

(i) subject to the requirements in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* or National Instrument 43-101 *Standards of Disclosure for Mineral Projects*; or

(ii) made to comply with the conditions of any exemption from the requirements referred to in subparagraph (i) that a reporting issuer received from a regulator or securities regulatory authority unless the regulator or securities regulatory authority orders that this Part applies to disclosure made under the exemption.

(2) **Update** – A reporting issuer must discuss in its MD&A, or MD&A supplement if one is required under section 5.2,

(a) events and circumstances that occurred during the period to which the MD&A relates that are reasonably likely to cause actual results to differ materially from material forward-looking information for a period that is not yet complete that the reporting issuer previously disclosed to the public; and

(b) the expected differences referred to in paragraph (a).

(3) **Exemption** – Subsection (2) does not apply if the reporting issuer

(a) includes the information required by subsection (2) in a news release issued and filed by the reporting issuer before the filing of the MD&A or MD&A supplement referred to in subsection (2); and

(b) includes disclosure in the MD&A or MD&A supplement referred to in subsection (2) that

(i) identifies the news release referred to in paragraph (a);

(ii) states the date of the news release; and

(iii) states that the news release is available on www.sedar.com.

(4) **Comparison to Actual** – A reporting issuer must disclose and discuss in its MD&A, or MD&A supplement if one is required under section 5.2, material differences between

(a) actual results for the annual or interim period to which the MD&A relates; and

(b) any FOFI or financial outlook for the period referred to in paragraph (a) that the reporting issuer previously disclosed.

(5) **Withdrawal** – If during the period to which its MD&A relates, a reporting issuer decides to withdraw previously disclosed material forward-looking information,

(a) the reporting issuer must, in its MD&A or MD&A supplement if one is required under section 5.2, disclose the decision and discuss the events and circumstances that led the reporting issuer to that decision, including a discussion of the assumptions underlying the forward-looking information that are no longer valid; and

(b) subsection (4) does not apply to the reporting issuer with respect to the MD&A or MD&A supplement

(i) if the reporting issuer complies with paragraph (a); and

(ii) the MD&A or MD&A supplement is filed before the end of the period covered by the forward-looking information.

(6) **Exemption** – Paragraph 5(a) does not apply if the reporting issuer

(a) includes the information required by paragraph (5)(a) in a news release issued and filed by the reporting issuer before the filing of the MD&A or MD&A supplement referred to in subsection (5); and

(b) includes disclosure in the MD&A or MD&A supplement referred to in subsection (5) that

(i) identifies the news release referred to in paragraph (a);

(ii) states the date of the news release; and

(iii) states that the news release is available on www.sedar.com.

5. These amendments come into force on December 31, 2007.

AMENDMENTS TO
FORM 51-102F1 *MANAGEMENT'S DISCUSSION AND ANALYSIS*

1. Form 51-102F1 Management's Discussion and Analysis is amended by this Instrument.

2. Part 1 – General Provisions is amended by,

(a) repealing paragraph (g); and

(b) renaming paragraphs (h) to (p) as paragraphs (g) to (o).

3. These amendments come into force on December 31, 2007.

AMENDMENTS TO
COMPANION POLICY 51-102CP *CONTINUOUS DISCLOSURE OBLIGATIONS*

1. Companion Policy 51-102CP Continuous Disclosure Obligations is amended by this Instrument.

2. Companion Policy 51-102CP Continuous Disclosure Obligations is amended by adding the following after section 4.2,

PART 4A – FORWARD-LOOKING INFORMATION

4A.1 **Application**

Section 4A.1 of the Instrument indicates that Part 4A applies to forward-looking information that is disclosed by a reporting issuer other than forward-looking information contained in oral statements. Reporting issuers should consider broadly the various instances of forward-looking information made available to the public in considering the scope of forward-looking information that is disclosed. This includes, but is not limited to:

- Information that a reporting issuer files with securities regulators
- Information contained in news releases issued by a reporting issuer
- Information published on a reporting issuer's website
- Information published in marketing materials or other similar materials prepared by a reporting issuer or distributed to the public by a reporting issuer.

4A.2 **Reasonable Basis**

Section 4A.2 of the Instrument requires a reporting issuer to have a reasonable basis for any forward-looking information it discloses. When interpreting "reasonable basis", reporting issuers should consider:

(a) the reasonableness of the assumptions underlying the forward-looking information; and

(b) the process followed in preparing and reviewing forward-looking information.

4A.3 **Material Forward-Looking Information**

Section 4A.3 and section 5.8 of the Instrument require a reporting issuer to include specified disclosure in material forward-looking information it discloses. Reporting issuers should exercise judgement when determining whether information is material. If a reasonable investor's decision whether or not to buy, sell or hold securities of the reporting issuer would be influenced or changed if the information were omitted or misstated, then the information is likely material. This concept of materiality is consistent with the one contained in the Handbook.

Section 1.1 contains definitions of the terms "financial outlook" and "FOFI." We consider FOFI and most financial outlooks to be material forward-looking information. Examples of financial outlooks include expected revenues, net income, earnings per share and R&D spending. A financial outlook relating to earnings is commonly referred to as "earnings guidance."

An example of forward-looking information that is not a financial outlook or FOFI would be an estimate of future store openings by an issuer in the retail industry. This type of information may or may not be material, depending on whether a reasonable investor's decision whether or not to buy, sell or hold securities of that issuer would be influenced or changed if the information were omitted or misstated.

4A.4 **Location of Disclosure**

Section 4A.3 of the Instrument requires that any material forward-looking information include specified disclosure. This disclosure should be presented in a manner that allows an investor who reads the document or other material containing the forward-looking information to be able to readily:

(a) understand that the forward-looking information is being provided in the document or other material;

(b) identify the forward-looking information; and

(c) inform himself or herself of the material assumptions underlying the forward-looking information and the material risk factors associated with the forward-looking information.

4A.5 **Disclosure of Cautionary Language and Material Risk Factors**

(1) Paragraph 4A.3(b) of the Instrument requires a reporting issuer to accompany any material forward-looking information with disclosure that cautions users that actual results may vary from the forward-looking information and identifies material risk factors that could cause material variation. The material risk factors identified in the cautionary language should be relevant to the forward-looking information and the disclosure should not be boilerplate in nature.

(2) The cautionary statements required by paragraph 4A.3(b) of the Instrument should identify significant and reasonably foreseeable factors that could reasonably be expected to cause results to differ materially from those projected in the material forward-looking statement. Reporting issuers should not interpret this as requiring a reporting issuer to anticipate and discuss everything that could conceivably cause results to differ.

4A.6 **Disclosure of Material Factors or Assumptions**

Paragraph 4A.3(c) of the Instrument requires a reporting issuer to disclose the material factors or assumptions used to develop material forward-looking information. The factors or assumptions should be relevant to the forward-looking information. Disclosure of material factors or assumptions does not require an exhaustive statement of every factor or assumption applied – a materiality standard applies.

4A.7 **Date of Assumptions**

Management of a reporting issuer that discloses material forward-looking information should satisfy itself that the assumptions are appropriate as of the date management discloses the material forward-looking information even though the material forward-looking information may have been prepared at an earlier time, and may be based on information accumulated over a period of time.

4A.8 **Time Period**

Paragraph 4B.2(2)(a) of the Instrument requires a reporting issuer to limit the period covered by FOFI or a financial outlook to a period for which the information can be reasonably estimated. In many cases that time period will not go beyond the end of the reporting issuer's next fiscal year. Some of the factors a reporting issuer should consider include the reporting issuer's ability to make appropriate assumptions, the nature of the reporting issuer's industry, and the reporting issuer's operating cycle.

4A.9 **FOFI**

Section 4250 *Future-Oriented Financial Information* (Section 4250) of the CICA Handbook is relevant to reporting issuers who disclose FOFI. If a reporting issuer determines that it has a reasonable basis for FOFI prepared using one or more hypotheses, as that term is defined in CICA Handbook Section 4250, the hypotheses should be consistent with the courses of action that the reporting issuer intends to adopt.

3. Part 5 is amended by adding the following after section 5.4:

5.5 **Previously disclosed material forward-looking information**

(1) Subsection 5.8(2) of the Instrument requires a reporting issuer to discuss certain events and circumstances that occurred during the period to which its MD&A relates. The events to be discussed are those that are reasonably likely to cause actual results to differ materially from material forward-looking information for a period that is not yet complete. This discussion is only required if the reporting issuer previously disclosed the forward-looking information to the public. Subsection 5.8(2) also requires a reporting issuer to discuss the expected differences.

For example, assume that a reporting issuer published FOFI for the current year assuming no change in the prime interest rate, but by the end of the second quarter the prime interest rate went up by 2%. In its MD&A for the second quarter, the reporting issuer should discuss the interest rate increase and its expected effect on results compared to those indicated in the FOFI.

A reporting issuer should consider whether the events and circumstances that trigger MD&A or MD&A supplement disclosure under subsection 5.8(2) of the Instrument might also trigger material change reporting requirements under Part 7 of the Instrument.

(2) Subsection 5.8(4) of the Instrument requires a reporting issuer to disclose and discuss material differences between actual results for the annual or interim period to which its MD&A or MD&A supplement relates and any FOFI or financial outlook for that period that the reporting issuer previously disclosed to the public. A reporting issuer should disclose and discuss material differences for material individual items included in the FOFI or financial outlook, including assumptions.

For example, if the actual dollar amount of revenue approximates forecasted revenue but the sales mix or sales volume differs materially from what the reporting issuer expected, the reporting issuer should explain the differences.

(3) Subsection 5.8(5) of the Instrument addresses a reporting issuer's decision to withdraw previously disclosed material forward-looking information. The subsection requires the reporting issuer to disclose that decision and discuss the events and circumstances that led the reporting issuer to the decision to withdraw the material forward-looking information, including a discussion of the assumptions included in the material forward-looking information that are no longer valid. A reporting issuer should consider whether the events and circumstances that trigger MD&A or MD&A supplement disclosure under subsection 5.8(5) of the Instrument might also trigger material change reporting requirements under Part 7 of the Instrument. We encourage all reporting issuers to promptly communicate to the market a decision to withdraw material forward-looking information, even if the material change reporting requirements are not triggered.

4. These amendments come into force on December 31, 2007.

AMENDMENTS TO
FORM 44-101F1 *SHORT FORM PROSPECTUS DISTRIBUTIONS*

AND

COMPANION POLICY 44-101 CP TO
NATIONAL INSTRUMENT 44-101 *SHORT FORM PROSPECTUS DISTRIBUTIONS*

Amendments to Form 44-101F1 *Short Form Prospectus* of National Instrument 44-101 *Short Form Prospectus Distributions*

1. This Instrument amends Form 44-101F1 Short Form Prospectus.

2. Form 44-101F1 Short Form Prospectus is amended by adding the following after paragraph (12) under the heading "Instructions":

(13) Forward-looking information included in a short form prospectus must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook, each as defined in NI 51-102, included in a short form prospectus must comply with Part 4B of NI 51-102. If the forward-looking information relates to an issuer or other entity that is not a reporting issuer, section 4A.2, section 4A.3 and Part 4B of NI 51-102 apply as if the issuer or other entity were a reporting issuer.

3. This amendment comes into force on December 31, 2007.

Amendments to Companion Policy 44-101CP to National Instrument 44-101 *Short Form Prospectus Distributions*

1. This Instrument amends Companion Policy 44-101CP to National Instrument 44-101 Short Form Prospectus Distributions.

2. Companion Policy 44-101CP to National Instrument 44-101 Short Form Prospectus Distributions is amended by adding the following after section 4.13:

4.14 **Previously Disclosed Material Forward-Looking Information** – If an issuer, at the time it files a short form prospectus,

1. has previously disclosed to the public material forward-looking information for a period that is not yet complete;

2. is aware of events and circumstances that are reasonably likely to cause actual results to differ materially from the material forward-looking information; and

3. has not filed an MD&A or MD&A supplement with the securities regulatory authorities that discusses those events and circumstances and expected differences from the material forward-looking information, as required by section 5.8 of NI 51-102,

the issuer should discuss those events and circumstances, and the expected differences from the material forward-looking information, in the short form prospectus.

3. These amendments come into force on December 21, 2007.

AMENDMENTS TO
FORM 45-101F *INFORMATION REQUIRED IN A RIGHTS OFFERING CIRCULAR*

1. This Instrument amends Form 45-101F Information Required in a Rights Offering Circular.

2. Form 45-101F Information Required in a Rights Offering Circular is amended by adding the following after item 16.1:

Item 17 – Forward-Looking Information

17.1 – Forward-Looking Information

Forward-looking information included in a rights offering circular must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook, each as defined in NI 51-102, included in a rights offering circular must comply with Part 4B of NI 51-102. If the forward-looking information relates to an issuer or other entity that is not a reporting issuer, section 4A.2, section 4A.3 and Part 4B of NI 51-102 apply as if the issuer or other entity were a reporting issuer.

3. This amendment comes into force on December 31, 2007.

AMENDMENTS TO
FORM 45-106F2 *OFFERING MEMORANDUM FOR NON-QUALIFYING ISSUERS*

AND

FORM 45-106F3 *OFFERING MEMORANDUM FOR QUALIFYING ISSUERS*

Amendments to Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers* of National Instrument 45-106 *Prospectus and Registration Exemptions*

1. This Instrument amends Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers.

2. Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers is amended by,

(a) adding the following after item A.10 under the heading "Instructions for Completing Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers":

11. During the course of a distribution of securities, any material forward-looking information disseminated must only be that which is set out in the offering memorandum. If an extract of FOFI, as defined in National Instrument 51-102 Continuous Disclosure Obligations, is disseminated, the extract or summary must be reasonable and balanced and have a cautionary note in boldface stating that the information presented is not complete and that complete FOFI is included in the offering memorandum.**, and**

(b) striking out "Refer to National Policy 48 *Future Oriented Financial Information* if future oriented financial information is included in the offering memorandum.***" in item B.12 under the heading "Instructions for Completing Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers" and substituting "***Forward-looking information included in an offering memorandum must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook, each as defined in NI 51-102, included in an offering memorandum must comply with Part 4B of NI 51-102. For an issuer that is not a reporting issuer, references to a "reporting issuer" in section 4A.2, section 4A.3 and Part 4B of NI 51-102 should be read as references to an "issuer." Additional guidance may be found in the companion policy to NI 51-102.***"***

3. These amendments come into force on December 31, 2007.

Amendments to Form 45-106F3 *Offering Memorandum for Qualifying Issuers* of National Instrument 45-106 *Prospectus and Registration Exemptions*

1. This Instrument amends Form 45-106F3 Offering Memorandum for Qualifying Issuers.

2. Form 45-106F3 Offering Memorandum for Qualifying Issuers is amended by,

(a) adding the following after item A.11 under the heading "Instructions for Completing Form 45-106F3 Offering Memorandum for Qualifying Issuers"

12. During the course of a distribution of securities, any material forward-looking information disseminated must only be that which is set out in the offering memorandum. If an extract of FOFI, as defined in National Instrument 51-102 *Continuous Disclosure Obligations*, is disseminated, the extract or summary must be reasonable and balanced and must have a cautionary note in boldface stating that the information presented is not complete and that complete FOFI is included in the offering memorandum.**, and**

(b) striking out "Refer to National Policy 48 *Future Oriented Financial Information* if future oriented financial information is included in the offering memorandum.***" in item B.2 under the heading "Instructions for Completing Form 45-106F3 Offering Memorandum for Qualifying Issuers" and substituting "***Forward-looking information included in an offering memorandum must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook, each as defined in NI 51-102, included in an offering memorandum must comply with Part 4B of NI 51-102. Additional guidance may be found in the companion policy to NI 51-102.***"***

3. These amendments come into force on December 31, 2007.

AMENDMENTS TO
NATIONAL POLICY 41-201 *INCOME TRUSTS AND OTHER INDIRECT OFFERINGS*

1. This Instrument amends National Policy 41-201 Income Trusts and Other Indirect Offerings.

2. National Policy 41-201 Income Trusts and Other Indirect Offerings is amended by adding the following as the last sentence of the first paragraph of section 2.8:

Although securities legislation does not prohibit the use of projections, as defined in CICA Handbook section 4250, we believe that a S. 4250 forecast is more appropriate in these circumstances.

3. This amendment comes into force on December 31, 2007.

AMENDMENTS TO
NATIONAL POLICY 51-201 *DISCLOSURE STANDARDS*

1. This Instrument amends National Policy 51-201 Disclosure Standards.

2. National Policy 51-201 Disclosure Standards is amended by

(a) repealing sections 5.5 and 5.6;

(b) renumbering section 5.7 as section 5.5;

(c) striking out "earnings guidance***" in subsection 6.4(1) and replacing it with "***financial outlooks and FOFI, as defined in National Instrument 51-102 – Continuous Disclosure Obligations***";***

(d) repealing section 6.9; and

(e) renumbering sections 6.10 to 6.14 as sections 6.9 to 6.13.

3. These amendments come into force on December 31, 2007.

AMENDMENT TO
COMPANION POLICY 41-501CP TO
ONTARIO SECURITIES COMMISSION RULE 41-501
GENERAL PROSPECTUS REQUIREMENTS

1. This Instrument amends Companion Policy 41-501CP to Ontario Securities Commission Rule 41-501 General Prospectus Requirements.

2. Companion Policy 41-501CP to Ontario Securities Commission Rule 41-501 General Prospectus Requirements is amended by adding the following after section 2.9:

2.10 **Previously Disclosed Material Forward-Looking Information** – If an issuer, at the time it files a prospectus,

1. has previously disclosed to the public material forward-looking information for a period that is not yet complete; and

2. is aware of events and circumstances that are reasonably likely to cause actual results to differ materially from the material forward-looking information,

the issuer should discuss those events and circumstances, and the expected differences from the material forward-looking information, in the prospectus.

3. This amendment comes into force on December 31, 2007.

AMENDMENT TO
FORM 41-501F1 *INFORMATION REQUIRED IN A PROSPECTUS*

1. This Instrument amends Ontario Securities Commission Form 41-501F1 Information Required in a Prospectus.

2. Ontario Securities Commission Form 41-501F1 Information Required in a Prospectus is amended by adding the following after paragraph (11) under the heading "Instructions":

(12) Forward-looking information included in a prospectus must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook, each as defined in NI 51-102, included in a prospectus must comply with Part 4B of NI 51-102. If the forward-looking information relates to an issuer or other entity that is not a reporting issuer, section 4A.2, section 4A.3 and Part 4B of NI 51-102 apply as if the issuer or other entity were a reporting issuer.

3. This amendment comes into force on December 31, 2007.

AMENDMENT TO
ONTARIO SECURITIES COMMISSION RULE 45-501
ONTARIO PROSPECTUS AND REGISTRATION EXEMPTIONS

1. This Instrument amends Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions.

2. Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions is amended by adding the following after section 6.4:

6.5 Forward-looking information in offering memorandum – If an offering memorandum is provided to a prospective purchaser, any forward-looking information included in the offering memorandum must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook, each as defined in NI 51-102, included in an offering memorandum must comply with Part 4B of NI 51-102. If the forward-looking information relates to an issuer or other entity that is not a reporting issuer, section 4A.2, section 4A.3 and Part 4B of NI 51-102 apply as if the issuer or other entity were a reporting issuer.

3. This amendment comes into force on December 31, 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 SecuritiesScource (see www.carswell.com).

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
11/30/2007	2	ABC Fundamental - Value Fund - Units	300,000.00	15,335.38
10/20/2007	87	Abitibi Mining Corp. - Common Shares	928,000.00	N/A
11/26/2007	7	Abitibi Mining Corp. - Common Shares	95,400.00	830,000.00
12/04/2007	1	Advant Japan Private Equity Fund - B Limited Partnership - Limited Partnership Interest	163,062,000.00	N/A
11/13/2007	5	Agria Corporation - Common Shares	256,650.00	34,300,000.00
12/05/2007	1	Airesurf Networks Holdings Inc. - Common Shares	30,000.00	200,000.00
11/14/2007	3	Airesurf Networks Holdings Inc. - Common Shares	110,000.00	1,100,000.00
12/11/2007	30	Alexco Resources Corp. - Flow-Through Shares	9,075,000.00	1,500,000.00
07/30/2007 to 10/04/2007	41	Alpaca Resources Inc. - Units	547,000.00	5,470,000.00
12/07/2007	12	Anglo Swiss Resources Inc. - Units	2,499,997.97	N/A
11/07/2007	1	Approach Resources Inc. - Common Shares	1,308,600.00	100,000.00
11/16/2007	6	ARA Safety Inc. - Common Shares	408,977.00	272,651.00
11/30/2007	2	Arden Park Estates Limited Partnership - Limited Partnership Units	300,000.00	300,000.00
11/05/2007	10	Arura Pharma Inc. - Units	1,000,000.00	8,000,000.00
12/03/2007	1	Atlanta Gold Inc. - Common Shares	240,000.00	600,000.00
11/20/2007	2	ATP Oil & Gas Corporation - Common Shares	17,390.00	370,000.00
11/23/2007	1	Australia and New Zealand Banking Group Limited - Notes	50,000.00	N/A
11/27/2007 to 11/30/2007	58	Avanti Mining Inc. - Units	9,000,013.20	150,000,022.00
09/01/2007	3	Avenue Global Asset Management Inc - Debentures	136,054.42	N/A
08/01/2007	5	Avenue Global Asset Management Inc - Debentures	350,846.15	N/A
11/23/2007	2	Bank of Scotland PLC - Notes	120,000,000.00	N/A
12/07/2007	1	BE Resources Inc. - Common Shares	60,000.00	300,000.00
12/03/2007	15	Belmore Energy Inc. - Flow-Through Shares	285,000.00	N/A

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
11/07/2007	2	Blue Fin Ltd. - Notes	21,518,200.00	N/A
11/29/2007	60	Breaker Energy Ltd. - Flow-Through Shares	5,520,000.00	N/A
11/30/2007	2	Burlington Partners 1 L.P. - Limited Partnership Units	260,000.00	260.00
11/28/2007	40	CalStar Oil & Gas Ltd. - Common Shares	597,000.00	5,970,000.00
11/19/2007	3	Canadian Arrow Mines Limited - Options	12,750.00	N/A
11/23/2007	23	Canasia Industries Corporation - Units	812,525.02	2,500,077.00
12/05/2007	7	Carlisle Goldfields Limited - Common Shares	2,079,521.64	7,426,863.00
11/23/2007	54	Centamin Egypt Limited - Warrants	134,400,000.00	N/A
11/07/2007	78	CGX Energy Inc. - Common Shares	32,095,000.00	17,500,000.00
12/03/2007	1	Chrysler Lease Trust - Notes	680,223,210.77	N/A
11/30/2007	1	Cityzen Properties Limited Partnership - Limited Partnership Units	50,000.00	25,000.00
12/03/2007 to 12/07/2007	11	CMC Markets Canada Inc. - Contracts for Differences	120,500.00	11.00
11/28/2007	41	Condor Petroleum Inc. - Common Shares	1,200,000.00	40,000,000.00
11/30/2007	301	Condor Petroleum Inc. - Common Shares	600,000.00	3,000,000.00
11/28/2007	2	Constellation Brands Inc. - Notes	1,486,200.00	1,500.00
11/30/2007	64	Corsa Capital Ltd. - Common Shares	630,497.78	2,388,909.00
11/30/2007	5	Credit Suisse International - Notes	775,000.00	N/A
11/30/2007	3	Credit Suisse International - Notes	810,648.00	N/A
10/02/2007	19	Cymat Technologies Ltd. - Units	1,900,000.00	10,000,000.00
10/20/2007 to 11/14/2007	3	Diamond Key Capital Corporation - Bonds	41,800.00	418.00
11/21/2007	6	Divcom Lighting Inc. - Common Shares	1,001,800.00	6,768,919.00
11/26/2007	1	Eatsleepmusic.com Corp. - Common Shares	50,000.00	4,139,894.00
11/29/2007	1	Edgeworth Mortgage Investment Corporation - Units	10,000.00	N/A
11/30/2007	10	Eloro Resources Ltd. - Flow-Through Shares	3,000,000.00	5,000,000.00
12/05/2007	1	Empirical Inc. - Debentures	280,000.00	1.00
11/22/2007	96	Enpar Technologies Inc. - Units	5,201,000.00	13,002,500.00
11/30/2007	14	Excalibur Resources Ltd. - Units	441,000.00	7,350,000.00
11/26/2007	52	Exshaw Oil Corp. - Flow-Through Shares	9,500,000.00	2,000,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
11/02/2007	30	FIC Investment Ltd. - Common Shares	400,884.05	151,277.00
11/19/2007 to 11/28/2007	43	Fisgard Capital Corporation - Common Shares	2,011,865.60	1,112,724.00
10/01/2006 to 09/30/2007	89	Franklin Templeton Balanced Income Pooled Portfolio - Trust Units	14,007,172.57	N/A
10/01/2006 to 09/30/2007	30	Franklin Templeton Capital Preservation Pooled Portfolio\ - Trust Units	6,550,228.05	N/A
10/01/2006 to 09/30/2007	154	Franklin Templeton Domestic Balanced Growth Pooled Portfolio - Trust Units	17,028,795.90	N/A
10/01/2006 to 11/30/2007	53	Franklin Templeton Domestic Growth Pooled Portfolio - Trust Units	6,103,559.68	N/A
10/01/2006 to 11/30/2007	6	Franklin Templeton Domestic Maximum Growth Pooled Portfolio - Trust Units	722,052.87	N/A
10/01/2006 to 11/30/2007	82	Franklin Templeton Global Balanced Growth Pooled Portfolio - Trust Units	14,732,259.67	N/A
10/01/2006 to 11/30/2007	35	Franklin Templeton Global Growth Pooled Portfolio - Trust Units	6,024,631.11	N/A
10/01/2006 to 11/30/2007	8	Franklin Templeton Global Maximum Growth Pooled Portfolio - Trust Units	1,056,999.00	N/A
10/01/2006 to 11/30/2007	16	Franklin Templeton International Balanced Growth Pooled Portfolio - Trust Units	2,486,075.28	N/A
10/01/2006 to 11/30/2007	8	Franklin Templeton International Growth Pooled Portfolio - Trust Units	1,135,351.09	N/A
10/01/2006 to 11/30/2007	22	Franklin Templeton International Maximum Growth Pooled Portfolio - Trust Units	2,864,296.96	N/A
11/19/2007	1	Frazier Healthcare VI, LP - Limited Partnership Interest	0.00	N/A
11/19/2007	1	Frazier Healthcare VI, LP - Limited Partnership Interest	0.00	N/A
11/20/2007	6	Fuel Transfer Technologies Inc. - Preferred Shares	70,525.00	21,700.00
11/05/2007	39	Gastem Inc. - Flow-Through Shares	2,500,000.00	5,178,570.00
11/26/2007 to 11/30/2007	19	General Motors Acceptance Corporation of Canada, Limited - Notes	8,488,448.65	8,488,448.65
11/28/2007	1	GMO International Core Equity Fund-III - Units	280,500.75	5,663.33
11/30/2007	1	GMO International Opportunities Equity Alloc Fund- III - Units	60,539.54	2,453.97
10/22/2007	6	Goldbrook Ventures Inc. - Flow-Through Shares	2,334,900.00	5,430,000.00
11/19/2007	44	Golden Chalice Resources Inc. - Common Shares	2,603,856.00	N/A
11/08/2007	30	Golden Star Resources Ltd. - Debentures	125,000,000.00	N/A
12/11/2007	1	GolfLogix Systems Inc. - Common Shares	15,000.00	60,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
11/23/2007 to 11/30/2007	22	Green Breeze Energy Systems Inc. - Common Shares	810,000.00	405,000.00
11/21/2007	12	GWR Resources Inc. - Units	6,591,000.00	4,393,995.00
06/14/2007	2	HarbourVest International Private Equity Partners V - Cayman Direct Fund L.P. - Limited Partnership Interest	15,643,100.00	N/A
06/19/2007	2	HarbourVest Partners VIII- Cayman Buyout Fund L.P. - Limited Partnership Interest	24,469,700.00	N/A
06/19/2007	2	HarbourVest Partners VIII-Cayman Venture Fund L.P. - Limited Partnership Interest	4,255,600.00	N/A
11/30/2007	23	Honda Canada Finance Inc. - Debentures	500,000,000.00	500,000.00
10/16/2007	1	Hubrey Road London Limited Partnership - Limited Partnership Interest	5,400,000.00	N/A
11/27/2007 to 12/04/2007	7	IGW Properties Real Estate Investment Trust - Trust Units	492,851.19	465,393.00
11/21/2007	7	IGW Real Estate Investment Trust - Trust Units	348,897.10	329,459.00
11/15/2007	4	Intrepid Business Acceleration Fund LP - Units	2,350,010.00	3,350.00
10/23/2007	4	Intrepid Mines Limited - Flow-Through Shares	95,000.00	190,000.00
11/23/2007 to 11/29/2007	53	Invicta Oil & Gas Ltd. - Common Shares	43,284,157.28	77,293,138.00
11/25/2007	39	Klondike Gold Corp. - Flow-Through Shares	1,160,500.00	N/A
11/26/2007	2	Klondike Silver Corp. - Common Shares	92,500.00	250,000.00
10/22/2007	1	KWG Resources Inc. - Units	5,300.00	66,250.00
11/16/2007	117	Laurion Mineral Exploration Inc. - Flow-Through Shares	2,491,825.00	N/A
11/30/2007	190	Liberty International Mineral Corporation - Common Shares	1,925,364.00	3,851,268.00
12/03/2007	20	Limited Partnership Land Pool 2007 - Limited Partnership Units	5,505,409.00	5,640,649.00
11/15/2007	1	Mantis Mineral Corp. - Common Shares	400,000.00	500,000.00
10/18/2007	38	Mart Resources, Inc. - Common Shares	10,000,000.00	25,000,000.00
10/01/2007	2	MCAN Performance Strategies - Limited Partnership Units	932,720.40	N/A
07/01/2006 to 06/30/2007	1	Mellon Pooled International Core Equity Fund - Units	17,000,000.00	1,617,137.56
11/13/2007	92	Microbix Biosystems Inc. - Units	6,828,000.00	N/A
04/29/2007	21	Neotel International Inc. - Units	287,500.00	3,125,000.00
11/27/2007 to 11/29/2007	11	Newport Canadian Equity Fund - Units	97,500.00	620.55

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
11/26/2007 to 11/27/2007	13	Newport Fixed Income Fund - Units	710,000.00	7,011.26
11/27/2007 to 11/29/2007	4	Newport Global Equity Fund - Units	55,000.00	685.51
11/26/2007 to 12/03/2007	25	Newport Yield Fund - Units	326,603.80	N/A
11/29/2007	1	Niam Nordic Fund IV - Limited Partnership Interest	43,983,000.00	N/A
11/23/2007 to 11/30/2007	11	Nicola Financial Strategic Income Fund - Trust Units	805,000.00	77,934.43
12/01/2007	4	North American Financial Group Inc. - Debt	118,800.00	35.00
12/07/2007	9	Northern Continental Resources Inc. - Units	1,500,000.00	3,750,000.00
11/23/2007	112	NP Direct-Exschaw LP II - Units	3,680,310.00	368,031.00
11/30/2007	37	Nstein Technologies Inc. - Warrants	8,000,000.00	8,000,000.00
11/14/2007	15	Pacific Cascade Minerals Inc. - Units	1,499,999.60	5,333,332.00
12/06/2007	82	Painted Pony Petroleum Ltd. - Common Shares	10,000,080.00	4,166,700.00
11/28/2007	206	Peak Gold Ltd. - Warrants	110,792,500.50	147,723,334.00
12/03/2007	64	Pediment Exploration Ltd. - Units	17,547,900.00	58,493,000.00
11/30/2007	1	PerspecSys Inc. - Debentures	850,000.00	N/A
10/18/2007	3	Prize Mining Corporation - Common Shares	300,000.00	N/A
11/15/2007	20	Prospector Consolidated Resources Inc. - Common Shares	1,004,066.10	3,346,887.00
09/28/2007 to 11/27/2007	4	Prosys Tech Corporation - Units	1,450,000.00	7,250,000.00
12/03/2007	5	Puget Energy Inc. - Common Shares	151,525,811.43	6,461,039.00
11/20/2007	39	Red Mile Resources Fund No. 4 - Limited Partnership Units	12,685,685.00	10,889.00
12/10/2007	15	Richmond Minerals Inc. - Common Shares	1,227,012.82	11,154,662.00
11/30/2007	67	Rose Investments II Limited Partnership - Limited Partnership Units	25,956,000.00	25,956.00
11/14/2007	54	Sage Gold Inc. - Units	5,480,000.00	10,960,000.00
11/26/2007 to 11/30/2007	59	Sea Dragon Energy Inc. - Debentures	6,712,599.00	N/A
12/03/2007	9	Shadow Mountain Golf Ltd. - Common Shares	900,000.00	900,000.00
10/11/2007	30	Spider Resources Inc. - Flow-Through Shares	1,800,000.00	20,000,000.00
10/11/2007	4	Spider Resources Inc. - Units	960,000.00	10,666,666.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
12/01/2007	1	Stacey Investment Limited Partnership - Limited Partnership Units	83,340.00	2,000.00
12/01/2007	2	Stacey RSP Fund - Trust Units	25,000.00	2,122.28
11/27/2007	18	Stratabound Minerals Corp. - Common Shares	681,874.50	N/A
11/13/2007	20	Superior Canadian Resources Inc. - Flow-Through Shares	427,000.00	N/A
10/31/2007	3	TCV V. L.P. - Limited Partnership Interest	23,747,500.00	N/A
11/07/2007	1	Tercon Investments Ltd. - Debentures	5,000,000.00	5,000.00
11/20/2007 to 11/22/2007	44	TG World Energy Corp. - Common Shares	25,000,000.00	50,000,000.00
11/20/2007	8	The DCP 2007 Limited Partnership - Units	600,000.00	N/A
12/07/2007	45	Titan Trading Analytics Inc. - Common Shares	828,208.40	2,070,521.00
11/26/2007	2	Trez Capital Finance Fund Limited Partnership - Limited Partnership Units	100,000,000.00	N/A
12/03/2007	1	ValueAct Capital International II, L.P. - Limited Partnership Interest	250,125,062.50	N/A
11/09/2007	1	Vantex Resources Ltd. - Common Shares	40,300.00	310,000.00
11/09/2007	1	Vantex Resources Ltd. - Flow-Through Shares	405,000.00	2,700,000.00
08/31/2007	69	Vertex Fund - Trust Units	4,858,775.74	N/A
11/23/2007	9	Voice On The Go Inc. - Units	422,290.50	165,518.00
11/21/2007	1	Wabi Exploration Inc. - Units	50,000.00	5,000,000.00
12/05/2007	190	Walton Brant County Land 3 Investment Corporation - Common Shares	4,165,590.00	416,559.00
12/05/2007	148	Walton Brant County Land Limited Partnership 3 - Units	7,839,590.00	783,959.00
11/23/2007	20	Walton TX Wagner Fields Limited Partnership - Limited Partnership Units	431,243.89	43,601.00
10/23/2007	59	Western Wind Energy Corp. - Units	2,990,960.00	2,041,400.00
10/29/2007	18	Wildcat Exploration Ltd. - Flow-Through Shares	1,600,000.00	5,000,000.00
12/05/2007	17	XDM Resources Inc. - Warrants	2,738,999.82	3,300,000.00
12/05/2007	51	Young-Shannon Gold Mines, Limited - Units	2,180,000.00	218,000,000.00

Chapter 9

Legislation

9.1.1 O. Reg. 562/07, Amending s. 60 of R.R.O. 1990, Reg. 1015 (General), made under the Securities Act

ONTARIO REGULATION 562/07

made under the

SECURITIES ACT

Amending Reg. 1015 of R.R.O. 1990

(General)

Note: Regulation 1015 has previously been amended. Those amendments are listed in the Table of Current Consolidated Regulations – Legislative History Overview which can be found at www.e-Laws.gov.on.ca.

1. Section 60 of Regulation 1015 of the Revised Regulations of Ontario, 1990 is revoked.

2. This Regulation comes into force on December 31, 2007.

Made by:

ONTARIO SECURITIES COMMISSION:

"W.D. Wilson"
Chair

"James E. A. Turner"
Vice-Chair

Date made: September 4, 2007

I approve this Regulation.

"Dwight Duncan"
Minister of Finance

Date approved: December 6, 2007

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
49 North 2008 Resource Flow-Through Limited Partnership
Principal Regulator - Saskatchewan
Type and Date:
Preliminary Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
$ 15,000,000.00 (MAXIMUM OFFERING)
$ 3,000,000.00 (MINIMUM OFFERING)
A MAXIMUM OF 1,500,000 AND A MINIMUM OF 300,000 LIMITED PARTNERSHIP UNITS
Subscription Price: $10.00 per Unit
Minimum Subscription: 200 Units - $2,000.00
Underwriter(s) or Distributor(s):
Union Securities Ltd.
Canaccord Capital Corporation
Wellington West Capital Inc.
Raymond James Ltd.
Research Capital Corporation
Industrial Alliance Securities Inc.
Desjardins Securities Inc.
Northern Securities Inc.
Queensbury Securities Inc.
Burgeonvest Securities Limited
Bieber Securities Inc.
Promoter(s):
Tom MacNeill & 49 North 2008 Resource Fund Inc.
Project #1198015

Issuer Name:
Canada Dominion Resources 2008 Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated December 12, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
$150,000,000.00 (maximum)
6,000,000 Limited Partnership Units
Price per Unit: $25.00
Minimum Subscription: $5,000.00 (200 Units)
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
CIBC World Markets Inc.
Dundee Securities Corporation
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
Berkshire Securities Inc.
Blackmont Capital Inc.
Canaccord Capital Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Desjardins Securities Inc.
Wellington West Capital Inc.
Promoter(s):
CANADA DOMINION RESOURCES 2008 CORPORATION
GOODMAN & COMPANY, INVESTMENT COUNSEL LTD.
Project #1197866

Issuer Name:
CMP 2008 Resource Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated December 12, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
$200,000,000.00 (maximum)
200,000 Limited Partnership Units
Price per Unit: $1,000.00
Minimum Subscription: $5,000.00 (Five Units)
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Berkshire Securities Inc.
Canaccord Capital Corporation
Wellington West Capital Inc.
Blackmont Capital Inc.
GMP Securities L.P.
Promoter(s):
CMP 2008 Corporation
Goodman & Company, Investment Counsel Ltd.
Project #1197889

Issuer Name:
CMP Gold Trust
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
Maximum $ * (* Units)
(Each Unit consisting of a Trust Unit and a Series A Warrant)
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
GMP Securities L.P.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Blackmont Capital Inc.
Desjardins Securities Inc.
Wellington West Capital Inc.
Promoter(s):
Goodman & Company, Investment Counsel Ltd.
Project #1184305

Issuer Name:
Scotia Canadian Dividend Fund
Scotia Canadian Growth Fund
Scotia Canadian Income Fund
Scotia Canadian Tactical Asset Allocation Fund
Scotia Diversified Monthly Income Fund
Scotia Global Climate Change Fund
Scotia Global Growth Fund
Scotia Global Opportunities Fund
Scotia International Value Fund
Scotia Money Market Fund
Scotia Selected Aggressive Growth Portfolio
Scotia Selected Balanced Income & Growth Portfolio
Scotia Selected Income & Modest Growth Portfolio
Scotia Selected Moderate Growth Portfolio
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated December 14, 2007
Mutual Reliance Review System Receipt dated December 17, 2007
Offering Price and Description:
Advisors Class Units
Underwriter(s) or Distributor(s):
Scotia Securities Inc.
Scotia Securities Inc.
Scotia Securites Inc.
Promoter(s):
The Bank of Nova Scotia
Project #1198025

Issuer Name:
Scotia Global Climate Change Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
Class A, F and I Units
Underwriter(s) or Distributor(s):
Scotia Securities Inc.
Scotia Securities Inc.
Promoter(s):
The Bank of Nova Scotia
Project #1198054

Issuer Name:
TDK 2008 Flow-Through Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 17, 2007
Offering Price and Description:
$50,000,000.00 (maximum)
2,000,000 Limited Partnership Units
Price per Unit: $25.00
Minimum Subscription: $5,000.00 (200 Units)
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Blackmont Capital Inc.
Berkshire Securities Inc.
GMP Securities L.P.
Richardson Partners Financial Ltd.
Wellington West Capital Inc.
Rothenberg Capital Management Inc.
Haywood Securities Inc.
Promoter(s):
TDK General Partners Inc.
First Asset Investment Management Inc.
Project #1198481

Issuer Name:
Western Financial Group Inc. (Formerly Hi Alta Capital Inc.)
Principal Regulator – Alberta
Type and Date:
Preliminary Short Form Prospectus dated December 11, 2007
Mutual Reliance Review System Receipt dated December 11, 2007
Offering Price and Description:
$5,000,000.00 (Minimum Offering)
$* (Maximum Offering)
A Minimum of 50,000 and a Maximum of * First Preferred Shares, Series Four
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Desjardins Securities Inc.
TD Securities Inc.
Jennings Capital Inc.
Acumen Capital Finance Partners Limited
Promoter(s):
-
Project #1196672

Issuer Name:
407 International Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Base Shelf Prospectus dated December 11, 2007
Mutual Reliance Review System Receipt dated December 13, 2007
Offering Price and Description:
$1,400,000,000.00 - Medium-Term Notes (Secured)
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Scotia Capital Inc.
National Bank Financial Inc.
Casgrain & Company Limited
CIBC World Markets Inc.
Merrill Lynch Canada Inc.
Promoter(s):
-
Project #1194006

Issuer Name:
Canoro Resources Ltd.
Principal Regulator – Alberta
Type and Date:
Final Short Form Prospectus dated December 13, 2007
Mutual Reliance Review System Receipt dated December 13, 2007
Offering Price and Description:
$30,090,000.00 - 17,700,000 Common Shares Per Common Share $1.70
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
CIBC World Markets Inc.
Fraser Mackenzie Limited
Jennings Capital Inc.
Westwind Partners Inc.
Promoter(s):
Canoro Resources Ltd.
Project #1195461

Issuer Name:
Ceres Global Ag Corp.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated December 13, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
Maximum $300,000,000.00 (25,000,000 Units) Price: $12.00 per Unit
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Credit Suisse Securities (Canada) Inc.
Wellington West Capital Markets Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
Richardson Partners Financial Limited
Tuscarora Capital Inc.
Promoter(s):
First Street Capital 2004
Project #1180628

Issuer Name:
Copper Reef Mining Corporation
Principal Regulator - Manitoba
Type and Date:
Final Prospectus dated December 13, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
A Maximum of 9,090,910 Flow-Through Shares at a price of Cdn $0.33 per Flow-Through Share
($3,000,000.30) and a Minimum of 4,545,455 Flow-Through Shares ($1,500,000.15)
- and - A Maximum of 2,666,667 Units at a price of Cdn $0.30 per Unit ($800,000.10)
and a Minimum of 2,000,000 Units ($600,000.00)
Underwriter(s) or Distributor(s):
Wellington West Capital Inc.
Promoter(s):
Stephen L. Masson
Project #1168337

Issuer Name:
Fortress Energy Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 17, 2007
Offering Price and Description:
Minimum Offering $1,000,110.00 - 540,600 Flow-Through Shares;
Maximum Offering $5,000,550.00 – 2,703,000 Flow-Through Shares
Price: $1.85 per Flow-Through Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Acumen Capital Finance Partners Limited
Promoter(s):
-
Project #1187590

Issuer Name:
Fraser Papers Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
$59,905,048.00 - 29,509,876 rights to purchase 20,656,913 Common Shares at a purchase price of $2.90 per Common Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1193373

Issuer Name:
Front Street Energy Growth Fund Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated December 16, 2007
Mutual Reliance Review System Receipt dated December 17, 2007
Offering Price and Description:
Class A Shares Series III
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1183966

Issuer Name:
IBI Income Fund
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 13, 2007
Mutual Reliance Review System Receipt dated December 13, 2007
Offering Price and Description:
$50,000,000.00 - 2,083,333 Units
Price $24.00 per Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
TD Securities Inc.
Blackmont Capital Inc.
BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
Genuity Capital Markets
National Bank Financial Inc.
Raymond James Ltd.
Promoter(s):
IBI Group Management Partnership
Project #1195472

Issuer Name:
Inter Pipeline Fund
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
$150,038,000.00 - 15,310,000 Class A Units Price: $9.80 per Class A Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #1195820

Issuer Name:
Liquor Stores Income Fund
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
$50,000,000.00 - 6.75% Convertible Unsecured Subordinated Debentures Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Cormark Securities Inc.
National Bank Financial Inc.
Raymond James Ltd.
HSBC Securities (Canada) Inc.
Promoter(s):
-
Project #1195830

Issuer Name:
Mackenzie Fixed Income Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated December 12, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
Mutual fund trust units at net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1181036

Issuer Name:
Mineral Deposits Limited
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated December 12, 2007
Mutual Reliance Review System Receipt dated December 13, 2007
Offering Price and Description:
C$50,050,000.00 - 45,500,000 Ordinary Shares
Price: C$1.10 per Ordinary Share
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
GMP Securities L.P.
Cormark Securities Inc.
Toll Cross Securities Inc.
Promoter(s):
-
Project #1180806

Issuer Name:
Nanotech Sciences Corp.
Principal Regulator - Ontario
Type and Date:
Final CPC Prospectus dated December 13, 2007
Mutual Reliance Review System Receipt dated December 17, 2007
Offering Price and Description:
$300,000.00.00 or 1,500,000 Common Shares PRICE: $0.20 per Common Share
Underwriter(s) or Distributor(s):
Raymond James Ltd.
Promoter(s):
Scott Walters
Project #1176570

Issuer Name:
StrataGold Corporation
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated December 14, 2007
Mutual Reliance Review System Receipt dated December 14, 2007
Offering Price and Description:
$14,500,000.00 (72,500,000 Units) $0.20 Per Unit;
and $5,000,000.00 (21,739,131 Flow-Through Shares) $0.23 Per Flow-Through Share
Underwriter(s) or Distributor(s):
Paradigm Capital Inc
Blackmont Capital Inc.
Jennings Capital Inc.
Westwind Partners Inc.
Promoter(s):
-
Project #1190329

Issuer Name:
Symmetry Allocation Pool
Symmetry Equity Class
Symmetry Managed Return Class
Symmetry Registered Fixed Income Pool
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated December 7, 2007
Mutual Reliance Review System Receipt dated December 13, 2007
Offering Price and Description:
Series A, F, I, O and W Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
Mackenzie Financial Corporation
Project #1175042

Issuer Name:
Zazu Metals Corporation
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated December 12, 2007
Mutual Reliance Review System Receipt dated December 13, 2007
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Raymond James Ltd.
Dundee Securities Corporation
Paradigm Capital Inc.
Cormark Securities Inc.
Promoter(s):
Gil Atzmom
Project #1169461

Issuer Name:
Virginia Uranium Ltd.
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Long Form Prospectus dated November 8th, 2007
Withdrawn on December 13th, 2007
Offering Price and Description:
$ * - * Common Shares
Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
CIBC World Markets Inc.
Canaccord Capital Corporation
Raymond James Ltd.
Wellington West Capital Markets Inc.
Westwind Partners Inc.
Promoter(s):
Virginia Uranium Inc.
Project #1179717

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: York Street Capital Corp To: Gersan Capital Corp.	Limited Market Dealer	October 2, 2007
Name Change	From: Nalbandian Asset Management Corp. To: Highwater Capital Management Corp.	Commodity Trading Manager Investment Counsel & Portfolio Manager Limited Market Dealer	December 5, 2007
Name Change	From: Leerink Swann & Co., Inc. To: Leerink Swann LLC	International Dealer	December 7, 2007
New Registration	YouFirst Financial Inc.	Investment Counsel & Portfolio Manager	December 12, 2007
New Registration	thinkorswim Canada Inc.	Investment Dealer	December 13, 2007
New Registration	Cantor Fitzgerald Canada Corporation	Investment Dealer	December 13, 2007
New Registration	GMP Investment Management L.P.	Limited Market Dealer, Investment Counsel & Portfolio Manager	December 13, 2007

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Hearing Panel Approves Settlement Agreement with Berkshire Investment Group Inc. in relation to Ian Gregory Thow

NEWS RELEASE
For immediate release

MFDA HEARING PANEL APPROVES SETTLEMENT AGREEMENT WITH BERKSHIRE INVESTMENT GROUP INC. IN RELATION TO IAN GREGORY THOW

December 13, 2007 (Vancouver, British Columbia) – A Settlement Hearing in the matter of Berkshire Investment Group Inc. was held today before a Hearing Panel of the Pacific Regional Council of the Mutual Fund Dealers Association of Canada ("MFDA").

The Hearing Panel approved a Settlement Agreement entered into between the MFDA and Berkshire. Under the terms of the settlement, the Hearing Panel imposed a fine in the amount of $500,000 on Berkshire and required Berkshire to pay $50,000 in respect of the MFDA's costs of its investigation and the hearing.

The Settlement Agreement concerned Berkshire's failure to conduct reasonable supervisory investigations between September 16, 2004 and June 1, 2005 in response to reports it received from two individuals concerning the activities of one of its mutual fund salespersons, Ian Gregory Thow. Thow was a Senior Vice-President of Berkshire located in Victoria, B.C. Over a period of several years, Thow persuaded numerous individuals, including clients of Berkshire, to provide him with money that he promised to invest on their behalf but instead used for his personal benefit.

The British Columbia Securities Commission conducted enforcement proceedings against Thow, and recently found that he had failed to deal fairly, honestly and in good faith with clients, made misrepresentations and perpetrated a fraud. The Commission described Thow's activities as "one of the most callous and audacious frauds this province has seen". The Commission's decision is available on its website, www.bcsc.bc.ca.

Thow is also the subject of a criminal investigation by the Vancouver Integrated Market Enforcement Team of the Royal Canadian Mounted Police.

Although Berkshire was not aware of Thow's fraudulent activities, Berkshire acknowledged in the Settlement Agreement that it did not take reasonable supervisory and disciplinary measures after it received the reports from the two individuals. Berkshire further acknowledged that, had it taken those measures, it is more likely that Thow's activities would have been discovered and brought to an end. Instead, Thow was able to continue to persuade individuals to provide him with an additional $6.3 million, almost $4.5 million of which was received from clients of Berkshire.

The Hearing Panel accepted that Berkshire's failure to conduct reasonable supervisory investigations in response to the two reports was not the result of a systemic failure on its part or intentional misconduct. Berkshire has paid substantial amounts to compensate some of the individuals who provided money to Thow.

At a previous settlement hearing held on October 22, 2007, the Hearing Panel declined to approve an earlier settlement agreement entered into between staff of the MFDA and Berkshire concerning the same subject matter.

MFDA disciplinary panels have the power to terminate or suspend membership, levy fines and impose terms and conditions on membership. MFDA disciplinary panels, like many securities regulatory organizations, do not have the power to award compensation. Clients who are not satisfied with Berkshire's response to their complaint have two options. They can:

- Bring their complaint to the Ombudsman for Banking Services and Investments for review. OBSI is a free, independent service for resolving investment disputes. OBSI can recommend compensation of up to $350,000.
- Commence a civil action before the courts to pursue financial recovery in any amount.

A copy of the Settlement Agreement is available on the MFDA's website, www.mfda.ca. The Hearing Panel will issue the Order approving the settlement and its Decision and Reasons in due course.

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 161 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

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Chapter 25

Other Information

25.1 Approvals

25.1.1 Van Berkom and Associates Inc. - s. 213(3)(b) of the LTCA

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager for approval to act as trustee of mutual funds to be established and managed by the applicant and offered pursuant to a prospectus exemption.

Statutes Cited

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

November 2, 2007

McCarthy Tetrault LLP
1000, rue De La Gauchetière Ouest
Montreal, Quebec H3 B 0A2

Attention: Sonia Struthers

Dear Sirs/Mesdames:

Re: Van Berkom and Associates Inc. (the "Applicant")
Application for relief from clause oan and Trust Corporations Act (Ontario)
Application No. 2007/0596

Further to your application dated July 20, 2007 (the "Application") filed on behalf of the Applicant, and based on the facts set out in the Application and the representation by the Applicant that assets of the VBA Canadian Partners' Fund and any other future pooled fund trusts for which the Applicant will act as manager, will be held in the custody of a trust company incorporated and licensed or registered under the laws of Canada or a jurisdiction or a bank listed in Schedule I, II or III of the Bank Act (Canada) or an affiliate of such bank or trust company, the Ontario Securities Commission (the "Commission") makes the following order:

Pursuant to the authority conferred on the Commission in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of the VBA Canadian Partners' Fund and such other funds which may be established and managed by the Applicant from time to time, the securities of which will be offered pursuant to a prospectus exemption.

Yours truly,

"Robert L. Shirriff"

"James E. A. Turner"

25.2 Exemptions

25.2.1 Canadian Medical Discoveries Fund Inc. - OSC Rule 41-502 Prospectus Requirements for Mutual Funds, Part 11

Headnote

Exemption from the requirement to include financial statements in the prospectus provided that the prospectus incorporates by reference such statements. – Section 5.2 and Part 11 of Ontario Securities Commission Rule 41-502 Prospectus Requirements for Mutual Funds.

Statutes Cited

Ontario Securities Commission Rule 41-502 Prospectus Requirements for Mutual Funds, s. 5.2 and Part 11.

December 12, 2007

Borden Ladner Gervais LLP
World Exchange Plaza
100 Queen Street, Suite 1100
Ottawa, ON K1P 1J9

Attention: R. Steve Thomas

Dear Sirs/Mesdames:

Re: Canadian Medical Discoveries Fund Inc. (the "Fund")
Exemptive Relief Application under Part 11 of OSC Rule 41-502 Prospectus Requirements for Mutual Funds ("Rule 41-502")
Application No. 2007/1030, SEDAR Project No. 1185162

By letter dated November 20, 2007 (the "Application"), you applied on behalf of the Fund to the Director of the Ontario Securities Commission (the "Director") pursuant to Part 11 of Rule 41-502 for an exemption to allow the Fund not to include in its prospectus the financial statements (the "Financial Statements") set out in Section 5.2 of Rule 41-502, including annual financial statements and interim financial statements (the "Requested Relief").

This letter confirms that, based on the information and representations made in the Application, and for the purposes described in the Application, the Director intends to grant the requested exemption to be evidenced by the issuance of a receipt for the Fund's prospectus provided that the prospectus incorporates by reference the Financial Statements.

Yours very truly,

"Vera Nunes"
Assistant Manager, Investment Funds Branch

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