

The Ontario Securities Commission

OSC Bulletin

June 13, 2008

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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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One Corporate Plaza
2075 Kennedy Road
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M1T 3V4

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

Contact Centre - Inquiries, Complaints:
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Office of the Secretary:

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2075 Kennedy Road
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Customer Relations
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Chapter 1

Notices / News Releases

1.1 Notices

SCHEDULED OSC HEARINGS

1.1.1 Current Proceedings Before The Ontario Securities Commission

JUNE 13, 2008

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
Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

June 16, 2008

10:00 a.m.

Adrian Samuel Leemhuis, Future Growth Group Inc., Future Growth Fund Limited, Future Growth Global Fund limited, Future Growth Market Neutral Fund Limited, Future Growth World Fund and ASL Direct Inc.

s. 127(5)

K. Daniels & M. Britton in attendance for Staff

Panel: WSW/MCH

June 16, 2008

2:30 p.m.

FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun

s. 127

M. Mackewn in attendance for Staff

Panel: LER/ST

June 17, 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/ST

June 17, 2008

2:00 p.m.

Rodney International, Choeun Chhean (also known as Paulette C. Chhean) and Michael A. Gittens (also known as Alexander M. Gittens)

s. 127

M. Britton in attendance for Staff

Panel: TBA

June 18, 2008 10:00 a.m.	Shallow Oil & Gas Inc., Eric O'Brien, Abel Da Silva, Gurdip Singh Gahunia aka Michael Gahunia and Abraham Herbert Grossman aka Allen Grossman s. 127(7) and 127(8) M. Boswell 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
June 20, 2008 10:00 a.m.	First Global Ventures, S.A., Allen Grossman and Alan Marsh Shuman s. 127 D. Ferris in attendance for Staff Panel: WSW/ST/MCH	July 14, 2008 10:00 a.m.	Gold-Quest International, Health & Harmoney, Iain Buchanan and Lisa Buchanan s.127 H. Craig in attendance for Staff Panel: TBA
June 23, 2008 10:00 a.m.	Sulja Bros. Building Supplies, Ltd. (Nevada), Sulja Bros. Building Supplies Ltd., Kore International Management Inc., Petar Vucicevich and Andrew DeVries s. 127 & 127.1 J. S. Angus in attendance for Staff Panel: JEAT/MCH	July 18, 2008 10:00 a.m.	Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson s. 127(1) and 127(5) M. Boswell in attendance for Staff Panel: TBA
June 24, 2008 2:30 p.m.	Stanton De Freitas s. 127 and 127.1 P. Foy in attendance for Staff Panel: JEAT/ST	July 22, 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: JEAT/MCH
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: JEAT/ST	September 2, 2008 2:30 p.m.	LandBankers International MX, S.A. De C.V.; Sierra Madre Holdings MX, S.A. De C.V.; L&B LandBanking Trust S.A. De C.V.; Brian J. Wolf Zacarias; Roger Fernando Ayuso Loyo, Alan Hemingway, Kelly Friesen, Sonja A. McAdam, Ed Moore, Kim Moore, Jason Rogers and Dave Urrutia s. 127 M. Britton in attendance for Staff Panel: LER/ST

September 3, 2008	Shane Suman and Monie Rahman	October 6, 2008	Norshield Asset Management (Canada) Ltd., Olympus United Group Inc., John Xanthoudakis, Dale Smith and Peter Kefalas
10:00 a.m.	s. 127 & 127(1) C. Price in attendance for Staff Panel: TBA	10:00 a.m.	s.127 P. Foy in attendance for Staff Panel: TBA
September 9, 2008	Irwin Boock, Svetlana Kouznetsova, Victoria Gerber, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group	October 8, 2008	MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric
1:00 p.m.	s. 127(1) & (5) P. Foy in attendance for Staff Panel: LER/JEAT	10:00 a.m.	s. 127 & 127(1) D. Ferris in attendance for Staff Panel: TBA
September 22, 2008	John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir	November 3, 2008	Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited
10:00 a.m.	S. 127 and 127.1 I. Smith in attendance for Staff Panel: TBA	10:00 a.m.	s. 127 E. Cole in attendance for Staff Panel: TBA
September 26, 2008	Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boulton and Peter Y. Atkinson	November 11, 2008	LandBankers International MX, S.A. De C.V.; Sierra Madre Holdings MX, S.A. De C.V.; L&B LandBanking Trust S.A. De C.V.; Brian J. Wolf Zacarias; Roger Fernando Ayuso Loyo, Alan Hemingway, Kelly Friesen, Sonja A. McAdam, Ed Moore, Kim Moore, Jason Rogers and Dave Urrutia
10:00 a.m.	s.127 J. Superina in attendance for Staff Panel: LER/MCH	2:30 p.m.	s. 127 M. Britton in attendance for Staff Panel: LER/ST
September 30, 2008	Al-Tar Energy Corp., Alberta Energy Corp., Drago Gold Corp., David C. Campbell, Abel Da Silva, Eric F. O'Brien and Julian M. Sylvester	December 1, 2008	Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton
10:00 a.m.	s. 127 & 127.1 M. Boswell in attendance for Staff Panel: JEAT/DLK	TBA	s. 127 H. Craig in attendance for Staff Panel: TBA

January 12, 2009	Franklin Danny White, Naveed Ahmad Qureshi, WNBC The World Network Business Club Ltd., MMCL Mind Management Consulting, Capital Reserve Financial Group, and Capital Investments of America	TBA	Frank Dunn, Douglas Beatty, Michael Gollogly
10:00 a.m.	s. 127		s.127
	C. Price in attendance for Staff	TBA	K. Daniels in attendance for Staff
	Panel: TBA		Panel: TBA
January 26, 2009	Darren Delage		Limelight Entertainment Inc., Carlos A. Da Silva, David C. Campbell, Jacob Moore and Joseph Daniels
10:00 a.m.	s. 127		s. 127 and 127.1
	M. Adams in attendance for Staff		D. Ferris in attendance for Staff
	Panel: TBA	TBA	Panel: JEAT/ST
February 2, 2009	Biovail Corporation, Eugene N. Melnyk, Brian H. Crombie, John R. Miszuk and Kenneth G. Howling		Gregory Galanis
10:00 a.m.	s. 127(1) and 127.1		s. 127
	J. Superina/A. Clark in attendance for Staff	TBA	P. Foy in attendance for Staff
	Panel: TBA		Panel: TBA
March 23, 2009	Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony		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.
10:00 a.m.	s. 127 and 127.1		s. 127 and 127.1
	H. Craig in attendance for Staff		Y. Chisholm in attendance for Staff
	Panel: TBA	TBA	Panel: JEAT/DLK/CSP
TBA	Yama Abdullah Yaqeen		Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)
	s. 8(2)		s.127 and 127.1
	J. Superina in attendance for Staff		D. Ferris in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell	TBA	Swift Trade Inc. and Peter Beck
	s. 127		s. 127
	J. Waechter in attendance for Staff		E. Cole in attendance for Staff
	Panel: TBA		Panel: JEAT/MC

TBA **Xi Biofuels Inc., Biomaxx Systems Inc., Ronald David Crowe and Vernon P. Smith**
and
Xiiva Holdings Inc. carrying on Business as Xiiva Holdings Inc., Xi Energy Company, Xi Energy and Xi Biofuels

s. 127

M. Vaillancourt in attendance for Staff

Panel: WSW/DLK/PJL

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

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

Global Partners Capital, WS Net Solution, Inc., Hau Wai Cheung, Christine Pan, Gurdip Singh Gahunia

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

1.1.2 OSC Staff Notice 33-730 Capital calculations for investment counsel/portfolio managers

ONTARIO SECURITIES COMMISSION STAFF NOTICE 33-730

CAPITAL CALCULATIONS FOR INVESTMENT COUNSEL/PORTFOLIO MANAGERS

Overview

The Compliance team of the Ontario Securities Commission (OSC) has noticed a slight increase in the number of investment counsel/portfolio managers (portfolio managers) that are deficient in meeting the minimum capital requirements under the *Securities Act* (Ontario) (the Act) based on their year end audited financial statements. While the vast majority of portfolio managers do maintain adequate capital, this notice is to remind all portfolio managers of the capital requirements under the Act and also describes the terms and conditions that are recommended by staff when a portfolio manager is capital deficient.

All portfolio managers are required to prepare monthly capital calculations within a reasonable period of time after each month end. Capital calculations must be based on monthly financial statements prepared in accordance with generally accepted accounting principles (GAAP).

Proposed changes to Ontario securities law will change the capital requirements of portfolio managers and will also capture other market participants who are not currently required to prepare capital calculations, such as investment fund managers and certain exempt market dealers. Therefore, this notice also reminds all market participants, including portfolio managers, to be watchful of future changes to the amount and scope of capital requirements as a result of proposed National Instrument 31-103 *Registration Requirements* (NI 31-103).

Minimum free capital requirement

Regulation 107(3) under the Act requires every portfolio manager to maintain minimum free capital of the maximum amount, if any, that is deductible under any clause of the bonding or insurance policy required under Regulation 108(3) plus \$5,000 of working capital calculated in accordance with GAAP. Portfolio managers who have access to or take possession of client funds or securities are required to maintain minimum free capital of the maximum insurance deductible plus \$25,000 of working capital calculated in accordance with GAAP.

In addition, portfolio managers are required under Regulation 113(3)(10) to maintain a record of a reasonable calculation of required capital for each month within a reasonable time after the month.

Registrants who do not meet the prescribed capital requirement for any given month should inform the OSC immediately of the deficiency and take corrective measures within 48 hours.

Historically, issues concerning capital calculations have been among the most common deficiencies encountered during compliance reviews. Registrants should refer to OSC Staff Notice 33-728 *2007 Annual Report – Compliance Team* for our observations and suggested practices for dealing with capital calculations which may be found on the OSC website at www.osc.gov.on.ca.

Terms and conditions

Staff recommends imposing terms and conditions on a registrant's registration in all circumstances where the OSC becomes aware of a capital deficiency. The terms and conditions are generally imposed for a six month period and include requirements to:

- File year-to-date unaudited financial statements with the OSC every month, including a balance sheet and income statement, prepared in accordance with GAAP;
- File a capital calculation for each month end;
- Review their policies and procedures for compliance with Ontario securities law and file a compliance report that includes:
 - (a) the reasons for the registrant's failure to meet the capital requirement as required under Ontario securities law;
 - (b) a certification from its compliance officer to the effect that the registrant has reviewed its system for on-going compliance with Ontario securities law and rectified the problem(s) that led to its failure to satisfy the capital requirement; and
 - (c) details of the specific measures that will be taken to ensure that the capital requirement will be satisfied at all times in the future.

We impose similar terms and conditions on registrants who do not meet their regulatory filing requirements. See OSC Staff Notice 33-713 *Registrant Regulatory Filings* for more information.

Under section 26(3) of the Act, registrants may oppose the imposition of recommended terms and conditions on registration and request an opportunity to be heard.

Proposed NI 31-103

On February 28, 2008, the Canadian Securities Administrators published for second comment proposed NI

31-103. Changes under proposed NI 31-103 will affect the minimum capital requirements for registered firms who are not members of a self regulatory organization (SRO), including portfolio managers. The proposed changes are meant to more closely link the minimum capital with the associated risks of a particular category of registration.

Key changes to the proposed capital requirements, some of which may impact portfolio managers, include:

- an increase in the minimum capital requirement for most non-SRO members;
- an increase in the frequency of filings for most non-SRO members; and
- an enhanced capital calculation formula to better reflect the firm's business model.

Market participants should refer to proposed NI 31-103 to familiarize themselves with the proposed preparation and reporting requirements and the proposed changes to their capital requirements.

Contact information

For more information, please contact:

Noulla Antoniou, CA,
Senior Accountant, Compliance
(416) 595-8920
nantoniou@osc.gov.on.ca

Marrianne Bridge, CA,
Manager, Compliance
(416) 595-8907
mbridge@osc.gov.on.ca

Christina Forster-Pazienza, CA,
Assistant Manager, Compliance
(416) 593-8061
cpazienza@osc.gov.on.ca

June 10, 2008

1.1.3 Assignment of Powers and Duties to Investment Industry Regulatory Organization of Canada - Notice of Revocation, Assignment, and Approval

ASSIGNMENT OF POWERS AND DUTIES TO INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

NOTICE OF REVOCATION, ASSIGNMENT, AND APPROVAL

The Investment Dealers Association of Canada (IDA) and Market Regulation Services Inc. have combined their regulatory activities into a single organization known as the Investment Industry Regulatory Organization of Canada (IIROC). Effective June 1, 2008, the Ontario Securities Commission and other recognizing regulators recognized IIROC as a self-regulatory organization (SRO).

With the recognition of IIROC, it is necessary to revoke the existing assignment of powers and duties to the IDA made under section 21.5(2) of the *Securities Act* (Ontario) (OSA) (the **Existing Order**).

In the place of the Existing Order, there is a new assignment effective June 1, 2008 to the IIROC of certain powers and duties of the Director under the OSA and the *Commodity Futures Act* (Ontario) (the **CFA**). These powers and duties include granting registration, imposing terms and conditions, refusing to grant registration, and granting certain exemptions. The Executive Director and the Commission signed an order to revoke the existing assignment order, assign the powers and duties to IIROC, and approve the new assignment (the **Order**).

The Order is substantially the same as the Existing Order, with two changes:

- The Order includes an assignment of Director powers and duties under the CFA that mirror the powers and duties of the Director that are assigned to IIROC pursuant to the OSA.
- The Order excludes the Director's powers and duties related to renewals of registration. The reason for this change is that although the Existing Order does not exclude renewals of registration, in practice, renewals of registration are currently carried out by OSC staff. OSC staff wish to continue to carry out renewals of registration until proposed National Instrument 31-103 *Registration Requirements* comes into force, at which time registration will be permanent and renewals of registration will no longer be required.

June 13, 2008

1.2 Notices of Hearing

1.2.1 Rodney International 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
RODNEY INTERNATIONAL, CHOEUN CHHEAN
(ALSO KNOWN AS PAULETTE C. CHHEAN) AND
MICHAEL A. GITTENS (ALSO KNOWN AS
ALEXANDER M. GITTENS)**

**NOTICE OF HEARING
(Section 127)**

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "Act") at the offices of the Commission, 20 Queen Street West, 17th Floor, in the Large Hearing Room, Toronto, Ontario commencing on June 17, 2008, at 2:00 p.m. or soon thereafter as the hearing can be held;

AND TAKE FURTHER NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest for the Commission:

- (a) To extend the Temporary Order dated June 4, 2008 pursuant to subsection 127(7) and (8) of the *Act* until the conclusion of the hearing or for such further time as considered necessary by the Commission; and,
- (b) To make such further orders as the Commission considers appropriate.

BY REASON of the facts recited in the Temporary Order and of such allegations and evidence as counsel may advise and the Commission may permit.

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

AND FURTHER TAKE NOTICE that upon failure of any party to attend at this time and place, 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 5th day of June, 2008.

"John Stevenson"
Secretary to the Commission

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

AND

**IN THE MATTER OF
RODNEY INTERNATIONAL, CHOEUN CHHEAN
(ALSO KNOWN AS PAULETTE C. CHHEAN) AND
MICHAEL A. GITTENS (ALSO KNOWN AS
ALEXANDER M. GITTENS)**

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

Staff of the Ontario Securities Commission ("Staff") make the following allegations in support of a Notice of Hearing to extend the Temporary Order dated June 4, 2008 pending completion of Staff's investigation:

I. THE RESPONDENTS

1. Rodney International ("Rodney") is a Sole Proprietorship registered under the *Business Names Act*. The Sole Proprietor of Rodney is Choeun Chhean (also known as Paulette C. Chhean) ("Chhean").
2. Chhean is an individual who resides in Windsor, Ontario.
3. Michael A. Gittens (also known as Alexander M. Gittens) ("Gittens") is an individual and resides in Windsor, Ontario.

II. ALLEGATIONS

4. Staff allege that:
 - (a) during April and March 2008, the Respondents traded securities without being registered to trade securities in accordance with Ontario securities law contrary to section 25(1)(a) of the *Securities Act*, R.S.O. c.S.5, as amended (the "*Act*"); and
 - (b) during April and March 2008, the Respondents traded securities which would be a distribution of the securities without a preliminary prospectus and a prospectus having been filed and receipts having been issued by the Director contrary to section 53(1) of the *Act*.

**III. CONDUCT CONTRARY TO THE ONTARIO
SECURITIES LAW AND CONTRARY TO THE
PUBLIC INTEREST**

5. Staff allege that the conduct alleged above constitutes conduct contrary to Ontario securities law and/or conduct contrary to the public interest.
6. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

Dated at Toronto this 5th day of June, 2008.

1.3 News Release

1.3.1 OSC Granted North American Investor Education Outreach Award

**FOR IMMEDIATE RELEASE
June 6, 2008**

**OSC GRANTED NORTH AMERICAN INVESTOR
EDUCATION OUTREACH AWARD**

TORONTO – The North American Securities Administrators Association (NASAA) presented the Ontario Securities Commission (OSC) with the 2008 award for “Most Investor Education Outreach Presentations Made” at the organization’s Investor Education Training Seminar this week in Philadelphia. The OSC reached 16,900 of people with 54 presentations during the reporting period that spanned October 2007 through April 2008.

Since NASAA began tracking investor education outreach efforts by the membership in November 2006, more than 293,718 consumers have been included in 2,192 presentations, with 41 of 67 member jurisdictions reporting.

As part of an ongoing commitment to investor protection, OSC staff make presentations at events and trade shows across the province. These presentations are part of the OSC “Check Before You Invest” campaign that integrates community outreach, advertising, public service announcements and investor information. The campaign urges investors to research their investment decisions, starting with OSC investor resources.

NASAA is the oldest international organization devoted to investor protection. Its membership consists of the securities administrators in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Canada, and Mexico.

For Media Inquiries: Perry Quinton
Manager, Investor Communications
Ontario Securities Commission
416-593-2348

Bob Webster
Director of Communications
North American Securities Administrators Association
202-737-0900

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

1.4 Notices from the Office of the Secretary

1.4.1 Juniper Fund Management Corporation et al.

**FOR IMMEDIATE RELEASE
June 6, 2008**

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

AND

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

TORONTO – The Commission today issued an Order, on consent, which provides that: (i) the Hearing scheduled to commence on June 16, 2008 is adjourned; (ii) the Hearing will commence on a date to be set by a Pre-Hearing Commissioner or such other date as is agreed by the parties and confirmed by the Office of the Secretary.

A copy of the Order dated June 6, 2008 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-Rimington
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 Rodney International et al.

FOR IMMEDIATE RELEASE
June 6, 2008

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

AND

**IN THE MATTER OF
RODNEY INTERNATIONAL, CHOEUN CHHEAN
(ALSO KNOWN AS PAULETTE C. CHHEAN)
AND MICHAEL A. GITTENS (ALSO KNOWN AS
ALEXANDER M. GITTENS)**

TORONTO – The Office of the Secretary issued a Notice of Hearing on June 5, 2008 setting the matter down to be heard on June 17, 2008, at 2:00 p.m. or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Notice of Hearing dated June 5, 2008, the Statement of Allegations of Staff of the Ontario Securities Commission dated June 5, 2008 and the Temporary Order dated June 4, 2008 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

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416-593-8314
1-877-785-1555 (Toll Free)

1.4.3 Anil Kumar Jain

FOR IMMEDIATE RELEASE
June 9, 2008

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

AND

**IN THE MATTER OF
ANIL KUMAR JAIN**

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

A copy of the Order June 9, 2008 and Settlement Agreement dated May 30, 2008 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

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 MacKenzie Financial Corporation et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions - Time limit pertaining to the distribution of securities of funds under a simplified prospectus extended until effective date of the funds' mergers - Section 147 of the Securities Act (Ontario).

Applicable Legislative Provisions

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

May 27, 2008

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

AND

IN THE MATTER OF THE
PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
MACKENZIE FINANCIAL CORPORATION
(the Filer)

AND

KEYSTONE AIM TRIMARK
GLOBAL EQUITY FUND
KEYSTONE DIVERSIFIED INCOME
PORTFOLIO FUND
(the Funds)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer on behalf of the Funds for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the time limit pertaining to the

distribution of securities of the Funds under their simplified prospectuses dated May 30, 2007 (the **Prospectus**) be extended to permit the continued distribution of securities of the Funds until August 1, 2008 (the **Exemption Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

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

Interpretation

Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. Mackenzie is a corporation amalgamated under the laws of Ontario. Mackenzie is the manager, trustee and the portfolio advisor to the Funds. Each of the Funds are open-ended mutual fund trusts established under the laws of Ontario pursuant to a declaration of trust.
2. The Funds are reporting issuers under the Legislation are not in default of any of the requirements of the Legislation.
3. The Funds are currently qualified for distribution in all Jurisdictions under the Prospectus, as amended.
4. Pursuant to the Legislation, the lapse date (the **Lapse Date**) for the distribution of securities of the Funds is May 30, 2008.
5. Pursuant to the Legislation, provided a pro forma simplified prospectus is filed 30 days prior to May 30, 2008, a final version is filed by June 9, 2008, and a receipt for the simplified prospectus is issued by the securities regulatory authorities by June 19, 2008, the securities of the Funds may continue to be distributed after the Lapse Date.
6. On or about July 25, 2008, but no later than August 1, 2008, Mackenzie intends to merge the Funds into other mutual funds managed by

Mackenzie. The mergers would be effected in accordance with the requirements of National Instrument 81-102 *Mutual Funds* (NI 81-102) and National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106), namely, approval of the mergers by the independent review committee of the Funds, filing an amendment to the Prospectus and providing investors of the Funds with at least 60 days prior written notice of the mergers.

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

7. Given the Funds' impending mergers, a renewal prospectus of the Funds will not be filed. Therefore, securities of the Funds will not be qualified for distribution in the period that follows the Lapse Date and that leads up to the effective date of the mergers unless an extension is granted to permit the continued distribution of securities of the Funds during that period. An extension of the Lapse Date is therefore requested until August 1, 2008.
8. The purchases the Filer expects to see of the Funds' securities after the Lapse Date are principally those made pursuant to pre-authorized purchases (PAP) from existing investors. These scheduled PAPs will continue until the effective date of the mergers.
9. If the Exemption Sought is not granted, a pro forma prospectus and a final prospectus for the Funds would have to have been filed by April 30, 2008 and June 9, 2008 respectively in accordance with the existing time limits for the renewal of the Prospectus notwithstanding that the Funds will be terminated on or about the effective date of the mergers. The financial costs and time involved in preparing, filing and printing a revised prospectus for the Funds would be unduly costly.
10. Since May 30, 2007, the date of the Prospectus, no material change has occurred that has not been disclosed by way of an amendment to the Prospectus. The Prospectus as amended will therefore present up to date information regarding the Funds. The extension requested will not affect the currency or accuracy of the information contained in the Prospectus, as amended, and as may be further amended in accordance with NI 81-106, and, accordingly, will not be prejudicial to the public interest.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Maker under the Legislation is that the Exemption Sought is granted.

"Carol S. Perry"
Commissioner
Ontario Securities Commission

**2.1.2 National Bank of Canada and NBC Asset Trust
- MRRS Decision**

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption granted to a Trust from the requirements under National Instrument 51-102 – Continuous Disclosure Obligations to file and deliver interim financial statements, annual financial statements, interim and annual MD&A and annual information form on specified conditions, including the conditions that the Bank remains a reporting issuer and security holders of the Trust receive the continuous disclosure documents of the Bank. Because of the economic terms of the Trust Capital Securities - Series 1, a security holder's return depends upon the financial condition of the Bank and not that of the Trust. The Trust offered Trust Capital Securities - Series 1 to the public in order to provide the Bank with a cost-effective means of raising capital for Canadian bank regulatory purposes. The Trust holds a portfolio of assets consisting primarily of mortgages and interests in mortgages. Trust Capital Securities - Series 1 holders are entitled to receive a fixed non-cumulative distribution but no distributions are payable if the Bank fails to declare regular dividends on its preferred shares or on its common shares, if no preferred shares are outstanding. If the Trust fails to pay distributions, the Bank is prevented from paying dividends on its preferred shares and common shares. The Trust Capital Securities - Series 1 are redeemable by the Trust subject to regulatory approval. The Trust Capital Securities - Series 1 holders have no claim or entitlement to the income of the Trust or the assets held by the Trust. – Exemption granted to a Trust from the requirements to file interim certificates and annual certificates under Multilateral Instrument 52-109 – Certification of Disclosure in Issuer's Annual and Interim Filings on specified conditions since the interim and annual filings to be filed will be the Bank's interim and annual filings.

Applicable Ontario Statutory Provisions

National Instrument 51-102 Continuous Disclosure Obligations, ss. 4.1, 4.3, 4.6, 5.1, 5.6, 6.1, 13.1.

National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, ss. 2.1, 3.1, 4.5.

May 29, 2008

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

AND

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

AND

**IN THE MATTER OF
NATIONAL BANK OF CANADA AND
NBC ASSET TRUST**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application from National Bank of Canada (the "Bank") and NBC Asset Trust (the "Trust") for a decision, pursuant to the securities legislation of the Jurisdictions (the "Legislation"), that the requirements contained in the Legislation to:

- (a) (i) file interim financial statements and audited annual financial statements and deliver same to the security holders of the Trust, pursuant to Sections 4.1, 4.3 and 4.6 of National Instrument 51-102 – Continuous Disclosure Obligations ("NI 51-102");
- (ii) file interim and annual management's discussion and analysis ("MD&A") of the financial condition and results of operations and deliver same to the security holders of the Trust pursuant to Sections 5.1 and 5.6 of NI 51-102;
- (iii) file an annual information form pursuant to Section 6.1 of NI 51-102;

(collectively defined as the "Continuous Disclosure Obligations");

- (b) file interim and annual certificates (collectively the "Officers Certificates") contained in Parts 2 and 3 of Multilateral Instrument 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings* (the "Certification Obligations");

shall not apply to the Trust, subject to certain conditions.

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

- 1. the Autorité des marchés financiers is the principal regulator for this application;
- 2. this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

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

“Administrative Action” means any judicial decision, official administrative pronouncement, published or private ruling, regulatory procedure, notice or announcement (including any notice or announcement of an intention to adopt such procedures or regulations) by any legislative body, court, governmental authority or regulatory body having appropriate jurisdiction.

“Automatic Exchange” means the automatic exchange of each NBC CapS II – Series 1 for 40 Bank Preferred Shares Series 19 upon the occurrence of a Loss Absorption Event.

“Bank Act” means the *Bank Act* (Canada), as amended from time to time.

“Bankers’ Acceptance Rate” means, for any Distribution Period, or other period, the average bid rate of interest (expressed as an annual percentage rate) rounded to the nearest one hundred-thousandth of one percent (with 0.000005 percent being rounded up) for Canadian dollar bankers’ acceptances with maturities of six months which appears on the Reuters Screen CDOR Page as of 10:00 a.m. (Eastern Standard time) on the first day on which the Bank is open for business in the City of Montréal, other than a Saturday, Sunday or any statutory holiday in Québec (a “Business Day”) of such period, provided that if such rate does not appear on the Reuters Screen CDOR Page on such day, the Bankers’ Acceptance Rate for such period will be the average of the bid rates of interest (expressed and rounded as set forth above) for Canadian dollar bankers’ acceptances with maturities of six months for same day settlement as quoted by such of the Schedule 1 Canadian chartered banks as may quote such a rate as of 10:00 a.m. (Eastern Standard time) on the first Business Day of such period.

“Capital Disqualification Event” means a Tier 1 Capital Disqualification Event or a Total Capital Disqualification Event.

“Capital Guidelines” means the Canadian bank regulatory guidelines issued by the Superintendent or other governmental authority in Canada concerning the maintenance of adequate capital reserves by Canadian chartered banks, including the Bank, from time to time.

“Declaration of Trust” means the declaration of trust dated December 17, 2007 establishing the Trust and the rights, privileges, restrictions and conditions attached to the Trust Securities, as amended, supplemented and restated from time to time.

“Distribution Date” means the last day in June and December of each year commencing June 30, 2008.

“Distribution Period” means the periods from and including January 22, 2008, being the date of closing of the Offering, to but excluding June 30, 2008 and thereafter from and including each Distribution Date to but excluding the next following Distribution Date.

“Dividend Declaration Months” means the months in which the Bank ordinarily declares dividends from time to time on its preferred shares, or, if no such shares are then outstanding, on the Bank Common Shares, in accordance with the Bank’s ordinary dividend practice in effect from time to time, before giving effect to any stoppage of the declaration of dividends pursuant to the Dividend Stopper Undertakings described below.

“Eligible Investment” means money and any debt obligation that is a qualified investment under the *Income Tax Act* (Canada) by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and registered education savings plans, except where the qualification of such property contains conditions regarding the annuitant, the beneficiary, the employer or the subscriber under the plan unless the Trust is satisfied that such conditions are satisfied.

“Loss Absorption Event” means the occurrence of any one of the following events: (i) an application for a winding-up order in respect of the Bank pursuant to the Winding-Up and Restructuring Act (Canada) (the “Winding-Up Act”) is filed by the Attorney General of Canada or a winding-up order in respect of the Bank pursuant to the Winding-Up Act is granted by a court; (ii) the Superintendent advises the Bank in writing that the Superintendent has taken control of the Bank or its assets pursuant to the Bank Act; (iii) the Superintendent advises the Bank in writing that the Superintendent is of the opinion that the Bank has a risk-based Tier 1 Capital Ratio of less than 5.0% or a risk-based Total Capital Ratio of less than 8.0%; (iv) the board of directors of the Bank advises the Superintendent in writing that the Bank has a risk-based Tier 1 Capital Ratio of less than 5.0% or a risk-based Total Capital Ratio of less than 8.0%; or (v) the Superintendent directs the Bank, pursuant to the Bank Act, to increase its capital or provide additional liquidity and the Bank elects to cause the Automatic Exchange as a consequence of the issuance of such direction or the Bank does not comply with such direction to the satisfaction of the Superintendent within the time specified.

“NBC CapS II – Series 1” means the Trust Capital Securities - Series 1 issued by the Trust to investors in Canada pursuant to the Offering (as defined below), being transferable trust units representing undivided beneficial ownership interests in the Trust Assets.

“Reference Dividend Declaration Month” means, in respect of any Distribution Date (other than June 30, 2008), the most recent Dividend Declaration Month occurring prior to the commencement of the Distribution Period ended on the day preceding such Distribution Date, such months currently being June and December under existing Bank dividend declaration practice and, in respect of the June 30, 2008 Distribution Date, the month of December 2007.

“Residential Mortgages” means (i) Canada Mortgage and Housing Corporation-insured first mortgages on residential property situated in Canada such as single family dwellings, semi-detached dwelling units, duplexes,

townhouses, condominium units or multiple-unit family dwellings; and (ii) such other first mortgages on residential property situated in Canada (or interests therein whether on a pooled basis or otherwise) including, without limitation, first mortgages on residential property situated in Canada that are insured by an insurance company, including Genworth Financial-insured mortgages, and other first mortgages on residential property situated in Canada or lines of credit secured by first mortgages on residential property situated in Canada so long as, in all cases, they are Eligible Investments.

“Special Event” means a Tax Event or a Capital Disqualification Event, as the case may be.

“Superintendent” means the Superintendent of Financial Institutions (Canada).

“Tax Event” means the receipt by the Bank of an opinion of a nationally recognized law firm in Canada experienced in such matters (who may be counsel to the Bank or the Trust) to the effect that, as a result of: (i) any amendment to, clarification of, or change (including any announced prospective change) in, the laws, or any regulations thereunder, of Canada or any political subdivision or taxing authority thereof or therein, affecting taxation; (ii) any Administrative Action; or (iii) any amendment to, clarification of, or change in, the official position or the interpretation of any Administrative Action or any interpretation or pronouncement that provides for a position with respect to such Administrative Action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulatory body, irrespective of the manner in which such amendment, clarification or change is made known, which amendment, clarification or change is effective or such pronouncement or decision is announced on or after the date of issue of the NBC CapS II – Series 1, there is more than an insubstantial risk that: (x) the treatment of any of the Bank’s or the Trust’s items of income or expense (including the treatment by the Bank or the Trust of distributions made on the Trust Securities) as reflected in the tax returns filed (or to be filed) will not be respected by a taxing authority, which subjects the Bank or the Trust to more than a de minimus amount of additional taxes, duties or other governmental charges or civil liabilities; or (y) the Bank or the Trust is, or will be, subject to more than a de minimus amount of taxes, duties or other governmental charges or civil liabilities.

“Tier 1 Capital Disqualification Event” means the determination by the Bank, after consultation with the Superintendent, that, as a result of a change after the date hereof in the Capital Guidelines, the NBC CapS II – Series 1 are no longer eligible to be included as risk-based Tier 1 Capital on a consolidated basis under the Capital Guidelines.

“Total Capital Disqualification Event” means the determination by the Bank, after consultation with the Superintendent, that, as a result of a change after the date hereof in the Capital Guidelines, the NBC CapS II – Series 1 are no longer eligible to be included as risk-based Total

Capital on a consolidated basis under the Capital Guidelines.

“Trust Assets” means residential mortgages, mortgage co-ownership interests, mortgage-backed securities, eligible investments and contractual rights of the Trust in respect of the activities and operations of the Trust.

Representations

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

1. The Trust is a closed-end trust established on December 17, 2007 by Natcan Trust Company (the “Natcan Trustee”) under the laws of Ontario pursuant to a declaration of trust. The Trust’s head office is located in Montréal, Québec.
2. The Trust has issued NBC CapS II – Series 1 to investors in several provinces of Canada (the “Offering”). Following the issuance of a final MRRS Decision Document evidencing receipt for the final prospectus dated January 16, 2008 (the “Prospectus”) in respect of the Offering, the Trust became a reporting issuer or its equivalent in each of the Jurisdictions.
3. The capital of the Trust consists of special trust securities issued or to be issued by the Trust to the Bank (the “Special Trust Securities”) and the NBC CapS II – Series 1 (together with the Special Trust Securities, the “Trust Securities”). The NBC CapS II – Series 1 distributed pursuant to the Prospectus are held by the public and all outstanding Special Trust Securities are held by the Bank. The Trust may, from time to time, issue further series of securities having terms substantially similar to the NBC CapS II – Series 1. Neither the Special Trust Securities nor the NBC CapS II – Series 1 are listed and posted for trading on any stock exchange.
4. The Trust was established solely for the purpose of effecting the Offering and other offerings of securities in order to provide the Bank with a cost effective means of raising capital for regulatory purposes under the *Bank Act* (Canada) (the “Bank Act”). The Bank is the administrative agent of the Trust pursuant to an Administrative and Advisory Agreement (the “Administrative and Advisory Agreement”) between the Natcan Trustee and the Bank and as such advises the Trust and administers the affairs of the Trust.
5. The Trust is not in default of any requirement under the Legislation as a reporting issuer, other than the requirement to file the documents required to be filed under its Continuous Disclosure Obligations for the financial year ended December 31, 2007 and the related Officers Certificates (collectively, the “2007 Annual Documents”). The Trust acknowledges that any

- right of action, remedy, penalty or sanction available to any person or company or to a securities regulatory authority against the Trust from the date by which the 2007 Annual Documents were due to be filed under the Legislation until the date of this decision document are not terminated or altered as a result of this decision.
6. The NBC CapS II – Series 1 have the attributes described in paragraph 13 below. The Special Trust Securities are voting securities of the Trust.
 7. The objective of the Trust is to acquire (with the proceeds of offerings of its securities) and hold the Trust Assets primarily from the Bank or its affiliates, generally on a fully-serviced basis.
 8. The Bank and its affiliates are responsible for the servicing of the Trust Assets, including reporting on the performance of the Trust Assets and investment of the proceeds of the Trust Assets. The Trust Assets will generate income for distribution to holders of Trust Securities. The Trust does not, and will not, carry on any operating activity other than in connection with offerings of Trust Securities.
 9. The Bank is a chartered bank subject to the provisions of the Bank Act. The authorized capital of the Bank consists of (i) an unlimited number of common shares without par value (the “Bank Common Shares”); (ii) an unlimited number of first preferred shares without par value (the “Bank Preferred Shares”), which may be issuable for a maximum aggregate consideration of \$5,000,000,000 or the equivalent thereof in foreign currencies, issuable in series; and (iii) a limited number of second preferred shares without par value. On January 31, 2008, 158,141,407 Bank Common Shares and 16,000,000 Bank Preferred Shares were issued and outstanding.
 10. The Bank Common Shares and the first preferred shares, series 15 and 16 of the Bank are listed on the Toronto Stock Exchange. The Bank has undertaken, pursuant to a Bank Share Exchange Agreement (the “Bank Share Exchange Agreement”) entered into among the Bank, the Trust and Computershare Trust Company of Canada acting as exchange trustee, to take all such actions as are necessary to permit the non-cumulative first preferred shares series 19 of the Bank (the “Bank Preferred Shares Series 19”) delivered pursuant to the Automatic Exchange to be listed, quoted or posted for trading on a Canadian stock exchange or quotation system and to take such reasonable steps as may be necessary to ensure that such Bank Preferred Shares Series 19 remain so listed, quoted or posted for trading.
 11. The Bank is a reporting issuer in each of the Jurisdictions and is not in default of any requirement under the Legislation.
 12. The NBC CapS II – Series 1 qualify as Tier 1 Capital of the Bank under the Capital Guidelines.
 13. The terms of the NBC CapS II – Series 1 include the following:
 - The NBC CapS II – Series 1 will pay a fixed non-cumulative distribution (the “Indicated Distribution”) on the last day of June and December in each year commencing June 30, 2008. Each Distribution Date will be either a “Regular Distribution Date” or a “Distribution Diversion Date”. A Distribution Date will be a Distribution Diversion Date with the result that the Indicated Distribution will not be paid in respect of the NBC CapS II – Series 1 but, instead, the Trust will pay the net distributable funds of the Trust to the Bank as holder of the Special Trust Securities if: (i) the Bank has failed in the Reference Dividend Declaration Month to declare regular dividends on the Bank Preferred Shares of any series; or (ii) if no Bank Preferred Shares are then outstanding, the Bank has failed in the Reference Dividend Declaration Month to declare regular dividends on the Bank Common Shares. In all other cases, a Distribution Date will be a Regular Distribution Date, in which case holders of NBC CapS II – Series 1 will be entitled to receive the Indicated Distribution and the Bank, as holder of the Special Trust Securities, will be entitled to receive the net distributable income, if any, of the Trust remaining after payment of the Indicated Distribution.
 - The Indicated Distribution will be in the amount of: (i) in the case of any Regular Distribution Date on or before June 30, 2018, other than June 30, 2008, \$36.175 per NBC CapS II – Series 1; and (ii) in the case of any Regular Distribution Date after June 30, 2018, an amount per NBC CapS II – Series 1 determined by multiplying \$1,000 by one half of the sum of the Bankers’ Acceptance Rate for the Distribution Period immediately preceding such Distribution Date plus 379 basis points, except in the case of the Regular Distribution Date for the NBC CapS II – Series 1 occurring on June 30, 2008, on which the Indicated Distribution payable by the Trust will be \$31.715.
 - Under the Bank Share Exchange Agreement, the Bank has agreed, for the

benefit of the holders of NBC CapS II – Series 1, that in the event that the Trust fails on any Regular Distribution Date to pay the Indicated Distribution on the NBC CapS II – Series 1 in full, the Bank will not pay dividends on any preferred shares of the Bank nor on the Bank Common Shares, until the month that commences immediately after the third Dividend Declaration Month following the Trust's failure to pay the Indicated Distribution in full on the NBC CapS II - Series 1, unless the Trust first pays such Indicated Distribution (or the unpaid portion thereof) to holders of NBC CapS II – Series 1 (the "Dividend Stopper Undertakings"). Accordingly, it is in the interest of the Bank to ensure, to the extent within its control, that the Trust complies with the obligation to pay the Indicated Distribution on each Regular Distribution Date in order to avoid the triggering of the Dividend Stopper Undertakings.

- Pursuant to the Automatic Exchange, the NBC CapS II – Series 1 will be automatically exchanged, without the consent of the holder, for 40 newly issued Bank Preferred Shares Series 19 upon the occurrence of a Loss Absorption Event.
- The Trust may, subject to regulatory approval, on June 30, 2013 and on each Distribution Date thereafter, redeem the NBC CapS II – Series 1. The price payable in respect of any such redemption will include an early redemption compensation component (such price being the "Early Redemption Price") in the event of a redemption prior to June 30, 2018 (the "Early Redemption Date"). The price payable in all other cases (the "Redemption Price") will be \$1,000 per NBC CapS II – Series 1 together with any unpaid Indicated Distribution thereon.
- Upon the occurrence of a Special Event, in each case prior to the Early Redemption Date, the Trust may, subject to regulatory approval, redeem all but not less than all of the NBC CapS II – Series 1 at the Early Redemption Price.
- The Bank has covenanted that all of the outstanding Special Trust Securities will be held by it at all times.
- As long as any NBC CapS II – Series 1 are outstanding and are held by any person other than the Bank, the Trust

may only be terminated with the approval of the Bank as the holder of the Special Trust Securities and with the approval of the Superintendent: (i) upon the occurrence of a Special Event prior to June 30, 2013; or (ii) for any reason on June 30, 2013 or any Distribution Date thereafter. Holders of each series of outstanding Trust Securities will rank *pari passu* in the distribution of the property of the Trust in the event of a termination of the Trust after the discharge of any creditor claims. As long as any NBC CapS II – Series 1 are outstanding and held by any person other than the Bank, the Bank will not approve the termination of the Trust unless the Trust has sufficient funds to pay the Early Redemption Price in the case of a termination prior to the Early Redemption Date, or the Redemption Price in the case of a termination at any other time.

- The NBC CapS II – Series 1 are non-voting except in limited circumstances set forth in the Declaration of Trust involving changes to the terms and conditions of the NBC CapS II – Series 1.
- Except to the extent that the Indicated Distribution is payable to holders of NBC CapS II – Series 1, and other than in the event of a termination of the Trust, the NBC CapS II – Series 1 holders have no claim or entitlement to the income of the Trust or the Trust Assets.
- Pursuant to the Administrative and Advisory Agreement, the Natcan Trustee has delegated to the Bank certain of its obligations in relation to the administration of the Trust. The Bank, as advisor and administrative agent, provides advice and counsel with respect to the management of the Trust Assets and administers the day-to-day operations of the Trust and provides other advice or counsel as may be requested by the Natcan Trustee from time to time.

14. Because of the nature of the Trust, the terms of the NBC CapS II – Series 1, the Automatic Exchange and the various covenants of the Bank given in connection with the Offering, information about the affairs and financial performance of the Bank, as opposed to that of the Trust, is meaningful to holders of NBC CapS II – Series 1. The Bank's continuous disclosure filings will provide holders of NBC CapS II – Series 1 and the general investing public with all information required in order to make an informed decision relating to an investment in NBC CapS II – Series

1. Information regarding the Bank is relevant both to an investor's expectation of being paid the Indicated Distribution as well as the return of the investor's capital.

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 Trust be exempted from the Continuous Disclosure Obligations provided that:

1. the Bank remains a reporting issuer under the Legislation that has filed all documents it is required to file by the Legislation;
2. the Bank files with the Decision Makers, in electronic format under the Trust's SEDAR profile, the documents listed in paragraph (a) above of this Decision, at the same time as they are required under the Legislation to be filed by the Bank;
3. the Trust pays all filing fees that would otherwise be payable by the Trust in connection with the filing of the documents referred to in paragraph (a) above of this Decision;
4. the Trust sends or causes the Bank to send its interim and audited annual financial statements and interim and annual MD&A, as applicable, to holders of Trust Securities, at the same time and in the same manner as if the holders of Trust Securities were holders of Bank Common Shares;
5. all outstanding securities of the Trust are either NBC CapS II – Series 1, additional series of trust units having terms substantially similar to the NBC CapS II – Series 1 or Special Trust Securities;
6. the rights and obligations of holders of additional series of trust units are the same in all material respects as the rights and obligations of the holders of the NBC CapS II – Series 1, with the exception of economic terms such as the cash distributions payable by the Trust and redemption dates and prices;
7. the Bank is the beneficial owner of all issued and outstanding voting securities of the Trust, including the Special Trust Securities;
8. the Trust does not carry on any operating activity other than in connection with offerings of its securities.

The decision of the Decision Makers under the Legislation is that the Trust be exempted from the Certification Obligations provided that:

1. the Trust is and continues to be exempted from the Continuous Disclosure Obligations;
2. the Bank files with the Decision Makers, in electronic format under the Trust's SEDAR profile, the Officers Certificates of the Bank at the same time as such documents are required under the Legislation to be filed by the Bank.

The decision of the Decision Makers under the Legislation is that the exemptive reliefs granted hereabove are granted and are effective from the date of this decision.

This decision shall expire 30 days after the date a material adverse change occurs in the affairs of the Trust.

Montréal, May 29, 2008

"Louis Morisset"
Superintendent, Securities Markets
Autorité des marchés financiers

2.1.3 JovFunds Management Inc.et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions - Top funds proposing to invest a portion of their net assets in underlying commodity pools - Investment not complying with requirements of paragraph 2.5(2)(a) of NI 81-102 - Top funds unable to rely on statutory exemption in subsection 2.5(7) of NI 81-102 providing relief from mutual fund conflict of interest investment restrictions and mutual fund conflict of interest reporting requirements - Top funds may, either alone or together with other related mutual funds, become substantial security holders of the underlying commodity pools - Substantial security holder of manager of top funds may make a seed capital investment in an underlying commodity pool which would represent a significant interest in that commodity pool - Manager of top funds or affiliate may have common officers and directors with underlying commodity pool - Top funds exempted from mutual fund conflict of interest investment restrictions and manager of top funds exempted from mutual fund conflict of interest reporting requirements, subject to compliance with certain conditions - Securities Act (Ontario).

Applicable Legislative Provisions

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

Rules Cited

National Instrument 81-102 Mutual Funds, ss. 2.5, 2.5(7).

May 16, 2008

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(the Jurisdiction)

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
JOVFUNDS MANAGEMENT INC.
(the Filer)

AND

IN THE MATTER OF
JOV TALISMAN FUND
JOV DIVERSIFIED MONTHLY INCOME FUND
JOV LEON FRAZER BALANCED FUND
JOV NORTH AMERICAN MOMENTUM FUND
JOV LEON FRAZER DIVIDEND FUND

JOV BETAPRO SHORT-TERM INCOME FUND
JOV WINSLOW GLOBAL GREEN GROWTH FUND
(together, the Existing Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on its behalf and on behalf of the Existing Funds and such other mutual funds as the Filer or an affiliate of the Filer may establish in the future (together with the Existing Funds, the **JovFunds**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting:

1. the JovFunds from:
 - (a) the investment restriction in paragraph 111(2)(b) of the Securities Act (Ontario) (the **Act**) which prohibits a mutual fund from knowingly making 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;
 - (b) the investment restriction in clause 111(2)(c)(ii) of the Act which prohibits a mutual fund from knowingly making an investment in an issuer in which 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;
 - (c) the investment restriction in subsection 111(3) of the Act which prohibits a mutual fund, its management company or its distribution company from knowingly holding an investment described in paragraphs (a) or (b) above; and
 - (d) the investment restriction in clause 118(2)(a) of the Act which prohibits a portfolio manager from knowingly causing any investment portfolio managed by it from investing in any issuer in which a responsible person or an associate of a responsible person is an officer or a director unless the specific fact is disclosed to the client and the written consent to the investment is obtained before the purchase (this paragraph (d) together with paragraphs (a), (b) and (c) above are together referred to in this decision as the **Mutual Fund Conflict of Interest Investment Restrictions**); and
2. the Filer from the management company reporting requirement in paragraphs 117(1)(a) and 117(1)(d) of the Act which require that a

management company file a report of every transaction of purchase or sale of securities between a mutual fund it manages and any related person or company, and any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, the mutual fund is a joint participant with one or more of its related persons or companies (the **Mutual Fund Conflict of Interest Reporting Requirements**, and together with the exemption sought from the Mutual Fund Conflict of Interest Investment Restrictions, the **Exemption Sought**)

in connection with investments by the JovFunds in securities of the Horizons BetaPro ETFs (**HBP ETFs**) and Horizons BetaPro Funds (the **HBP Funds**, and together with the HBP ETFs and such other similar funds established by BetaPro Management Inc. (**BetaPro**) in the future, each a **HBP Pool**). The existing HBP Pools are listed in Schedule A of this decision.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

- (i) the Ontario Securities Commission is the principal regulator for this application; and
- (ii) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 Passport System (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Québec, Nova Scotia and New Brunswick (together with Ontario, the **Jurisdictions**).

Interpretation

Terms defined in the Act, in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

Existing Decision

- 1. The Filer and the JovFunds previously obtained relief from the Jurisdictions on March 4, 2008 from the requirements of paragraph 2.5(2)(a) of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) to enable each JovFund to invest up to 10% of its net assets, in aggregate at the time of purchase, in securities of the HBP Pools, subject to certain conditions (the **Existing Decision**).

JovFunds

- 2. The Filer, a corporation incorporated under the laws of Ontario, acts, or will act, as the trustee and manager of each JovFund. JovInvestment Management Inc. (the **Portfolio Manager**) acts, or will act, as portfolio manager for the JovFunds.

The Filer and the Portfolio Manager are indirect, wholly-owned subsidiaries of Jovian Capital Corporation (**Jovian**).

- 3. Each JovFund is, and will be, a mutual fund organized under the laws of Ontario and is, and will be, a reporting issuer under the laws of some or all of the Jurisdictions.
- 4. Securities of each JovFund are, and will be, distributed pursuant to a prospectus that has been filed with and receipted by the securities regulatory authorities in the applicable Jurisdictions.
- 5. Each JovFund may purchase securities of other investment funds, including the HBP Pools, to gain exposure to markets or investments which may otherwise not be easily and economically available to that JovFund, or where insufficient diversification would result from any other stock-specific investment strategy.

BetaPro

- 6. BetaPro, a corporation incorporated under the laws of Canada, acts, or will act as, the trustee and manager of each HBP Pool. Jovian currently owns 45% of the issued and outstanding shares of BetaPro and this is expected to increase to 60% in the near future.

HBP Pools

- 7. Each HBP Pool set out in Schedule A, including any similar funds established by BetaPro in the future, is, or will be, a mutual fund organized under the laws of Ontario and is, or will be, a reporting issuer under the laws of some or all of the Jurisdictions.
- 8. Securities of each HBP ETF are, or will be, listed on the Toronto Stock Exchange. Securities of each HBP Fund are not, or will not be, exchange traded.
- 9. Each HBP Pool is, or will be, a commodity pool, as such term is defined in subsection 1.1(1) of National Instrument 81-104 *Commodity Pools* (**NI 81-104**), in that each HBP Pool has adopted, or will adopt, fundamental investment objectives that permit that HBP Pool to use or invest in financial instruments in a manner that is not permitted under NI 81-102.
- 10. Each HBP Pool's investment objective will be to provide daily results, before fees, expenses, distributions, brokerage commissions and other transaction costs, that endeavour to correspond to a multiple or the inverse (opposite) multiple of the daily performance of a "permitted index" as defined in NI 81-102.

11. In order to achieve its investment objective, each HBP Pool will invest in equity securities and/or other financial instruments, including derivatives.
12. The HBP Pools are attractive investments for the JovFunds as they provide an efficient and cost effective means of achieving diversification and exposure that would not otherwise be possible.
13. An investment by a JovFund in units of a HBP Pool will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the JovFund.

Fund of Fund Investment

14. An investment by a JovFund in units of a HBP Pool will in each case be made in accordance with the provisions of section 2.5 of NI 81-102, except for the requirement in paragraph 2.5(2)(a) of NI 81-102 that the HBP Pool be subject to NI 81-102 and National Instrument 81-101 *Mutual Fund Prospectus Disclosure* as the JovFunds have received relief from this provision pursuant to the Existing Decision.
15. If the proposed investment by a JovFund were made in accordance with each of the provisions of section 2.5 of NI 81-102, the Exemption Sought would not be required as subsection 2.5(7) of NI 81-102 provides relief from the Mutual Fund Conflict of Interest Investment Restrictions and the Mutual Fund Conflict of Interest Reporting Requirements to a mutual fund which purchases or holds securities of another mutual fund if the purchase or holding is made in accordance with section 2.5 of NI 81-102.
16. In the absence of an exemption from the Mutual Fund Conflict of Interest Investment Restrictions, each JovFund would be prohibited from knowingly making or holding an investment in a HBP Pool if the JovFund, alone or together with one or more related mutual funds, would be a substantial security holder of the HBP Pool.
17. Furthermore, Jovian may at times have a seed capital investment in a HBP Pool which would represent a significant interest in that fund. As Jovian is a substantial security holder of the Filer, the manager of the JovFunds, the Mutual Fund Conflict of Interest Investment Restrictions would prohibit a JovFund from investing in a HBP Pool at a time where Jovian would hold a significant interest in that fund.
18. In addition, an officer or director of the Filer or BetaPro could, due to Jovian's ownership interest in the Filer and BetaPro and interest in the HBP Pools, be an officer or director of a HBP Pool. The same could be true of an affiliate of the Filer or BetaPro or Jovian that is a responsible person

or an associate of a responsible person of the JovFunds for similar reasons. The Mutual Fund Conflict of Interest Investment Restrictions would prohibit the Portfolio Manager from causing the JovFunds to invest in a HBP Pool where the Filer or BetaPro or Jovian, or an affiliate of those entities, would have common officers and directors with the HBP Pool.

19. In the absence of an exemption from the Mutual Fund Conflict of Interest Reporting Requirements, the Filer would be required to file a report of every transaction by a JovFund involving securities of a HBP Pool, as well as a report of every transaction in which, by arrangement, a JovFund and a HBP Pool would be acting as joint participants.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that an investment by a JovFund in units of a HBP Pool is made in compliance with the requirements of section 2.5 of NI 81-102, as modified by the Existing Decision.

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

Schedule A

List of HBP Pools

HBP ETFs

Horizons BetaPro S&P/TSX 60® Bull Plus ETF
 Horizons BetaPro S&P/TSX 60® Bear Plus ETF
 Horizons BetaPro S&P/TSX® Global Mining Bull Plus ETF
 Horizons BetaPro S&P/TSX® Global Mining Bear Plus ETF
 Horizons BetaPro COMEX® Gold Bullion Bull Plus ETF
 Horizons BetaPro COMEX® Gold Bullion Bear Plus ETF
 Horizons BetaPro S&P/TSX Capped Financials Bull Plus ETF
 Horizons BetaPro S&P/TSX Capped Financials Bear Plus ETF
 Horizons BetaPro S&P/TSX Capped Energy Bull Plus ETF
 Horizons BetaPro S&P/TSX Capped Energy Bear Plus ETF
 Horizons BetaPro S&P/TSX Global Gold Bull Plus ETF
 Horizons BetaPro S&P/TSX Global Gold Bear Plus ETF

HBP Funds

Horizons BetaPro S&P/TSX 60® Bull Plus Fund
 Horizons BetaPro S&P/TSX 60® Bear Plus Fund
 Horizons BetaPro NASDAQ-100® Bull Plus Fund
 Horizons BetaPro NASDAQ-100® Bear Plus Fund
 Horizons BetaPro Canadian Bond Bull Plus Fund
 Horizons BetaPro Canadian Bond Bear Plus Fund
 Horizons BetaPro U.S. Dollar Bull Plus Fund
 Horizons BetaPro U.S. Dollar Bear Plus Fund
 Horizons BetaPro S&P 500® Bull Plus Fund
 Horizons BetaPro S&P 500® Bear Plus Fund
 Horizons BetaPro COMEX® Gold Bull Plus Fund
 Horizons BetaPro COMEX® Gold Bear Plus Fund

2.1.4 Brockhouse Cooper Asset Management Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – relief from self-dealing prohibition of the Act to allow in specie transfers between pooled funds and separately managed accounts – ss. 118(2)(b) and 121(2)(a)(ii) of Securities Act, R.S.O. 1990, c. S.5, as am.

Applicable Legislative Provisions

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

May 28, 2008

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

AND

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

AND

**IN THE MATTER OF
 BROCKHOUSE COOPER 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**) that the prohibitions contained in the Legislation that prohibits a portfolio manager from knowingly causing an investment portfolio managed by it to purchase or sell the securities of any issuer from or to the account of a responsible person, any associate of a responsible person or the portfolio manager (the **Self-Dealing Prohibition**) shall not apply in connection with certain In Specie Transfers of securities between Separately Managed Accounts and the Funds, all as defined below.

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

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

1. The Filer is a corporation organized under the *Canada Business Corporations Act*. The Filer is registered as an adviser in the appropriate categories to provide discretionary advisory services in all provinces of Canada, other than Prince Edward Island and Newfoundland and Labrador. The Filer is not registered as an adviser in any of the territories of Canada. The Filer is also registered as an extra provincial limited market dealer in Ontario.
2. The Filer currently acts as manager and portfolio manager of the BCAM Canadian Fixed Income Fund, BCAM Global Fixed Income Fund, BCAM Canadian Equity Fund, BCAM US Equity Fund and BCAM US Equity Fund (pension), BCAM EAFE Equity Fund, BCAM Global Equity Fund, and BCAM Emerging Markets Equity Fund (collectively, the **Existing Funds**). The Existing Funds, together with any other mutual or pooled funds established in the future which are associates of the Filer or for which the Filer is a portfolio manager from time to time, are collectively hereinafter referred to as the **Funds**.
3. Each of the Funds is or will be an open-end mutual fund trust established under the laws of the Province of Ontario. The Funds are not and will not be reporting issuers in any province or territory of Canada. Each of the Funds is or will be an associate of the Filer under the Legislation as the Filer serves or will serve in a capacity similar to a trustee of the Funds.
4. The Filer provides discretionary portfolio management services to clients pursuant to investment management agreements between the clients and the Filer (**Managed Account Agreements**). Based on the size of the assets of the clients and depending on the allocation of a client's assets to a particular asset class, the Filer may manage the client's assets either on a segregated account basis (**Separately Managed Accounts**) or on a pooled basis.
5. Pursuant to its Managed Account Agreements with its clients, the Filer has full authority to provide its portfolio management services, including investing clients in mutual funds for which the Filer is the portfolio manager and for changing those funds as the Filer determines in accordance with the mandate of the clients. To

the extent the Filer either currently does not have such authority or enters into an agreement with a new client, the Filer will obtain the prior specific written consent of the relevant Separately Managed Account client before it engages in any In Specie Transfers, as defined below, in connection with the purchase or redemption of units of the Funds for its Separately Managed Accounts.

6. The Filer may determine that, in lieu of holding securities in a Separately Managed Account, the clients would be better served to be invested in one or more of the Funds. As a result, the Filer desires to have such clients subscribe in kind for units of the relevant Funds, where appropriate. Further, future clients of the Filer may have an existing portfolio of securities when they retain the Filer such that the Filer may similarly desire to have the clients subscribe for the Funds in kind provided these securities are appropriate for the Fund.
7. In addition, due to portfolio changes for a client, the Filer may determine, in connection with a redemption, to redeem in kind certain portfolio securities held by a Fund. Alternatively, the client may determine to terminate its relationship with the Filer or to change its mandate and may request an in kind redemption of its units in a Fund.
8. To ensure that neither the Separately Managed Accounts nor a Fund incurs significant expenses related to the disposition and acquisition of portfolio securities in connection with the purchase or redemption of units of a Fund, the Filer proposes to facilitate such purchases and redemptions of Fund units by transfers in kind of portfolio securities between a Separately Managed Account and a Fund (**In Specie Transfers**). These transactions will either involve the payment of the purchase price for units of a Fund or the payment of the redemption price of units of a Fund by In Specie Transfers between the Separately Managed Account and the Funds.
9. Effecting such internal cross-trades of securities between the Separately Managed Accounts and the Funds will allow the Filer to manage each asset class more effectively and reduce transaction costs for the client and the Fund. For example, cross-trading reduces market impact costs, which can be detrimental to the clients and/or the Fund(s). Cross-trading also allows a portfolio manager to retain within its control institutional-size blocks of securities that otherwise would need to be broken and re-assembled. Such securities often are those that trade in lower volumes, with less frequency, and have larger bid-ask spreads.

10. The Filer issues a statement of policies to clients setting out the relationship of the Funds to the Filer. In addition, clients specifically consent to invest in the Funds pursuant to the terms of their Managed Account Agreements.
11. The only costs which will be incurred by a Fund or Separately Managed Account for an In Specie Transfer is a nominal administrative charge levied by the custodian of the Separately Managed Account or Fund in recording the trades (the **Custodial Charge**) and the brokerage commissions or other costs, if any, necessary to effect any re-registration of the delivered securities required as a result of the local practices of any foreign market (the **Re-registration Charge**). Re-registration Charges for In Specie Transfers are generally more cost-effective than the brokerage commissions or other costs necessary to effect purchases and redemptions of Fund units in cash between a Separately Managed Account and a Fund.
12. The Filer will value the securities under an In Specie Transfer using the same values to be used on that day to calculate the net asset value for the purpose of the purchase or sale of the portfolio securities and for the purpose of the issue price or redemption price of a unit of a Fund.
13. None of the securities which are the subject of In Specie Transfers are or will be securities of related issuers of the Filer.
14. Prior to executing an In Specie Transfer, it will be reviewed by the Filer's Board of Directors to ensure that the conditions of the exemptive relief are or will be met at the time of the transaction and to determine that the transaction represents the business judgment of the Filer acting in its discretionary capacity with respect to the Fund and the Separately Managed Account, uninfluenced by considerations other than the best interests of the Fund or the Separately Managed Account.
15. Since the Filer is the portfolio manager of the Separately Managed Accounts, it would be considered a **responsible person** within the meaning of the Legislation with respect to such Separately Managed Accounts. Each of the Funds is an associate of the Filer within the meaning of the Legislation because the Filer, as the manager and portfolio adviser of the Funds, serves in a similar capacity to a trustee in respect of the Funds.
16. In the absence of the order, the Filer would be prohibited by the Self Dealing Prohibition from: (a) causing a Separately Managed Account to make In Specie Transfers of securities of any issuer to a Fund in payment of the purchase price for units of a Fund subscribed for by the Separately Managed

Account; and (b) causing the Fund to make In Specie Transfers of securities of any issuer to a Separately Managed Account in payment of the redemption price for units of the Fund redeemed by a Separately Managed Account.

Decision

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

The decision of the Decision Makers under the Legislation is that the Self-Dealing Prohibition shall not apply to the Filer in connection with the payment of the purchase price or redemption price of units of a Fund by In Specie Transfers between the Funds and the Separately Managed Accounts, provided that:

- (a) in connection with the purchase of units of a Fund by a Separately Managed Account:
 - (i) the Filer obtains the prior written consent of the client of the relevant Separately Managed Account before it engages in any In Specie Transfers;
 - (ii) the Fund would at the time of payment be permitted to purchase those securities;
 - (iii) the securities are acceptable to the Filer as portfolio manager of the Fund and consistent with the Fund's investment objectives;
 - (iv) the value of the securities is at least equal to the issue price of the units of the Fund for which they are used as payment, valued as if the securities were portfolio assets of the Fund; and
 - (v) the statement of portfolio transactions next prepared for the Separately Managed Account shall include a note describing the securities delivered to the Fund and the value assigned to such securities;
- (b) in connection with the redemption of units of a Fund by a Separately Managed Account:
 - (i) the Filer obtains the prior written consent of the client of the relevant Separately Managed

Account to the payment of redemption proceeds in the form of an In Specie Transfer;

- (ii) the securities are acceptable to the Filer as portfolio manager of the Separately Managed Account and consistent with the Separately Managed Account's investment objective;
 - (iii) the value of the securities is equal to the amount at which those securities were valued in calculating the net asset value per unit used to establish the redemption price;
 - (iv) the holder of the Separately Managed Account has not provided notice to terminate its Managed Account Agreement with the Filer; and
 - (v) the statement of portfolio transactions next prepared for the Separately Managed Account shall include a note describing the securities delivered to the Separately Managed Account and the value assigned to such securities;
- (c) the Filer does not receive any compensation in respect of any sale or redemption of units of a Fund and, in respect of any delivery of securities further to an In Specie Transfer, the only charges paid by the Separately Managed Account or the Fund are the Custodial Charge and the Re-Registration Charge, if any.

"Carol Perry"
Commissioner
Ontario Securities Commission

"Kevin Kelly"
Commissioner
Ontario Securities Commission

2.1.5 AIM Funds Management Inc. et al.

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions - Relief granted from requirement in paragraph 2.5(2)(e) of NI 81-102 that no sales fees or redemption fees be payable by a mutual fund in relation to its purchases or redemptions of the securities of a related mutual fund - Top funds needing relief from paragraph 2.5(2)(e) in order to be allowed to pay applicable brokerage fees in connection with trades made through third party brokers in index participation units issued by a mutual fund managed by an affiliate - Relief granted subject to top funds' investment in index participation units complying with the requirements of section 2.5 of NI 81-102, except for paragraph 2.5(2)(e) - National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.5(2)(e), 19.1.

May 8, 2008

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(the Jurisdiction)**

AND

**IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS**

AND

**IN THE MATTER OF
AIM FUNDS MANAGEMENT INC.
(the Filer)**

AND

**INVESCO TRIMARK RETIREMENT PAYOUT
2023 PORTFOLIO, INVESCO TRIMARK
RETIREMENT PAYOUT 2028 PORTFOLIO,
INVESCO TRIMARK RETIREMENT PAYOUT
2033 PORTFOLIO AND INVESCO TRIMARK
RETIREMENT PAYOUT 2038 PORTFOLIO
(the Top Funds)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption from paragraph 2.5(2)(e) of National Instrument 81-102 Mutual Funds (**NI 81-102**) in order to permit the Top Funds and any other mutual fund

for which the Filer acts as manager (together with the Top Funds, the **Funds**) to pay brokerage fees associated with trades in securities of the Underlying ETFs (defined herein) (the **Exemption Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, the Yukon Territory and Nunavut Territory, where applicable.

Interpretation

Terms defined in NI 81-102, National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Invesco means Invesco Ltd.

Invesco PowerShares means Invesco PowerShares Capital Management LLC.

Trusts means PowerShares Exchange-Traded Fund Trust and PowerShares Exchange-Traded Fund Trust II.

Underlying ETFs means exchange-traded funds managed by the Filer or an affiliate or associate of the Filer, which exist currently or which may be created in the future, and which each meet the definition of an "index participation unit" under NI 81-102.

Representations

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

- 1. The Filer is a corporation amalgamated under the laws of Ontario with its head office in Toronto, Ontario. The Filer will act as the trustee, manager and portfolio adviser for the Top Funds.
- 2. The Top Funds will be open-end mutual fund trusts established pursuant to a Declaration of Trust governed under the laws of Ontario.
- 3. A preliminary simplified prospectus in respect of the Top Funds was filed via SEDAR under project #1232843 on March 20, 2008. Once a final prospectus for the Top Funds is filed and a receipt is obtained, the Top Funds will be "reporting issuers" or equivalent in each province and territory of Canada.

- 4. Currently, the Underlying ETFs are mutual funds that attempt to replicate the performance of various non-Canadian indices, the securities of which are currently listed and traded on either the American Stock Exchange (AMEX) or the New York Stock Exchange (NYSE) in the United States. As a result, the Underlying ETFs meet the definition of an "index participation unit" under NI 81-102. In the future, the Filer or its associates or affiliates may offer other exchange-traded funds that attempt to replicate permitted indices and are listed and traded on eligible exchanges such that they meet the definition of an "index participation unit" under NI 81-102.
- 5. Invesco PowerShares is the manager and portfolio advisor of the existing Underlying ETFs.
- 6. The Filer and Invesco PowerShares are affiliates as they are both indirect wholly owned subsidiaries of Invesco. Invesco is a publicly listed independent global investment manager with approximately US\$475 billion in assets under management as at February 29, 2008.
- 7. Currently, the Underlying ETFs are investment portfolios of the Trusts, both of which are organized as Massachusetts business trusts. Each Trust is an open-end management investment company, registered under the Investment Company Act of 1940, as amended. In the future, the Filer or its associates or affiliates may offer other exchange-traded funds that are structured as trusts or corporations.
- 8. The Top Funds seek to achieve a total investment return until specific horizon dates. Total investment return includes interest, dividends and capital gains. The Top Funds use dynamic asset allocation to allocate assets among mutual funds, which may include the Underlying ETFs. These mutual funds invest primarily in fixed-income and/or other debt securities or primarily in equity securities. As each Top Fund approaches its horizon date, an increasing proportion of its assets will be invested in fixed-income funds, money market funds and/or short-term debt securities. As a result, the asset allocation of the Top Funds will become increasingly conservative to focus on capital preservation and income. Each Top Fund seeks to provide a regular distribution stream for its investors.
- 9. All such investments will be made in compliance with section 2.5 of NI 81-102, with the exception of paragraph 2.5(2)(e).
- 10. As Invesco PowerShares is an affiliate of the Filer, the Top Funds are prohibited by paragraph 2.5(2)(e) of NI 81-102 from purchasing securities of the existing Underlying ETFs unless no sales or redemption charges are payable in connection with a purchase or redemption of such securities.

11. Securities of the Underlying ETFs may only be directly purchased or redeemed from a fund in large blocks called "creation units" by "authorized participants" that have entered into a contract with its manager to purchase and redeem such securities. Generally, such purchases and redemptions may only be done "in kind" through the deposit or receipt of a portfolio of securities that substantially replicate the securities included in the index that the Underlying ETF attempts to track.
12. The vast majority of trading in securities of the Underlying ETFs will typically occur in the secondary market.
13. As is the case with the purchase or sale of any other equity security made on an exchange, brokers are typically paid a commission in connection with trading in securities of exchange-traded funds such as the Underlying ETFs.
14. It is proposed that the Funds will purchase and sell securities of the Underlying ETFs on the applicable exchange using third party brokers who are "authorized participants" and that the Funds will pay commissions to these brokers in connection with the purchase and sale of such securities.
15. Subsection 2.5(5) of NI 81-102 provides that the prohibition against the duplication of sales and redemption fees in paragraph 2.5(2)(f) does not apply to brokerage fees incurred by a mutual fund for the purchase or sale of an index participation unit issued by a mutual fund. The exemption provided in subsection 2.5(5) does not however also extend to the similar prohibition against the payment of sales and redemption fees in paragraph 2.5(2)(e) which applies when a mutual fund purchases or redeems securities of another mutual fund managed by an affiliate or associate of the manager of the mutual fund.
16. Allowing the Funds to pay applicable brokerage fees to arm's length third party brokers in connection with trades in securities of the Underlying ETFs will not offend the policy rationale underlying the prohibition in paragraph 2.5(2)(e) and will accordingly not be prejudicial to the interests of investors in the Funds.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that the Funds' investments in securities of the Underlying ETFs are made in compliance with the requirements of section 2.5 of NI 81-102, except paragraph 2.5(2)(e).

"Darren McKall"
Assistant Manager, Investment Funds

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

2.1.6 Phillips, Hager & North Investment Management Ltd. et al.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – A portfolio manager requires relief from self-dealing requirements and conflict of interest reporting requirements in connection with its acquisition by another organization – For the self-dealing prohibitions: the purchase, sale or holding is consistent with, or necessary to meet, the investment objectives of the mutual fund; purchases of non-exchange traded securities of a Related Person will occur on the secondary market, not under a primary distribution or treasury offering by the Related Person; the mutual fund has, or will establish, an IRC that will review and approve the transaction involving the perceived or actual conflict of interest; the price of the securities will meet independent pricing requirements and transparency requirements; the fund keeps written records about transactions with related parties and, in some cases, is required to file information about the transactions with the securities regulatory authorities – For the Reporting Requirement: the mutual funds will provide alternative disclosure and keep alternative records of all transactions involving related persons, including information on the name of the related person, the amount of fees paid to the Related Person and the name of the person who paid the fees.

Applicable Legislative Provisions

Securities Act, R.S.O. 1996, c. 418, ss. 121(2)(a), 2(c), (3), 126(c), 127(1)(a), 127(1)(b) and 130.

April 28, 2008

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ONTARIO AND
NEWFOUNDLAND AND LABRADOR
(Jurisdictions)**

AND

**IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS**

AND

**IN THE MATTER OF
PHILLIPS, HAGER & NORTH INVESTMENT
MANAGEMENT LTD.
(the Filer)**

AND

**IN THE MATTER OF
THE MUTUAL FUNDS LISTED IN SCHEDULES A
AND B AND ANY FUTURE MUTUAL FUND TO
WHICH NATIONAL INSTRUMENT 81-102 MUTUAL
FUNDS (NI 81-102) APPLIES (each, an NI 81-102
Fund and, collectively, the NI 81-102 Funds)
AND THE POOLED FUNDS LISTED IN SCHEDULES
A AND B AND ANY FUTURE MUTUAL FUND TO
WHICH NI 81-102 DOES NOT APPLY (each, a Private
Fund and, collectively, the Private Funds) OF WHICH
THE FILER OR AN AFFILIATE OR ASSOCIATE OF THE FILER IS
THE MANAGER OR A PORTFOLIO ADVISER**

DECISION

Background

- 1 The securities regulatory authority or regulator in British Columbia and Ontario (Dual Exemption Decision Makers) and in each of British Columbia and Newfoundland and Labrador (Coordinated Exemptive Relief Decision Makers) has

received an application from the Filer in respect of each NI 81-102 Fund and each Private Fund (each a Fund, and collectively the Funds) for a decision under the securities legislation of the Jurisdictions (the Legislation) for relief (the Requested Relief) from:

1. the prohibition in the Legislation (the Related Account Prohibition) that prohibits a portfolio manager or a mutual fund (depending on the Jurisdiction) from causing the portfolio of the mutual fund to purchase or sell securities of any issuer from or to the account of a responsible person, any associate of a responsible person or the portfolio manager (a Related Account), in order to permit an NI 81-102 Fund or a Private Fund to purchase from or sell to a Related Person that is a principal dealer in the Canadian debt securities market (a Principal Dealer) debt securities of an issuer other than the federal or a provincial government (Non-Government Debt Securities) or debt securities issued or fully and unconditionally guaranteed by the federal or a provincial government (Government Debt Securities) in the secondary market;
2. the prohibition in the Legislation (the Related Issuer Prohibition) that prohibits a portfolio manager or a mutual fund (depending on the Jurisdiction) from investing the portfolio of the mutual fund in any issuer (a Related Issuer) in which a responsible person or an associate of a responsible person is an officer or director or where his or her own interest might distort his or her judgment unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the purchase, in order to permit the Private Funds to purchase exchange traded securities and non-exchange traded securities issued by a Related Issuer and to permit the NI 81-102 Funds to purchase non-exchange traded securities issued by a Related Issuer;
3. the prohibition in the Legislation (the Related Shareholder Prohibition) that prohibits a mutual fund from making or holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company (a Related Shareholder), in order to permit the Private Funds to purchase and hold exchange traded securities and non-exchange traded securities issued by a Related Shareholder and to permit the NI 81-102 Funds to purchase and hold non-exchange traded securities issued by a Related Shareholder;
4. the prohibition in the Legislation (the Related Party Prohibition) that prohibits a mutual fund from making or holding an investment in an issuer in which a Related Shareholder has a significant interest (a Related Party), in order to permit the Private Funds to purchase and hold exchange traded securities and non-exchange traded securities issued by a Related Party and to permit the NI 81-102 Funds to purchase and hold non-exchange traded securities issued by a Related Party; and
5. the requirement in the Legislation (the Reporting Requirement) that a mutual fund manager or a management company (depending on the Jurisdiction) file a report within thirty days after each month end and in respect of each mutual fund to which it provides services, relating to every purchase or sale effected by such mutual fund through any related person or company (a Related Agent) with respect to which the Related Agent received a fee either from the mutual fund or from the other party to the transaction or both, in order that the Funds are not required to comply with the Reporting Requirement.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Quebec, New Brunswick and Nova Scotia,
- (c) the decision is the decision of the principal regulator and the decision evidences the decision of the securities regulatory authority or regulator in Ontario, and
- (d) the decision evidences the decision of each Coordinated Exemptive Relief Decision Maker.

Interpretation

- 2 Terms defined in MI 11-102, National Instrument 14-101 *Definitions*, NI 81-102 and National Instrument 81-107 *Independent Review Committee for Investment Funds* (NI 81-107) have the same meaning if used in this decision unless otherwise defined.

The term Related Person will be used to refer to a Related Account, Related Issuer, Related Shareholder, Related Party, or Related Agent depending on the prohibition referred to.

Representations

- 3 This decision is based on the following facts represented by the Filer in respect of the Filer and the Funds:
1. the Filer is a company organized under the laws of British Columbia having its head office located in Vancouver, British Columbia;
 2. the Filer is registered under the Legislation of British Columbia as an adviser in the categories of investment counsel and portfolio manager (and in equivalent categories under the securities legislation in the other Jurisdictions); in addition, the Filer is registered under the Legislation of Ontario as a dealer in the category of mutual fund dealer;
 3. the Filer and the existing Managed Funds are not in default of securities legislation in any jurisdiction; to the best of the knowledge of the Filer, the existing Advised Funds are not in default of securities legislation in any jurisdiction.
 4. the Filer or an affiliate or associate of the Filer is or will be the manager of the NI 81-102 Funds listed in Schedule A and any future NI 81-102 Funds managed by the Filer or one of its affiliates or associates (the Managed Mutual Funds) and the Private Funds listed in Schedule A or any future Private Funds managed by the Filer or one of its affiliates or associates (the Managed Pooled Funds); the Filer or an affiliate or associate of the Filer is expected to be a portfolio adviser of the Managed Mutual Funds and Managed Pooled Funds;
 5. the Filer or an affiliate or associate of the Filer is or will be a portfolio adviser, but not the manager, of the Mutual Funds listed in Schedule B and any future NI 81-102 Funds advised (but not managed) by the Filer or one of its affiliates or associates (the Advised Mutual Funds) and the Private Funds listed in Schedule B or any future Private Funds advised (but not managed) by the Filer or one of its affiliates or associates (the Advised Pooled Funds);
 6. each of the existing NI 81-102 Funds and Private Funds is a mutual fund established under the laws of British Columbia or of another jurisdiction;
 7. each of the future NI 81-102 Funds or future Private Funds will be a mutual fund established under the laws of British Columbia or of another jurisdiction;
 8. the securities of the NI 81-102 Funds are or will be offered for sale pursuant to a prospectus filed in one or more of the Jurisdictions; the NI 81-102 Funds are or will be reporting issuers in one or more of the Jurisdictions;
 9. the securities of the Private Funds are or will be offered for sale in one or more of the Jurisdictions pursuant to an exemption from the prospectus requirement;
 10. pursuant to the terms of a share purchase transaction (the Transaction) with the shareholders of the Filer, Royal Bank of Canada (RBC) will become, indirectly, a substantial securityholder of the Filer on the closing of the Transaction;
 11. as a result of the Transaction, the Requested Relief will be required because:
 - (a) effective on and after the closing date (the Closing Date) of the Transaction the Filer, or an affiliate or associate of the Filer, may wish to purchase for a Fund or sell from a Fund, as the case may be, Non-Government Debt Securities or Government Debt Securities from or to, as the case may be, a Related Person that is a Principal Dealer, in the secondary market;
 - (b) effective on and after the Closing Date the Filer or an affiliate or associate may wish to acquire and/or hold securities of a Related Person for a Fund; and
 - (c) the Filer or an affiliate or associate may wish to effect purchases and sales on behalf of a Fund through a Related Person;
 12. the Filer, or an affiliate or associate of the Filer, has established, or will establish, an independent review committee (IRC) in respect of each NI 81-102 Fund in accordance with the requirements of NI 81-107;
 13. the purchase of Non-Government Debt Securities and Government Debt Securities from a Related Person of the Funds in the secondary market is subject to the Related Account Prohibition;

14. the Funds need the Requested Relief from the Related Account Prohibition because
 - (a) there is a limited supply of Non-Government Debt Securities and Government Debt Securities available; and
 - (b) frequently the only source of Non-Government Debt Securities and Government Debt Securities will be a Related Person of the Funds;
15. the Funds require the Requested Relief from the Related Account Prohibition in order to pursue their investment objectives and strategies effectively;
16. pursuant to section 6.2 of NI 81-107 and concurrent relief under NI 81-102, the NI 81-102 Funds are, or will be, permitted to purchase exchange traded securities of a Related Person;
17. securities issued by a Related Person that are not listed and traded on an exchange may be appropriate securities for an NI 81-102 Fund to purchase, sell or hold;
18. securities issued by a Related Person that are exchange traded or non-exchange traded may be appropriate securities for a Private Fund to purchase, sell or hold;
19. a Related Person (in particular RBC) may be an issuer of highly rated commercial paper and other debt instruments; the Filer considers that the Funds should have access to such securities for the following reasons:
 - (a) there is currently and has been for several years a very limited supply of highly rated corporate debt; to limit the supply available to the Funds even further by removing debt issued by a Related Person puts the Funds at a competitive disadvantage and may increase the cost a Fund pays for available securities;
 - (b) diversification is reduced to the extent that a Fund is limited with respect to investment opportunities; and
 - (c) to the extent that a Fund is trying to track or outperform a benchmark it is important for the Fund to be able to purchase any securities included in the benchmark; debt securities of a Related Person are included in most of the Canadian debt indices;
20. the Filer is seeking the Requested Relief from the Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition to permit the NI 81-102 Funds to purchase and hold non-exchange traded securities issued by a Related Person and to permit the Private Funds to purchase and hold exchange traded securities and non-exchange traded securities issued by a Related Person;
21. each non-exchange traded security purchased by a Fund pursuant to the Requested Relief that is a security issued by a Related Person will have been given, and will continue to have, an approved credit rating (as defined in NI 81-102) by an approved credit rating organization (as defined in NI 81-102);
22. if a Fund's purchase of non-exchange traded securities issued by a Related Person involves an interfund trade with another fund to which NI 81-107 applies, the provisions of section 6.1(2) of NI 81-107 or the conditions, where applicable, of the exemptive relief granted by the principal regulator and the securities regulatory authority or regulator in other jurisdictions to certain Managed Mutual Funds and Managed Pooled Funds on November 29, 2007 (as amended or replaced from time to time) will apply to such transaction;
23. RBC Dominion Securities Inc. (RBCDS) is an affiliate of the Filer and is registered as an investment dealer under the securities legislation of each province and territory of Canada;
24. RBC Capital Markets Corporation (RBCCMC) is a U.S. affiliate of the Filer that acts as a broker-dealer;
25. RBCDS and RBCCMC are related persons to the NI 81-102 Funds within the meaning of the Legislation as RBCDS, RBCCMC, the Filer and its affiliates are all subsidiaries of RBC;
26. the annual information forms or prospectuses of the NI 81-102 Funds will disclose on the date which is the earlier of

- (a) the date when an amendment to the simplified prospectus or annual information form of a Fund is filed, and
 - (b) the date on which the initial or renewal simplified prospectus or annual information form is received,
- that the portfolio adviser, or sub-adviser as applicable, may allocate brokerage business of the Funds to a Related Person, provided that such transactions are made on terms and conditions comparable to those offered by unrelated brokers and dealers;
- 27. where the Filer or its affiliates or associates act as a portfolio adviser to the Funds, they have discretion to allocate brokerage transactions of each Fund in a manner that they believe to be in the Fund's best interests; the purchase or sale of securities effected through a Related Person reflects the business judgement of the Filer or its affiliates or related entities uninfluenced by considerations other than the best interests of the Funds; in allocating brokerage, consideration is given to commission rates and to research, execution and other services offered;
 - 28. the NI 81-102 Funds prepare and file interim and annual management reports of fund performance (MRFPs) that disclose any transactions involving Related Persons, including the identity of the Related Person, its relationship to the NI 81-102 Fund, the purpose of the transaction, the measurement basis used to determine the recorded amount and any ongoing commitments to the Related Person; a discussion of portfolio transactions with a Related Person must include the dollar amount of commission, spread or any other fee that the NI 81-102 Fund paid to any Related Party in connection with the transaction;
 - 29. the Filer and its affiliates and associates are seeking the Requested Relief from the Reporting Requirement in respect of the NI 81-102 Funds and the Private Funds because, in the absence of the Requested Relief, the Funds would be obliged to prepare a report of any purchase or sale of securities by a Fund that is effected through a Related Person and file the report with the securities regulatory authority or regulator in the Jurisdictions within 30 days of the end of the month in which the transaction occurs; it would be costly and time consuming to provide the information required by the Reporting Requirement on a monthly and segregated basis for each Fund.

Decision

- 4 Each of the principal regulator, the securities regulatory authority or regulator in Ontario and the Coordinated Exemptive Relief Decision Makers is satisfied that the decision meets the test set out in the Legislation for the relevant regulator or securities regulatory authority to make the decision.

The decision of the Dual Exemption Decision Makers and the Coordinated Exemptive Relief Decision Makers under the Legislation is that:

- A. the Requested Relief from Related Account Prohibition is granted in respect of each NI 81-102 Fund, provided that:
 - 1. the purchase or sale is consistent with, or is necessary to meet, the investment objective of the NI 81-102 Fund;
 - 2. the IRC has approved the transaction in accordance with section 5.2(2) of NI 81-107;
 - 3. the manager of the NI 81-102 Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the NI 81-102 Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;
 - 4. a purchase is not executed at a price which is higher than the available ask price of the security and a sale is not executed at a price which is lower than the available bid price;
 - 5. the bid and ask price of the security is readily available, as provided in commentary 7 to section 6.1 of NI 81-107;
 - 6. the purchase and sale is subject to any applicable market integrity requirements as defined in NI 81-107; and
 - 7. the NI 81-102 Fund keeps the written records required by section 6.1(2)(g) of NI 81-107;

- B. the Requested Relief from Related Account Prohibition is granted in respect of each Private Fund, provided that:
1. the purchase or sale is consistent with, or is necessary to meet, the investment objective of the Private Fund;
 2. an IRC has been established in respect of the Private Fund that is composed in accordance with the requirements of section 3.7 of NI 81-107 and is expected to comply with the standard of care set out in section 3.9 of NI 81-107, as if NI 81-107 applied to the Private Fund;
 3. the mandate of the IRC established in respect of the Private Fund includes reviewing and approving purchases and sales by the Private Fund with Related Persons;
 4. the IRC has approved the transaction in respect of the Private Fund on the same terms as are required under section 5.2 of NI 81-107 as if NI 81-107 applied to the Private Fund;
 5. the manager of the Private Fund complies with section 5.1 of NI 81-107 as if NI 81-107 applies to the Private Fund;
 6. the manager and the IRC of the Private Fund comply with section 5.4 of NI 81-107 as if NI 81-107 applies to the Private Fund for any standing instructions the IRC provides in connection with the transactions;
 7. a purchase is not executed at a price which is higher than the available ask price of the security and a sale is not executed at a price which is lower than the available bid price;
 8. the bid and ask price of the security is readily available, as provided in commentary 7 to section 6.1 of NI 81-107;
 9. the purchase and sale is subject to any applicable market integrity requirements as defined in NI 81-107; and
 10. the Private Fund keeps written records for five years after the end of the fiscal year in which the trade occurred, the most recent two years in a reasonably accessible place, including:
 - (a) a record of each purchase and sale of securities;
 - (b) the parties to the trade; and
 - (c) the terms of the purchase or sale;
- C. the Requested Relief from Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition is granted in respect of each NI 81-102 Fund, provided that any purchase of a non-exchange traded security of a Related Person by a Fund will occur on the secondary market and not under a primary distribution or treasury offering by a Related Person, and at the time of each investment:
1. the purchase or holding is consistent with, or is necessary to meet, the investment objective of the NI 81-102 Fund;
 2. the IRC of the NI 81-102 Fund has approved the transaction in accordance with Section 5.2(2) of NI 81-107;
 3. the manager of the NI 81-102 Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the NI 81-102 Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;
 4. the purchase is not executed at a price which is higher than the available ask price of the security;
 5. the ask price of the security is determined as follows:
 - (a) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or

- (b) if the purchase does not occur on a marketplace,
 - (i) the NI 81-102 Fund may pay the price for the security at which an independent, arm's length seller is willing to sell the security, or
 - (ii) if the NI 81-102 Fund does not purchase the security from an independent, arm's length seller, the Fund must obtain, immediately before the purchase, at least one quote from an independent, arm's length purchaser or seller and not pay more than that quote;
 - 6. the transaction complies with any applicable market integrity requirements as defined in section 6.1(1)(b) of NI 81-107; and
 - 7. no later than the time the NI 81-102 Fund files its annual financial statements, the Filer, or an affiliate or associate of the Filer, or in the case of an Advised Mutual Fund, the manager of the Advised Mutual Fund, files with the securities regulatory authority or regulator the particulars of any investments made in reliance on this relief;
- D. the Requested Relief from Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition is granted in respect of each Private Fund, provided that any purchase of a non-exchange traded security of a Related Person by a Private Fund will occur on the secondary market and not under a primary distribution or treasury offering by a Related Person, and at the time of each investment:
- 1. the purchase or holding is consistent with, or is necessary to meet, the investment objective of the Private Fund;
 - 2. an IRC has been established in respect of the Private Fund that is composed in accordance with the requirements of section 3.7 of NI 81-107 and is expected to comply with the standard of care set out in section 3.9 of NI 81-107, as if NI 81-107 applied to the Private Fund;
 - 3. the mandate of the IRC established in respect of the Private Fund includes reviewing and approving purchases and sales by the Private Fund with Related Persons;
 - 4. the IRC of the Private Fund has approved the transaction on the same terms as are required under section 5.2 of NI 81-107 as if NI 81-107 applied to the Private Fund;
 - 5. the manager of the Private Fund complies with section 5.1 of NI 81-107 as if NI 81-107 applies to the Private Fund;
 - 6. the manager and the IRC of the Private Fund comply with section 5.4 of NI 81-107 as if NI 81-107 applies to the Private Fund for any standing instructions the IRC provides in connection with the transactions;
 - 7. if the security is an exchange traded security, the purchase is made on an exchange on which the securities of the issuer are listed and traded;
 - 8. if the security is not an exchange traded security:
 - (a) the purchase is not executed at a price which is higher than the available ask price of the security; and
 - (b) the ask price of the security is determined as follows:
 - (i) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or
 - (ii) if the purchase does not occur on a marketplace,
 - A. the Private Fund may pay the price for the security at which an independent, arm's length seller is willing to sell the security, or
 - B. if the Private Fund does not purchase the security from an independent, arm's length seller, the Private Fund must obtain, immediately before the

purchase, at least one quote from an independent, arm's length purchaser or seller and not pay more than that quote.

9. the transaction complies with any applicable market integrity requirements as defined in section 6.1(1)(b) of NI 81-107; and
 10. on or before the 90th day after the end of each financial year of the Private Fund, the Filer, or an affiliate or associate of the Filer, or in the case of an Advised Pooled Fund, the manager of the Advised Pooled Fund, files with the securities regulatory authority or regulator in the jurisdiction under the laws of which the Private Fund is organized the particulars of any investments made in reliance on this relief.
- E. the Requested Relief from the Reporting Requirement is granted in respect of each NI 81-102 Fund, provided that:
1. the annual and interim MRFPs or financial statements for each NI 81-102 Fund disclose:
 - (a) the name of the Related Person;
 - (b) the amount of fees paid to each Related Person; and
 - (c) the person or company who paid the fees, if they were not paid by the NI 81-102 Fund; and
 2. the records of portfolio transactions maintained by each NI 81-102 Fund include, separately for every portfolio transaction effected by the Fund through a Related Person:
 - (a) the name of the Related Person;
 - (b) the amount of fees paid to each Related Person; and
 - (c) the person or company who paid the fees;
- F. the Requested Relief from the Reporting Requirement is granted in respect of each Private Fund, provided that:
1. the annual and interim financial statements for each Private Fund are prepared in accordance with NI 81-106 as if NI 81-106 applied to the Private Fund, and disclose:
 - (a) the name of the Related Person;
 - (b) the amount of fees paid to each Related Person; and
 - (c) the person or company who paid the fees, if they were not paid by the Private Fund;
 2. the annual and interim financial statements for each Private Fund are filed, in paper form, with the securities regulatory authority or regulator in the jurisdiction under the laws of which the Private Fund is organized, by no later than the deadline for filing such financial statements established under NI 81-106; and
 3. the records of portfolio transactions maintained by each Private Fund include, separately for every portfolio transaction effected by the Private Fund through a Related Person:
 - (a) the name of the Related Person;
 - (b) the amount of fees paid to each Related Person; and
 - (c) the person or company who paid the fees.

Brent W. Aitken
Vice Chair
British Columbia Securities Commission

Schedule A

Managed Mutual Funds

1. Phillips, Hager & North U.S. Equity Fund
2. Phillips, Hager & North Canadian Equity Plus Pension Trust
3. Phillips, Hager & North Bond Fund
4. Phillips, Hager & North Canadian Equity Fund
5. Phillips, Hager & North Dividend Income Fund
6. Phillips, Hager & North Vintage Fund
7. Phillips, Hager & North Canadian Money Market Fund
8. Phillips, Hager & North Canadian Growth Fund
9. Phillips, Hager & North Balanced Pension Trust
10. Phillips, Hager & North \$U.S. Money Market Fund
11. Phillips, Hager & North Balanced Fund
12. Phillips, Hager & North U.S. Growth Fund
13. Phillips, Hager & North Short Term Bond & Mortgage Fund
14. Phillips, Hager & North Small Float Fund
15. Phillips, Hager & North Canadian Equity Pension Trust
16. Phillips, Hager & North High Yield Bond Fund
17. Phillips, Hager & North Total Return Bond Fund
18. Phillips, Hager & North Global Equity Fund
19. Phillips, Hager & North Overseas Equity Fund
20. Phillips, Hager & North Overseas Equity Pension Trust
21. Phillips, Hager & North U.S. Dividend Income Fund
22. Phillips, Hager & North Community Values Bond Fund
23. Phillips, Hager & North Community Values Balanced Fund
24. Phillips, Hager & North Community Values Canadian Equity Fund
25. Phillips, Hager & North Community Values Global Equity
26. Phillips, Hager & North Canadian Income Fund
27. Phillips, Hager & North Currency-Hedged U.S. Equity Fund
28. Phillips, Hager & North Currency-Hedged Overseas Equity Fund
29. BonaVista Global Balanced Fund
30. BonaVista Canadian Equity Value Fund

Managed Pooled Funds

1. Phillips, Hager & North U.S. Pooled Pension Fund
2. Phillips, Hager & North Institutional S.T.I.F.
3. Phillips, Hager & North Long Bond Pension Trust
4. Phillips, Hager & North High Grade Corporate Bond Fund
5. Phillips, Hager & North Investment Grade Corporate Bond Trust
6. Phillips, Hager & North Mortgage Pension Trust
7. Phillips, Hager & North Absolute Return Fund
8. Phillips, Hager & North Income Equity Pension Trust
9. Phillips, Hager & North Enhanced Income Equity Pension Trust
10. Phillips, Hager & North Global Equity Pension Trust
11. Phillips, Hager & North PRisM – Short
12. Phillips, Hager & North PRisM – Mid
13. Phillips, Hager & North PRisM – Long
14. Phillips, Hager & North Long Mortgage Pension Trust
15. Phillips, Hager & North Long Corporate Bond Pension Trust
16. Phillips, Hager & North Foreign Bond Fund
17. Phillips, Hager & North PRisM Balanced Fund
18. BonaVista Canadian Equity Fund
19. BonaVista U.S. Equity Fund
20. BonaVista Fixed Income Fund
21. BonaVista Money Market Fund
22. BonaVista Balanced Fund
23. BonaVista International Equity Fund
24. BonaVista Private Balanced Fund
25. Phillips, Hager & North Enhanced Total Return Bond Fund

Schedule B

Advised Mutual Funds

1. Social Housing Canadian Money Market Fund
2. Social Housing Canadian Short-Term Bond Fund
3. Social Housing Canadian Bond Fund
4. Social Housing Canadian Equity Fund
5. Tradex Equity Fund Limited
6. Pinnacle Canadian Value Equity Fund

Advised Pooled Funds

None currently.

2.1.7 Phillips, Hager & North Investment Management Ltd. et al.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Mutual Reliance Review System for Exemptive Relief Applications – Relief granted to permit applicant funds to purchase securities of related entity on secondary market and to continue principal trading portfolio debt securities with related dealers - Relief also granted to permit funds to purchase securities under private placements of reporting issuer underwritten by related dealers - Relief subject to conditions including IRC approval and pricing requirements.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(1), 4.1(2), 4.2, 19.1.

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

April 28, 2008

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

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
PHILLIPS, HAGER & NORTH INVESTMENT
MANAGEMENT LTD.
(the Filer)

AND

IN THE MATTER OF
THE MUTUAL FUNDS LISTED IN SCHEDULES A AND B
(each, an Existing Fund and, collectively, the Existing Funds)
AND ANY MUTUAL FUNDS SUBJECT TO NATIONAL
INSTRUMENT 81-102 – MUTUAL FUNDS (NI 81-102)
THAT MAY BE MANAGED AND/OR ADVISED BY THE
FILER OR ANY AFFILIATE OR ASSOCIATE OF THE
FILER IN THE FUTURE
(each, a Future Fund and, collectively, the Future Funds)

DECISION

Background

The local securities regulatory authority or regulator (**Decision Maker**) in each of the Jurisdictions received an application (the **Application**) from the Filer on behalf of each Existing Fund, and any Future Funds (each, a **Fund** and, collectively, the **Funds**) under section 19.1 of NI 81-102 for relief in each Jurisdiction (the **Requested Relief**) from

- (a) the prohibition in section 4.1(1) of NI 81-102 (the **Section 4.1(1) Prohibition**) in order to permit a Fund to purchase equity securities (**Securities**) of a reporting issuer during the period of distribution (the **Distribution**) of the issuer's Securities pursuant to a private placement (the **Private Placement**) and for the 60-day period (the **60-Day Period**) following completion of the Distribution (the Distribution and the 60-Day Period, together, the **Prohibition Period**), notwithstanding that an associate or an affiliate (a **Related Person**) of the dealer manager (the **Dealer Manager**) of the Fund acts or has acted as an underwriter in connection with the Distribution (each, a **Relevant Offering**);

- (b) from the prohibition in section 4.1(2) of NI 81-102 (the **Section 4.1(2) Prohibition**) in order to permit a Fund to invest in a class of securities of an issuer (a **Related Issuer**) of which a partner, director, officer or employee of the dealer manager of the Fund or a partner, director, officer or employee of an affiliate or associate of the dealer manager of the Fund, is a partner, director or officer, notwithstanding that the partner, director, officer or employee:
- (i) may participate in the formulation of investment decisions made on behalf of the dealer manager of the Fund;
 - (ii) may have access before implementation to information concerning investment decisions made on behalf of the dealer manager of the Fund; and
 - (iii) may influence, other than through research, statistical and other reports generally available to clients, the investment decisions made on behalf of the dealer manager of the Fund,
- where such purchase occurs in the secondary market; and
- (c) from the prohibition in section 4.2(1) of NI 81-102 (the **Section 4.2(1) Prohibition**) in order to permit a Fund to purchase from or sell to a Related Person of the manager, portfolio adviser or trustee of the Fund that is a principal dealer (**Principal Dealer**) in the Canadian debt securities market debt securities of an issuer other than the federal or a provincial government (**Non-Government Debt Securities**) or debt securities issued or fully and unconditionally guaranteed by the federal or a provincial government (**Government Debt Securities**) in the secondary market.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

- (i) the principal regulator for the Application is the British Columbia Securities Commission (**BCSC**);
- (ii) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Yukon and Nunavut, and
- (iii) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions*, in MI 11-102, in the Legislation, in NI 81-102 and in National Instrument 81-107 – *Independent Review Committee for Investment Funds* have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer is a company organized under the laws of British Columbia.
2. The Filer is registered under the Legislation of British Columbia as an adviser in the categories of investment counsel and portfolio manager (and in equivalent categories under the Legislation in the other Jurisdiction). In addition, the Filer is registered under the Legislation of Ontario as a dealer in the category of mutual fund dealer.
3. Each of the Funds is, or will be, an open-end mutual fund trust or mutual fund corporation.
4. The Filer, or an affiliate or associate of the Filer, is, or will be, the manager of each of the Existing Funds listed on Schedule A and any Future Funds managed by the Filer or one of its affiliates or associates (the **Managed Mutual Funds**). The Filer or an affiliate or associate of the Filer is expected to be a portfolio adviser of the Managed Mutual Funds.
5. The Filer, or an affiliate or associate of the Filer, is, or will be, a portfolio adviser, but not the manager, of each of the Existing Funds listed on Schedule B, and any Future Funds which may be advised (but not managed) by the Filer or one of its affiliates or associates (the **Advised Funds**).
6. The securities of each of the Funds are, or will be, offered for sale pursuant to a prospectus filed in the Jurisdictions. Each of the Funds is, or will be, a reporting issuer in one or more of the Jurisdictions.

7. As a result of a share purchase transaction (the **Transaction**) with the shareholders of the Filer and Royal Bank of Canada (**RBC**), each of the Funds may be, effective on and after the closing date (the **Closing Date**) of the Transaction, a dealer managed mutual fund (a **Dealer Managed Fund**) because the Filer, or a Related Person of the Filer, may be a Dealer Manager. A Related Person of the Filer may be, effective on and after the Closing Date, an underwriter in a Distribution which is a Relevant Offering or a Principal Dealer in the Canadian debt securities market and RBC, which is a significant issuer of both exchange traded and non-exchange traded securities, may be a Related Issuer in which a Fund is prohibited from investing, such that the Requested Relief is necessary.
8. The Filer, or an affiliate or associate of the Filer, has established, or will establish, an independent review committee (**IRC**) in respect of a Managed Mutual Fund in accordance with the requirements of NI 81-107.
9. The Advised Funds are, or will be, subject to the oversight of an IRC in respect of the Advised Funds in accordance with the requirements of NI 81-107.
10. A Fund would not be subject to the Section 4.1(1) Prohibition in connection with a Relevant Offering if, in accordance with section 4.1(4) of NI 81-102, certain conditions are met, including that a prospectus is filed in one or more of the Jurisdictions and the IRC of the Fund has approved the investment in accordance with NI 81-107.
11. The investment strategies of a Fund that relies on the Requested Relief from the Section 4.1(2) Prohibition permit or will permit it to invest in the securities purchased, either as a principal strategy in achieving its investment objective or as a temporary strategy, pending the purchase of other securities.
12. The role played by a Principal Dealer which, as the result of the Transaction, will be a Related Person of the manager, portfolio advisor or trustee of a Fund is such that the Fund needs the Requested Relief from the Section 4.2 Prohibition because:
 - (a) there is a limited supply of Non-Government Debt Securities and Government Debt Securities available; and
 - (b) frequently the only source of Non-Government Debt Securities and Government Debt Securities will be a Related Person.
13. The RBC Funds and RBC Private Pools which are managed by RBC Asset Management Inc. (**RBC AM**) have received the Requested Relief on substantially the same terms as requested by the Filer. RBC AM will be an affiliate of the Filer following the Transaction.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted effective on the Closing Date in respect of each Fund provided that:

A. Requested Relief from the Section 4.1(1) Prohibition

The Investment Decision

1. At the time of each purchase by a Dealer Managed Fund during a Prohibition Period for a Relevant Offering, the Dealer Managed Fund has an IRC that complies with NI 81-107 and the IRC of the Dealer Managed Fund will have approved the investment in accordance with each of subsection 4.1(4)(a) of NI 81-102 and NI 81-107. The Dealer Managed Fund will also comply with paragraphs (c)(ii) and (d) of subsection 4.1(4) of NI 81-102.
2. Each issuer of a Relevant Offering is a reporting issuer or equivalent under the Legislation in a jurisdiction of Canada at the time of each purchase by a Dealer Managed Fund during the Prohibition Period for the Relevant Offering.

Transparency

3.
 - (a) Prior to the first reliance on the decision, the internet website of the Dealer Managed Fund or Dealer Manager, as applicable, discloses, and
 - (b) on the date which is the earlier of (i) the date when an amendment to the simplified prospectus of the Dealer Managed Fund is filed for reasons other than this decision and (ii) the date on which the initial or renewal simplified prospectus is receipted, Part A of the simplified prospectus of the Dealer

Managed Fund discloses, that the Dealer Managed Fund may invest in Securities during the Prohibition Period pursuant to this decision, notwithstanding that a Related Person has acted as underwriter in the Relevant Offering of the same class of such Securities.

4. On the date which is the earlier of:
 - (i) the date when an amendment to the annual information form of the Dealer Managed Fund is filed for reasons other than the decision; and
 - (ii) the date on which the initial or renewal annual information form is receipted,the annual information form of the Dealer Managed Fund discloses the information referred to in paragraph 3 above and describes the policies or procedures and standing approvals, if any, that have been approved by the IRC as related to investments that can only be made pursuant to the decision.

Sunset

5. This decision, as it relates to the jurisdiction of a Decision Maker, will terminate on the coming into force of any legislation or rule of the Decision Makers dealing with Private Placements in the context of section 4.1 of NI 81-102.

B. Requested Relief from the Section 4.1(2) Prohibition:

At the time of each investment:

1. The purchase or sale is consistent with, or is necessary to meet, the investment objective of the Fund.
2. The IRC has approved the transaction in accordance with Section 5.2(2) of NI 81-107.
3. The manager of the Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions.
4. If the security is an exchanged traded security, the purchase is made on an exchange on which the securities of the issuer are listed and traded.
5. If the security is not an exchange traded security,
 - (a) the price payable for the security is not more than then ask price of the security;
 - (b) the ask price of the security is determined as follows:
 - (i) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or
 - (ii) if the purchase does not occur on a marketplace,
 - (A) the Fund may pay the price for the security at which an independent, arm's length seller is willing to sell the security, or
 - (B) if the Fund does not purchase the security from an independent, arm's length seller, the Fund must obtain, immediately before the purchase, at least one quote from an independent, arm's length purchaser or seller and not pay more than that quote.
6. The transaction complies with any applicable "market integrity requirements" as defined in section 6.1(1)(b) of NI 81-107.
7. No later than the time the Fund files its annual financial statements, the Filer, or an affiliate or associate of the Filer, or in the case of an Advised Mutual Fund, the manager of the Advised Mutual Fund, files with the securities regulatory authority or regulator the particulars of any investments made in reliance on this relief.

C. Requested Relief from the Section 4.2(1) Prohibition

1. The purchase or sale is consistent with, or is necessary to meet, the investment objective of the Fund.
2. The IRC of the Fund has approved the transaction in accordance with Section 5.2(2) of NI 81-107.
3. The manager of the Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions.
4. The bid and ask price of the security is readily available as provided in Commentary 7 to section 6.1 of NI 81-107.
5. A purchase is not executed at a price which is higher than the available ask price of the security and a sale is not executed at a price which is lower than the available bid price.
6. The purchase or sale is subject to market integrity requirements as defined in NI 81-107.
7. The Fund keeps the written records required by section 6.1(2)(g) of NI 81-107.

“Michael Moretto”
Manager, Corporate Finance
British Columbia Securities Commission

SCHEDULE A

Managed Mutual Funds

- 1 Phillips, Hager & North U.S. Equity Fund
- 2 Phillips, Hager & North Canadian Equity Plus Pension Trust
- 3 Phillips, Hager & North Bond Fund
- 4 Phillips, Hager & North Canadian Equity Fund
- 5 Phillips, Hager & North Dividend Income Fund
- 6 Phillips, Hager & North Vintage Fund
- 7 Phillips, Hager & North Canadian Money Market Fund
- 8 Phillips, Hager & North Canadian Growth Fund
- 9 Phillips, Hager & North Balanced Pension Trust
- 10 Phillips, Hager & North \$U.S. Money Market Fund
- 11 Phillips, Hager & North Balanced Fund
- 12 Phillips, Hager & North U.S. Growth Fund
- 13 Phillips, Hager & North Short Term Bond & Mortgage Fund
- 14 Phillips, Hager & North Small Float Fund
- 15 Phillips, Hager & North Canadian Equity Pension Trust
- 16 Phillips, Hager & North High Yield Bond Fund
- 17 Phillips, Hager & North Total Return Bond Fund
- 18 Phillips, Hager & North Global Equity Fund
- 19 Phillips, Hager & North Overseas Equity Fund
- 20 Phillips, Hager & North Overseas Equity Pension Trust
- 21 Phillips, Hager & North U.S. Dividend Income Fund
- 22 Phillips, Hager & North Community Values Bond Fund
- 23 Phillips, Hager & North Community Values Balanced Fund
- 24 Phillips, Hager & North Community Values Canadian Equity Fund
- 25 Phillips, Hager & North Community Values Global Equity
- 26 Phillips, Hager & North Canadian Income Fund
- 27 Phillips, Hager & North Currency-Hedged U.S. Equity Fund
- 28 Phillips, Hager & North Currency-Hedged Overseas Equity Fund
- 29 BonaVista Global Balanced Fund
- 30 BonaVista Canadian Equity Value Fund

SCHEDULE B

Advised Mutual Funds

- 1 Tradex Equity Fund Limited
- 2 Pinnacle Canadian Value Equity Fund

2.1.8 Phillips, Hager & North Investment Management Ltd. et al.

Headnote

Relief granted on a transitional basis to permit applicant funds to purchase securities of related entity under primary offerings of related entity - Relief subject to conditions including termination at year end, IRC approval and pricing requirements.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(2), 19.1.

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

May 2, 2008

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

AND

**IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS**

AND

**IN THE MATTER OF
PHILLIPS, HAGER & NORTH INVESTMENT
MANAGEMENT LTD.
(the Filer)**

AND

**IN THE MATTER OF
THE MUTUAL FUNDS LISTED IN SCHEDULES A
AND B TO WHICH NATIONAL INSTRUMENT 81-102 –
MUTUAL FUNDS (NI 81-102) APPLIES (each, an
NI 81-102 Fund and, collectively, the NI 81-102 Funds)
AND THE POOLED FUNDS LISTED IN SCHEDULES
A AND B TO WHICH NI 81-102 DOES NOT APPLY
(each, a Private Fund and, collectively, the Private Funds)
OF WHICH THE FILER OR AN AFFILIATE OR
ASSOCIATE OF THE FILER IS THE MANAGER OR
A PORTFOLIO ADVISER**

DECISION

Background

- 1 The securities regulatory authority or regulator in each of British Columbia and Ontario (Dual Exemption Decision Makers) and in each of British Columbia and Newfoundland and Labrador (Coordinated Exemptive Relief Decision Makers) has received an application from the Filer in respect of each NI 81-102 Fund and each Private Fund (each a Fund, and collectively the Funds) for a decision under the securities legislation of the Jurisdictions (the Legislation) for relief (the Exemptive Relief Sought) for a limited period following the closing of the Transaction (as defined below) from:
 1. the prohibition in the Legislation (the Related Issuer Prohibition) that prohibits a portfolio manager or a mutual fund (depending on the Jurisdiction) from investing the portfolio of the mutual fund in any issuer (a Related Issuer) in which a responsible person or an associate of a responsible person is an officer or director or where his or her own interest might distort his or her judgment unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the purchase, in order to permit the NI 81-

- 102 Funds and Private Funds to purchase non-exchange traded debt securities issued by a Related Issuer in a primary distribution or treasury offering (a Primary Offering);
2. the prohibition in the Legislation (the Related Shareholder Prohibition) that prohibits a mutual fund from making or holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company (a Related Shareholder), in order to permit the NI 81-102 Funds and Private Funds to purchase and hold non-exchange traded debt securities issued by a Related Shareholder in a Primary Offering; and
 3. the prohibition in the Legislation (the Related Party Prohibition) that prohibits a mutual fund from making or holding an investment in an issuer in which a Related Shareholder has a significant interest (a Related Party), in order to permit the NI 81-102 Funds and Private Funds to purchase and hold non-exchange traded debt securities issued by a Related Party in a Primary Offering.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Quebec, New Brunswick and Nova Scotia,
- (c) the decision is the decision of the principal regulator and the decision evidences the decision of the securities regulatory authority or regulator in Ontario, and
- (d) the decision evidences the decision of each Coordinated Exemptive Relief Decision Maker.

Interpretation

- 2 Terms defined in National Instrument 14-101 *Definitions*, in NI 81-102 and in National Instrument 81-107 *Independent Review Committee for Investment Funds* (NI 81-107) have the same meaning in this decision, unless otherwise defined.

The term Related Person will be used to refer to a Related Issuer, Related Shareholder or Related Party depending on the prohibition referred to.

Representations

- 3 This decision is based on the following facts represented by the Filer in respect of the Filer and the Funds:
 1. the Filer is a company organized under the laws of British Columbia having its head office located in Vancouver, British Columbia;
 2. the Filer is registered under the Legislation of British Columbia as an adviser in the categories of investment counsel and portfolio manager (and in equivalent categories under the securities legislation in the other Jurisdictions); in addition, the Filer is registered under the Legislation of Ontario as a dealer in the category of mutual fund dealer;
 3. the Filer and the Managed Mutual Funds and Managed Pooled Funds (defined below) are not in default of securities legislation in any jurisdiction; to the best of the knowledge of the Filer, the Advised Mutual Funds and the Advised Pooled Funds (defined below) are not in default of securities legislation in any jurisdiction;
 4. the Filer or an affiliate or associate of the Filer is the manager of the NI 81-102 Funds listed in Schedule A (the Managed Mutual Funds) and the Private Funds listed in Schedule A (the Managed Pooled Funds); the Filer or an affiliate or associate of the Filer is expected to be a portfolio adviser of the Managed Mutual Funds and Managed Pooled Funds;
 5. the Filer or an affiliate or associate of the Filer is a portfolio adviser, but not the manager, of the Mutual Funds listed in Schedule B (the Advised Mutual Funds) and the Private Funds listed in Schedule B (the Advised Pooled Funds);
 6. each of the NI 81-102 Funds and Private Funds is a mutual fund established under the laws of British Columbia or of another jurisdiction;

7. the securities of the NI 81-102 Funds are offered for sale pursuant to a prospectus filed in one or more of the Jurisdictions; the NI 81-102 Funds are reporting issuers in one or more of the Jurisdictions;
8. the securities of the Private Funds are offered for sale in one or more of the Jurisdictions under an exemption from the prospectus requirement;
9. pursuant to the terms of a share purchase transaction (the Transaction) with the shareholders of the Filer, Royal Bank of Canada (RBC) will become, indirectly, a substantial securityholder of the Filer on the closing of the Transaction;
10. as a result of the Transaction, the Exemptive Relief Sought will be required because effective on and after the Closing Date the Filer or an affiliate or associate may wish to acquire and/or hold non-exchange traded debt securities of a Related Person issued in a Primary Offering for a Fund;
11. following the closing of the Transaction, the Filer and its existing affiliates and associates will continue to operate their respective businesses in a manner that is substantially similar to their present manner, in particular, the Filer and its affiliates and associates intend to continue to manage the assets of all the Funds in the same manner as they are currently managed and do not intend to change the organizational structure of the Filer as it relates to investment decisions affecting the Funds; while the Filer and RBC Asset Management Inc. (RBC AM) will share a common chief investment officer, both entities will continue to operate independently from RBC and its other affiliates and associates with respect to their investment decisions;
12. the Filer, or an affiliate or associate of the Filer, has established an independent review committee (IRC) in respect of each NI 81-102 Fund in accordance with the requirements of NI 81-107;
13. following the closing of the Transaction, the Filer intends to maintain the IRC of the NI 81-102 Funds separate and distinct from the Independent Review Committee of the funds managed by RBC AM (the RBC Funds), however, the Filer intends that the IRC of the NI 81-102 Funds will be comprised of certain members of the Independent Review Committee of the RBC Funds, all of whom are independent within the meaning of section 1.4 of NI 81-107 of both RBC and the Filer and its affiliates and associates;
14. pursuant to section 6.2 of NI 81-107 and exemptive relief granted to the Filer by order dated April 28, 2008, the NI 81-102 Funds are, or will be, permitted to purchase, among other things, exchange traded debt securities of a Related Person and non-exchange traded debt securities of a Related Person in the secondary market subject to the terms and conditions set out therein;
15. debt securities issued by a Related Person in a Primary Offering that are not listed and traded on an exchange may be appropriate securities for an NI 81-102 Fund to purchase, sell or hold;
16. pursuant to exemptive relief granted to the Filer by order dated April 28, 2008, the Private Funds are, or will be, permitted to purchase, among other things, exchange traded debt securities of a Related Person and non-exchange traded debt securities of a Related Person in the secondary market subject to the terms and conditions set out therein;
17. debt securities issued by a Related Person in a Primary Offering that are not listed and traded on an exchange may be appropriate securities for a Private Fund to purchase, sell or hold;
18. the Funds currently hold non-exchange traded debt securities issued by RBC and its affiliates and associates that were acquired in a Primary Offering; the Filer considers that the Funds should continue to have access to such securities for a temporary period following completion of the Transaction because there is currently and has been for several years a very limited supply of highly rated corporate debt and securities issued by RBC comprise a significant portion of the available supply;
19. in the absence of the Exemptive Relief Sought, the Filer and its affiliates and associates would be required, as of the Closing Date, to adjust the investment strategies and alter the holdings of the Funds to conform with the investment restrictions contained in the Legislation, in connection with the new relationship between RBC and its affiliates and associates and the Filer and its affiliates and associates; the Filer submits that time is required to address the investment restrictions in the Legislation in a manner which will mitigate any negative impact the restrictions may have on the Funds;
20. the Filer is seeking the Exemptive Relief Sought from the Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition to permit the NI 81-102 Funds and Private Funds to purchase

and hold non-exchange-traded debt securities issued by a Related Person in a Primary Offering for a temporary period following the closing of the Transaction;

21. each non-exchange traded debt security purchased by a Fund pursuant to the Exemptive Relief Sought that is a security issued by a Related Person will have been given, and will continue to have, an approved credit rating (as defined in NI 81-102) by an approved credit rating organization (as defined in NI 81-102);
22. where a Related Person acts as an underwriter in a Primary Offering, the Related Person will be required to comply with the provisions of NI 33-105 Underwriting Conflicts;
23. the Filer acknowledges that upon expiry of this decision the Filer and its affiliates and associates must ensure that the investment strategies of the NI 81-102 Funds and Private Funds conform with investment restrictions contained in the Legislation, or seek new exemptive relief to permit the types of transactions described in this decision.

Decision

- 4 Each of the principal regulator, the securities regulatory authority or regulator in Ontario and the Coordinated Exemptive Relief Decision Makers is satisfied that the decision meets the test set out in the Legislation for the relevant regulator or securities regulatory authority to make the decision.

The decision of the Dual Exemptive Decision Makers and the Coordinated Exemptive Relief Decision Makers under the Legislation is that:

- A. the Exemptive Relief Sought from the Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition is granted to allow each NI 81-102 Fund to purchase and hold non-exchange traded debt securities of a Related Person issued in a Primary Offering, provided that:
 1. at the time of each investment, the purchase or holding is consistent with, or is necessary to meet, the investment objective of the NI 81-102 Fund and represents the business judgment of the portfolio manager of the NI 81-102 Fund uninfluenced by considerations other than the best interests of the NI 81-102 Fund or in fact is in the best interests of the NI 81-102 Fund;
 2. at the time of each investment, the IRC of the NI 81-102 Fund has approved the purchase in accordance with Section 5.2(2) of NI 81-107;
 3. the manager of the NI 81-102 Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the NI 81-102 Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the purchase;
 4. not less than quarterly, the IRC completes the review and assessment required by section 4.2(1) of NI 81-107 in connection with all the purchases in that quarter, the related policies and procedures established by the manager, and any related standing instructions provided or conditions imposed by the IRC;
 5. with respect to each purchase in a Primary Offering of debt securities with a term to maturity of 365 days or more,
 - (i) at least two other investors at arm's length to the NI 81-102 Fund, the Filer and its affiliates and associates (as at April 30, 2008) are purchasing securities in the same Primary Offering, and
 - (ii) the NI 81-102 Fund, together with other Funds and the Filer and its affiliates and associates (as at April 30, 2008), do not purchase more than 20% of the securities issued under the Primary Offering;
 6. with respect to each purchase in a Primary Offering of debt securities with a term to maturity of less than 365 days,
 - (i) the NI 81-102 Fund must not pay more than an independent, arm's length purchaser is willing to pay for a similar security,

- (ii) the NI 81-102 Fund must obtain a certificate from the seller of the securities, in the form of quarterly certification, confirming that all transactions between the NI 81-102 Fund and the seller in the quarter have satisfied the requirement in subparagraph (i),
 - (iii) in the event that such certificate cannot be obtained or contains material errors, the manager of the NI 81-102 Fund must report such fact to the IRC of the NI 81-102 Fund immediately, and
 - (iv) the NI 81-102 Fund must not purchase debt securities in a Primary Offering if, immediately after the transaction, the purchase would result in more than 10% of the net assets of the NI 81-102 Fund being comprised of securities of the Related Persons;
 - 7. no later than the time the NI 81-102 Fund files its annual financial statements, the Filer, or an affiliate or associate of the Filer, or in the case of an Advised Mutual Fund, the manager of the Advised Mutual Fund, files with the securities regulatory authority or regulator the particulars of any investments made in reliance on this relief; and
 - 8. the relief terminates on December 31, 2008.
- B. the Exemptive Relief Sought from the Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition is granted to allow each Private Fund to purchase and hold non-exchange traded debt securities of a Related Person issued in a Primary Offering, provided that:
- 1. at the time of each investment, the purchase or holding is consistent with, or is necessary to meet, the investment objective of the Private Fund and represents the business judgment of the portfolio manager of the Private Fund uninfluenced by considerations other than the best interests of the Private Fund or in fact is in the best interests of the Private Fund;
 - 2. an IRC has been established in respect of the Private Fund that is composed in accordance with the requirements of section 3.7 of NI 81-107 and is expected to comply with the standard of care set out in section 3.9 of NI 81-107, as if NI 81-107 applied to the Private Fund;
 - 3. the mandate of the IRC established in respect of the Private Fund includes reviewing and approving purchases and sales by the Private Fund with Related Persons;
 - 4. at the time of each investment, the IRC of the Private Fund has approved the purchase on the same terms as are required under section 5.2 of NI 81-107 as if NI 81-107 applied to the Private Fund;
 - 5. the manager of the Private Fund complies with section 5.1 of NI 81-107 as if NI 81-107 applies to the Private Fund;
 - 6. the manager and the IRC of the Private Fund comply with section 5.4 of NI 81-107 as if NI 81-107 applies to the Private Fund for any standing instructions the IRC provides in connection with the purchase;
 - 7. not less than quarterly, the IRC completes the review and assessment required by section 4.2(1) of NI 81-107 as if NI 81-107 applies to the Private Fund in connection with all the purchases in that quarter, the related policies and procedures established by the manager, and any related standing instructions provided or conditions imposed by the IRC;
 - 8. if the IRC becomes aware of an instance where the manager of a Private Fund did not comply with the terms of this decision or with a condition imposed by the IRC in its approval, the IRC must, as soon as practicable, notify in writing the securities regulatory authority or regulator in the jurisdiction under the laws of which the Private Fund is organized;
 - 9. with respect to each purchase in a Primary Offering of debt securities with a term to maturity of 365 days or more,
 - (i) at least two other investors at arm's length to the Private Fund, the Filer and its affiliates and associates (as at April 30, 2008) are purchasing the security in the same Primary Offering, and

- (ii) the Private Fund, together with other Funds and the Filer and its affiliates and associates (as at April 30, 2008), do not purchase more than 20% of the securities issued under the Primary Offering;
- 10. with respect to each purchase in a Primary Offering of debt securities with a term to maturity of less than 365 days,
 - (i) the Private Fund must not pay more than an independent, arm's length purchaser is willing to pay for a similar security,
 - (ii) the Private Fund must obtain a certificate from the seller of the securities, in the form of quarterly certification, confirming that all transactions between the Private Fund and the seller in the quarter have satisfied the requirement in subparagraph (i),
 - (iii) in the event that such certificate cannot be obtained or contains material errors, the manager of the Private Fund must report such fact to the IRC of the Private Fund immediately, and
 - (iv) the Private Fund must not purchase debt securities in a Primary Offering if, immediately after the transaction, the purchase would result in more than 10% of the net assets of the Private Fund being comprised of securities of the Related Persons;
- 11. on or before the 90th day after the end of each financial year of the Private Fund, the Filer, or an affiliate or associate of the Filer, or in the case of an Advised Pooled Fund, the manager of the Advised Pooled Fund files with the securities regulatory authority or regulator in the jurisdiction under the laws of which the Private Fund is organized the particulars of any investments made in reliance on this relief; and
- 12. the relief terminates on December 31, 2008.

Brent W. Aitken
Vice Chair
British Columbia Securities Commission

Schedule A

Managed Mutual Funds

1. Phillips, Hager & North U.S. Equity Fund
2. Phillips, Hager & North Canadian Equity Plus Pension Trust
3. Phillips, Hager & North Bond Fund
4. Phillips, Hager & North Canadian Equity Fund
5. Phillips, Hager & North Dividend Income Fund
6. Phillips, Hager & North Vintage Fund
7. Phillips, Hager & North Canadian Money Market Fund
8. Phillips, Hager & North Canadian Growth Fund
9. Phillips, Hager & North Balanced Pension Trust
10. Phillips, Hager & North \$U.S. Money Market Fund
11. Phillips, Hager & North Balanced Fund
12. Phillips, Hager & North U.S. Growth Fund
13. Phillips, Hager & North Short Term Bond & Mortgage Fund
14. Phillips, Hager & North Small Float Fund
15. Phillips, Hager & North Canadian Equity Pension Trust
16. Phillips, Hager & North High Yield Bond Fund
17. Phillips, Hager & North Total Return Bond Fund
18. Phillips, Hager & North Global Equity Fund
19. Phillips, Hager & North Overseas Equity Fund
20. Phillips, Hager & North Overseas Equity Pension Trust
21. Phillips, Hager & North U.S. Dividend Income Fund
22. Phillips, Hager & North Community Values Bond Fund
23. Phillips, Hager & North Community Values Balanced Fund
24. Phillips, Hager & North Community Values Canadian Equity Fund
25. Phillips, Hager & North Community Values Global Equity
26. Phillips, Hager & North Canadian Income Fund
27. Phillips, Hager & North Currency-Hedged U.S. Equity Fund
28. Phillips, Hager & North Currency-Hedged Overseas Equity Fund
29. BonaVista Global Balanced Fund
30. BonaVista Canadian Equity Value Fund

Managed Pooled Funds

1. Phillips, Hager & North U.S. Pooled Pension Fund
2. Phillips, Hager & North Institutional S.T.I.F.
3. Phillips, Hager & North Long Bond Pension Trust
4. Phillips, Hager & North High Grade Corporate Bond Fund
5. Phillips, Hager & North Investment Grade Corporate Bond Trust
6. Phillips, Hager & North Mortgage Pension Trust
7. Phillips, Hager & North Absolute Return Fund
8. Phillips, Hager & North Income Equity Pension Trust
9. Phillips, Hager & North Enhanced Income Equity Pension Trust
10. Phillips, Hager & North Global Equity Pension Trust
11. Phillips, Hager & North PRisM – Short
12. Phillips, Hager & North PRisM – Mid
13. Phillips, Hager & North PRisM – Long
14. Phillips, Hager & North Long Mortgage Pension Trust
15. Phillips, Hager & North Long Corporate Bond Pension Trust
16. Phillips, Hager & North Foreign Bond Fund
17. Phillips, Hager & North PRisM Balanced Fund
18. Phillips, Hager & North Enhanced Total Return Bond Fund
19. BonaVista Canadian Equity Fund
20. BonaVista U.S. Equity Fund
21. BonaVista Fixed Income Fund
22. BonaVista Money Market Fund
23. BonaVista Balanced Fund
24. BonaVista International Equity Fund
25. BonaVista Private Balanced Fund

Schedule B

Advised Mutual Funds

1. Social Housing Canadian Money Market Fund
2. Social Housing Canadian Short-Term Bond Fund
3. Social Housing Canadian Bond Fund
4. Social Housing Canadian Equity Fund
5. Tradex Equity Fund Limited
6. Pinnacle Canadian Value Equity Fund

Advised Pooled Funds

None currently.

2.1.9 International KRL Resources Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Securities Act, ss. 25 and 53 – registration and prospectus requirements – Trades by an issuer to its shareholders in securities of another company that it owns (e.g. spin-off transactions) – The first issuer will transfer shares it holds in a second issuer (reporting) to the first issuer's shareholders as a return of capital; the return of capital will be done in compliance with corporate law requirements; the first issuer would be able to rely on the exemptions contained in section 2.31(2) of NI 45-106 if the transfer was being done as a dividend in kind; the transfer of shares will result in the shareholders of the first issuer holding directly their interest in the second issue as opposed to indirectly through their shareholdings in the first issuer

Applicable Ontario Statutory Provisions

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

June 9, 2008

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, AND ONTARIO
(THE JURISDICTIONS)**

AND

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

AND

**IN THE MATTER OF
INTERNATIONAL KRL RESOURCES CORP.
(THE FILER)**

MRRS DECISION DOCUMENT

Background

1 The local securities regulatory authority or regulator (each a Decision Maker and collectively, the Decision Makers) in each of the Jurisdictions has received an application from the Filer for a decision, pursuant to the securities legislation of the Jurisdictions (the Legislation) for an exemption from the dealer registration requirement (the Registration Requirement) and the prospectus requirement (the Prospectus Requirements) of the Legislation (the Requested Relief) for a proposed distribution by the Filer to its shareholders (the KRL Shareholders) by way of return of capital (the Return of Capital Distribution) of some or all of the common shares (each, a GHR Share) that the Filer holds in Golden Harp Resources Ltd. (GHR).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

- 3 This decision is based on the following facts represented by the Filer:
 - 1. the Filer is a British Columbia company with its head office located at 1640-1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1;
 - 2. the Filer is a reporting issuer in the Provinces of British Columbia, Ontario and Alberta;
 - 3. the Filer's share capital is comprised of an unlimited number of Common Shares without par value (the KRL Shares). The KRL Shares are listed and posted for trading on the TSX Venture Exchange under the symbol "IRK-V";
 - 4. as of May 27, 2008, there were 66,539,641 KRL Shares issued and outstanding of which approximately 4,030,000 shares were held by at least 110 shareholders in Canada; to the knowledge of the senior officers of the Filer no person beneficially owns, directly or indirectly or exercises control or direction over more than 5% of the issued KRL Shares;
 - 5. GHR was incorporated as a British Columbia company on May 3, 2006, as a subsidiary of the Filer as part of the Filer's reorganization plan (the Reorganization Plan) to increase shareholder value by "spinning off" to the Filers' shareholders the Filer's mineral properties located in the Shining Tree Area in the Abitibi Greenstone Belt of Northeastern Ontario consisting of 20 Mineral Leases and 245 unpatented Mining Claims totaling 849 claim units and covering an area of approximately 145 square kilometers (the Copper Hill Property);

6. the Reorganization Plan involved transferring the Copper Hill Property to GHR and upon GHR obtaining financing, reporting issuer status and a listing on the TSX Venture Exchange, the Filer distributing all or part of GHR shares owned by the Filer to its shareholders, on a pro rata basis, by way of return of capital to its shareholders;
7. to implement the Reorganization Plan, the Filer transferred the Copper Hill Property to GHR on May 31, 2006, for \$3,200,000 payable by the issue to the Filer of 10,000,000 Common Shares of GHR at a price of \$.32 per share; the initial distribution of the GHR Shares to KRL was exempt from the prospectus and registration requirements under section 2.13 of National Instrument 45-106 *Prospectus and Registration Exemptions*; as a result, the GHR shares are subject to a restricted period under the Legislation;
8. to satisfy the requirement of the TSXV concerning the disposition of the Copper Hill Property, the KRL shareholders, on November 26, 2006, approved, by special resolution (99.5 % plurality), the disposition of the Copper Hill Property to GHR;
9. GHR has completed an initial public offering (the Offering) consisting of a total of 8,890,700 flow through and non flow through units and was called to trade on the TSX Venture Exchange as a Tier 2 Issuer on March 4, 2008;
10. GHR filed its final prospectus dated February 28, 2008, with the securities regulatory authorities in British Columbia, Alberta and Ontario to qualify the Offering of a combination of flow-through units and non-flow-through units;
11. the Filer is the registered and beneficial holder of 10,000,000 Common Shares of GHR, which will constitute approximately 40.5 % of the issued and outstanding common shares of GHR;
12. the Filer is permitted to reduce its stated capital if it is authorized to do so by order of the Supreme Court of British Columbia (the Court) pursuant to Section 74 of the *Business Corporations Act* (British Columbia);
13. KRL proposes to seek the approval of the Court to reduce its stated capital when GHR is listed and posted for trading on the TSX Venture Exchange;
14. the Filer intends to distribute to its shareholders all of the GHR Shares it owns as a return of capital on a pro rata basis based on the number of Common Shares held by the KRL Shareholders;
15. the Filer anticipates that within 90 days of the order being issued by the Decision Makers, some or all of the GHR Shares will be distributed to the KRL shareholders of record at the close of business on the 7th trading day after the day on which the Court approves the Return of Capital Distribution;
16. the Return of Capital Distribution will be completed in compliance with the corporate laws of British Columbia;
17. the Filers' shareholders will not be required to pay for the GHR Shares received in the Return of Capital Distribution or to surrender or exchange common shares of the Filer in order to receive the GHR Shares or to take any other action in connection with such distribution;
18. as a consequence of the fact that the Filer owns approximately 40.5% of the outstanding GHR Shares, a Return of Capital Distribution constitutes: (a) a "primary distribution to the public" or a "distribution", as the case may be, to which the Prospectus Requirement applies, absent statutory exemption or exemptive relief; and (b) a trade in securities to which the Prospectus and Registration Requirement applies, absent statutory exemption or exemptive relief;
19. the Legislation in British Columbia, Alberta, and Ontario provide for an exemption from the Prospectus Requirement and the Registration Requirement of such Legislation for a trade by an issuer in a security of a reporting issuer held by the issuer that is distributed by it to its security holders as a dividend in specie or a dividend in kind;
20. the Return of Capital Distribution is not a dividend in specie or a dividend in kind but is a return of capital; in substance, there is no practical difference between the Filer distributing its GHR Shares by way of a dividend in specie (or a dividend in kind) and a return of capital because in both cases the KRL shareholders would receive GHR Shares on a pro rata basis;

21. if the Return of Capital Distribution was a dividend in specie or a dividend in kind there would be an exemption in British Columbia, Alberta and Ontario;
22. the Return of Capital Distribution is not a sale of shares but a distribution to the shareholders of the Filer who are currently the indirect or underlying holders of the GHR Shares; and
23. the prospectus contains full disclosure of the Filer's plan to distribute the GHR Shares to its shareholders by way of a Return of Capital Distribution.

Decision

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

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

- (a) the first trade in GHR shares acquired pursuant to this Decision shall be deemed a distribution under the Legislation unless the conditions in subsection 2.6(3) of National Instrument 45-102 Resale of Securities are satisfied and for such purposes the "distribution date" shall be deemed to be the date of the initial distribution of the GHR shares by the Filer to the KRL Shareholders; and
- (b) the proposed Return of Capital Distribution be completed not later than 90 days after the date of this order.

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

2.1.10 Retrocom Mid-Market Real Estate Investment Trust

Headnote

NP 11-203 - relief from Item 14.2 of National Instrument 51-102F5 and permission for Filer to file alternative financial disclosure in the information circular and business acquisition report pursuant to section 13.1 of National Instrument 51-102. - Filer acquiring 4 shopping malls from six vendors and separate audited financials statements never prepared for properties except for one. Alternative financial and other disclosure was provided.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations.

June 4, 2008

IN THE MATTER OF THE SECURITIES LEGISLATION OF ONTARIO (the "Jurisdiction")

AND

IN THE MATTER OF THE PROCESS FOR EXEMPTIVE RELIEF APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF RETROCOM MID-MARKET REAL ESTATE INVESTMENT TRUST (the "Filer")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "Legislation") for an order under Section 13.1 of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102") exempting the Filer from the requirements of Item 14.2 of Form 51-102F5 *Information Circular* ("Form 51-102F5"), to include financial statements for a proposed significant acquisition (the "Proposed Acquisition") in the prescribed form and to include pro forma financial statements of the Filer giving effect to the Proposed Acquisition in the prescribed form provided that the Filer includes in the information circular to be delivered to its unitholders (the "Information Circular") alternative financial statements in an acceptable form, and for an order under Section 13.1 of NI 51-102 permitting the Filer to file a business acquisition report ("BAR") for the Proposed Acquisition that includes the same alternative financial statements that are included in the Information Circular

instead of financial statements in the prescribed form (together, the “**Exemption Sought**”).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

- (i) the Ontario Securities Commission is the principal regulator for this application; and
- (ii) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (“**MI 11-102**”) is intended to be relied upon in each of the other Provinces and Territories of Canada (together with Ontario, the “**Jurisdictions**”).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer is an unincorporated open-end real estate investment trust established under the laws of the Province of Ontario by a first amended and restated declaration of trust dated March 22, 2004, as amended by amendment no. 1 thereto dated November 30, 2005, amendment no. 2 thereto dated June 27, 2006 and amendment no. 3 thereto dated June 19, 2007.
2. The Filer's head office is located at 4025 Yonge Street, Suite 214, P.O. Box 204, Toronto, Ontario, M2P 2E3.
3. The Filer is a reporting issuer, or the equivalent, in each of the Jurisdictions and is currently not in default of any applicable requirements under the securities legislation thereunder.
4. The units of the Filer (“**Units**”) are listed and posted on the Toronto Stock Exchange under the symbol RMM-UN. As at April 30, 2008, the Filer had 18,517,927 Units issued and outstanding.
5. On April 30, 2008, the Filer announced that it had entered into a definitive purchase and support agreement with six vendors (the “**Vendor Group**”) pursuant to which the Filer will acquire four shopping malls (the “**Properties**”) for a purchase price of approximately \$55 million. The transaction is expected to close in early July 2008.
6. The Filer intends to finance the Proposed Acquisition through a combination of assumed mortgage debt and the issuance to the Vendor Group of securities of Retrocom Limited

Partnership, an indirect wholly-owned subsidiary of the Filer, and securities of the Filer.

7. The Proposed Acquisition of the Properties collectively may be considered an “acquisition of related businesses” pursuant to section 8.1 of NI 51-102 and, therefore, constitutes a “significant acquisition” of the Filer for the purposes of NI 51-102, as determined in accordance with the income test prescribed by section 8.3 of NI 51-102.
8. Pursuant to Item 14.2 of Form 51-102F5 mandated by Part 9 of NI 51-102, the Information Circular must include disclosure, including financial statement disclosure, for each entity that would result from the proposed significant acquisition, prescribed by the form of prospectus that the Filer would be eligible to use for a distribution of its securities, being a short form prospectus pursuant to National Instrument 44-101 *Short Form Prospectus Distributions* in the case of the Filer (a “**Prospectus**”).
9. Pursuant to Items 10.1(2) and 10.1(3) of Form 44-101F1, a Prospectus must be accompanied by certain financial statements for certain prescribed periods for the proposed significant acquisition that the Filer proposes to complete during the current financial year of the Filer, as determined by reference to Part 8 of NI 51-102 (the “**Prospectus Acquisition Requirements**”).
10. For the Filer, the Prospectus Acquisition Requirements apply to the Proposed Acquisition and the Information Circular to be delivered to its unitholders in connection therewith (the “**Information Circular Acquisition Requirements**”).
11. The Proposed Acquisition constitutes a “significant acquisition” of the Filer for the purposes of NI 51-102, requiring the Filer to file a BAR within 75 days of the completion of the Proposed Acquisition pursuant to Section 8.2 of NI 51-102, with such BAR to include the Prospectus Financial Statement Requirements (as defined below) (the “**BAR Requirement**”).
12. The Prospectus Acquisition Requirements for the Proposed Acquisition require the Filer to include: (i) audited financial statements (i.e. an income statement, a statement of retained earnings, a cash flow statement and a balance sheet) for the most recently completed financial year of the business acquired; (ii) unaudited financial statements for the financial year immediately preceding the most recently completed financial year of the business acquired; (iii) unaudited interim financial statements for the most recently completed interim period prior to acquisition of the business acquired together with a comparative interim financial statement for the comparative period in the preceding year of the business

acquired; (iv) a pro forma balance sheet of the Filer as at the date of the most recent balance sheet of the Filer giving effect to the Proposed Acquisition as if it had taken place at the date of the pro forma balance sheet; and (v) a pro forma income statement and earnings per unit of the Filer for the most recently completed financial year of the Filer for which financial statements are required to have been issued and the most recently completed interim period of the Filer for which financial statements are required to have been issued giving effect to the Proposed Acquisition as if it had taken place at the beginning of the most recently completed financial year (the "**Prospectus Financial Statement Requirements**").

13. Each of the Properties represents just one of the properties in a portfolio of real estate properties owned by the various owners that comprise the Vendor Group and, accordingly, separate audited financial statements have never been prepared for the Properties, other than with respect to one Property (the "**Dundas Property**").

14. Annual audited financial statements and unaudited interim financial statements for the Properties in the format required by the Prospectus Acquisition Requirements do not exist and the information to produce such statements is not accessible to the Filer.

15. Furthermore, the Filer is unable to prepare a historical balance sheet for the Properties that can be audited as the historical financial statements are unavailable.

16. Completion of the Proposed Acquisition requires the prior approval of the unitholders of the Filer. As such, the Filer anticipates holding a special meeting of its unitholders on June 27, 2008 and mailing the Information Circular in respect thereof to its unitholders on or before June 6, 2008.

17. Subject to the approval of the Decision Makers, the Filer proposes that in place of each of the Information Circular Acquisition Requirements and the BAR Requirement, the Filer:

- (a) include in the Information Circular: (i) audited statements of net operations for the aggregate Properties for their most recently completed financial year; (ii) unaudited statements of net operations for the aggregate Properties for their financial year immediately preceding their most recently completed financial year; and (iii) unaudited interim statements of net operations for the aggregate Properties for their most recently completed interim period prior to

acquisition together with comparative interim statements of net operations for the comparative period in the preceding year (the "**Proposed Acquisition Operating Statements**");

- (b) include in the Information Circular pro forma financial statements of the Filer based on the Proposed Acquisition Operating Statements (the relief referred to in sections (a) and (b) of this paragraph collectively referred to herein as the "**Information Circular Requested Relief**"); and

- (c) include in the BAR, in addition to the audited financial statements for the Dundas Property, the same financial statements that are included in the Information Circular pursuant to the Information Circular Requested Relief (the "**BAR Requested Relief**").

18. Given that the Information Circular is anticipated to be dated and mailed after the date that the interim financial statements of the Filer for the interim period ended March 31, 2008 have been released, it is anticipated that the most recent period reflected in the Proposed Acquisition Operating Statements will be for the period ended March 31, 2008, being the most recent interim period of the Filer for which financial statements will have been released.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that:

- (a) the Filer includes in the Information Circular the Proposed Acquisition Operating Statements and all other information otherwise required in the Information Circular pursuant to Item 14.2 of Form 51-102F5; and
- (b) the Filer includes in the BAR, in addition to the audited financial statements for the Dundas Property, the Proposed Acquisition Operating Statements and all other information otherwise required in the BAR pursuant to Form 51-102F4.

"Lisa Enright"
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.11 Altamira Investment Services Inc. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted to permit applicant funds to continue to engage in principal trading with certain related persons/companies past November 1, 2007 – Section 7.2 of National Instrument 81-107 Independent Review Committee for Investment funds causes prior relief to expire on November 1, 2007 – New relief now issued on revised conditions which contemplate IRC approval.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.2, 19.1.

National Instrument 81-107 Independent Review Committee for Investment Funds, s. 7.2.

October 31, 2007

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

AND

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

AND

IN THE MATTER OF
ALTAMIRA INVESTMENT SERVICES INC.,
NATIONAL BANK SECURITIES INC.,
TD ASSET MANAGEMENT INC.,
SCOTIA CASSELS INVESTMENT COUNSEL LIMITED,
SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.,
RBC ASSET MANAGEMENT INC.,
BMO HARRIS INVESTMENT MANAGEMENT INC.,
BMO NESBITT BURNS INC.,
GUARDIAN GROUP OF FUNDS LTD.,
BMO INVESTMENTS INC.,
AND JONES HEWARD INVESTMENT COUNSEL INC.,
CIBC ASSET MANAGEMENT INC. AND
CIBC GLOBAL ASSET MANAGEMENT INC.
(the Applicants)

AND

IN THE MATTER OF
THE MUTUAL FUNDS
listed under an Applicant's name in Schedule A and
any mutual funds subject to National Instrument
81-102 – Mutual Funds (NI 81-102) that may be
established in the future for which the Applicant acts
as portfolio advisor and/or manager (the Applicant Funds)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (**Decision Maker**) in each of the Jurisdictions received an application (the **Application**) from the Applicants on behalf of each Applicant Fund under section 19.1 of NI 81-102 for relief from the requirement in Section 4.2 of NI 81-102 (the **Requested Section 4.2 Relief**) which prevents a mutual fund from purchasing a security from or selling a security to any of the following persons or companies:

1. The manager, portfolio adviser or trustee of the mutual fund;
2. A partner, director or officer of the mutual fund or of the manager, portfolio adviser or trustee of the mutual fund;
3. An associate or affiliate of a person or company referred to in paragraph 1 or 2;
4. A person or company, having fewer than 100 securityholders of record, of which a partner, director or officer of the mutual fund or a partner, director or officer of the manager or portfolio adviser of the mutual fund is a partner, director, officer or securityholder,

if such persons or companies (each a **Related Person**) are acting as principal.

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

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

Interpretation

Defined terms contained in National Instrument 14-101 – Definitions (**NI 14-101**), in NI 81-102 and in National Instrument 81-107 – Independent Review Committee for Investment Funds (**NI 81-107**) have the same meaning in this MRRS Decision unless they are otherwise defined in this decision.

In this Decision Document the term Related Person of the Applicant Funds will be used to refer to a Related Person of an Applicant Fund that is a principal dealer (**Principal Dealer**) in the Canadian debt securities market.

Representations

This decision is based on the following facts represented by each Applicant in respect of the Applicant and the Applicant Funds of the Applicant:

1. Each of the Applicants is or will be the portfolio adviser and/or the manager of the Applicant Funds of the Applicant.
2. Schedule A contains a list of all the mutual funds that are subject to NI 81-102 of which an Applicant currently is the portfolio adviser and/or the manager.
3. An Independent Review Committee (**IRC**) has or will be constituted for each of the Applicant Funds in accordance with the requirements of NI 81-107.
4. The investment strategies of an Applicant Fund that relies on the Requested Section 4.2 Relief permit or will permit it to invest in the securities purchased, either as a principal strategy in achieving its investment objective or as a temporary strategy, pending the purchase of other securities.
5. Each of the Applicants or an affiliate of an Applicant previously obtained relief from Section 4.2 (the **Existing Related Person Purchase Relief**) so that an Applicant Fund of the Applicant may purchase from or sell to a **Related Person** that is a Principal Dealer in the Canadian debt securities market debt securities of an issuer other than the federal or a provincial government (**Non-Government Debt Securities**) or debt securities issued or fully and unconditionally guaranteed by the federal or a provincial government (**Government Debt Securities**) in the secondary market.
6. Pursuant to Section 7.2 of NI 81-107, the Existing Related Person Purchase Relief will terminate on November 1, 2007 (the **Termination Date**).
7. Related Persons of the Applicant Funds are Principal Dealers in the Canadian debt securities market – both primary and secondary.

8. An exemption from the conflict prohibition which is the subject of the Existing Related Person Purchase Relief has not been provided for in NI 81-102 or NI 81-107. Section 4.3 of NI 81-102 which provides certain relief from Section 4.2(l) does not provide an exemption from Section 4.2(l) for transactions in Government Debt Securities or Non-Government Debt Securities that are either not the subject of public quotations or not inter-fund trades that comply with Section 6.1(2) of NI 81-107.
9. The Applicants have made the Application for the Requested Section 4.2 Relief so that an Applicant Fund may continue to purchase from or sell to a Related Person that is a Principal Dealer Non-Government Debt Securities or Government Debt Securities in the secondary market after the Termination Date.
10. The purchase of debt securities from a Related Person in the secondary market is subject to Section 4.2 of NI 81-102.
11. The representations by the Applicants referred to by the Decision Makers in the Existing Related Person Purchase Relief, in respect of the role played by Related Persons of the Applicant Funds in the Government Debt Securities and Non-Government Debt Securities markets remain, in all material respects, accurate as of the date of this Decision Document, particularly,
 - (a) there is a limited supply of Non-Government Debt Securities and Government Debt Securities available to the Applicant Funds; and
 - (b) frequently the only source of Non-Government Debt Securities and Government Debt Securities for an Applicant Fund is a Related Person of the Applicant Fund.
12. The Applicant Funds require the Requested Section 4.2 Relief in order to continue to pursue their investment objectives and strategies effectively.

Decision

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

The decision of the Decision Makers is that the Requested Section 4.2 Relief is granted subject to the following conditions:

- (a) the purchase or sale is consistent with, or is necessary to meet, the investment objective of the Applicant Fund;
- (b) the IRC has approved the transaction in accordance with Section 5.2(2) of NI 81-107;
- (c) the manager of the Applicant Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Applicant Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions; and
- (d) the Applicant Fund keeps the written records required by Section 6.1(2)(g) of NI 81-107.

“Vera Nunes”

Assistant Manager, Investment Funds Branch
Ontario Securities Commission

SCHEDULE A

APPLICANTS AND APPLICANT FUNDS

A. ALTAMIRA INVESTMENT SERVICES INC., NATIONAL BANK SECURITIES INC.

Altamira T-Bill Fund
Altamira Income Fund
Altamira Bond Fund
Altamira High Yield Bond Fund
Altamira Short Term Canadian Income Fund
Altamira Short Term Government Bond Fund
Altamira Inflation-Adjusted Bond Fund
Altamira Global Bond Fund
Altamira Short Term Global Income Fund
Altamira Balanced Fund
Altamira Dividend Fund Inc.
Altamira Growth & Income Fund
Altamira Monthly Income Fund
Altamira Global Diversified Fund
Altamira Canadian Value Fund
Altamira Equity Fund
AltaFund Investment Corp.
Altamira Capital Growth Fund Limited
Altamira Special Growth Fund
Altamira European Equity Fund
Altamira Global Value Fund
Altamira US Larger Company Fund
Altamira Asia Pacific Fund
Altamira Japanese Opportunity Fund
Altamira Global Discovery Fund
Altamira Global Small Company Fund
Altamira Select American Fund
National Bank Money Market Fund
National Bank Treasury Bill Plus Fund
National Bank U.S. Money Market Fund
National Bank Corporate Cash Management Fund
National Bank Treasury Management Fund
National Bank Mortgage Fund
National Bank Bond Fund
National Bank Dividend Fund
National Bank Global Bond Fund
National Bank High Yield Bond Fund
National Bank Monthly Secure Income Fund
National Bank Monthly Conservative Income Fund
National Bank Monthly Moderate Income Fund
National Bank Monthly Income Fund
National Bank Monthly High Income Fund
National Bank Monthly Equity Income Fund
Altamira Precision Canadian Index Fund
Altamira Precision European Index Fund
Altamira Precision International Currency Neutral Index Fund
Altamira Precision U.S. Currency Neutral Index Fund
Altamira Precision U.S. Midcap Index Fund
Altamira Health Sciences Fund
Altamira Precious and Strategic Metal Fund
Altamira Resource Fund
Altamira Science and Technology Fund
Altamira Energy Fund
Meritage Canadian Equity Portfolio
Meritage Global Equity Portfolio
Meritage American Equity Portfolio
Meritage International Equity Portfolio

Meritage Conservative Portfolio
Meritage Moderate Portfolio
Meritage Balanced Portfolio
Meritage Growth Portfolio
Meritage Equity Portfolio
Meritage Conservative Income Portfolio
Meritage Moderate Income Portfolio
Meritage Balanced Income Portfolio
Meritage Growth Income Portfolio
Meritage Equity Income Portfolio
National Bank Global Equity Fund
National Bank International Index Fund
National Bank American Index Fund
National Bank American Index Plus Fund
National Bank European Equity Fund
National Bank European Small Capitalization Fund
National Bank Asia-Pacific Fund
National Bank Emerging Markets Fund
National Bank Quebec Growth Fund
National Bank Natural Resources Fund
National Bank Future Economy Fund
National Bank Global Technologies Fund
National Bank Strategic Yield Class
National Bank/Fidelity Canadian Asset Allocation Fund
National Bank Retirement Balanced Fund
National Bank Secure Diversified Fund
National Bank Conservative Diversified Fund
National Bank Moderate Diversified Fund
National Bank Balanced Diversified Fund
National Bank Growth Diversified Fund
National Bank Canadian Equity Fund
National Bank Canadian Opportunities Fund
National Bank Canadian Index Fund
National Bank Canadian Index Plus Fund
National Bank Small Capitalization Fund
National Bank/Fidelity True North Fund
National Bank/Fidelity Global Fund
National Bank Protected Canadian Bond Fund
National Bank Protected Retirement Balanced Fund
National Bank Protected Growth Balanced Fund
National Bank Protected Canadian Equity Fund
National Bank Protected Global Fund

B. TD ASSET MANAGEMENT INC.

TD Canadian T-Bill Fund
TD Canadian Money Market Fund
TD Premium Money Market Fund
TD U.S. Money Market Fund
TD Short Term Bond Fund
TD Mortgage Fund
TD Canadian Bond Fund
TD Real Return Bond Fund
TD Global Bond Fund
TD High Yield Income Fund
TD Corporate Bond Pool
TD Corporate Bond Capital Yield Fund
TD Income Advantage Portfolio
TD Monthly Income Fund
TD Balanced Income Fund
TD Diversified Monthly Income Fund
TD Balanced Growth Fund
TD Global Equity Advantage Portfolio

TD Income Trust Pool
TD Income Trust Capital Yield Fund
TD Dividend Income Fund
TD Dividend Growth Fund
TD Canadian Blue Chip Equity Fund
TD Canadian Value Fund
TD Canadian Equity Fund
TD Canadian Small-Cap Equity Fund
TD U.S. Quantitative Equity Fund
TD U.S. Blue Chip Equity Fund
TD North American Dividend Fund
TD U.S. Mid-Cap Growth Fund
TD U.S. Small-Cap Equity Fund
TD U.S. Large-Cap Value Fund
TD U.S. Blue Chip Equity Currency Neutral Fund
TD U.S. Mid-Cap Growth Currency Neutral Fund
TD U.S. Small-Cap Equity Currency Neutral Fund
TD U.S. Large Cap Value Currency Neutral Fund
TD U.S. Equity Advantage Portfolio
TD Dow Jones Industrial AverageSM Index Fund
TD U.S. Index Fund
TD U.S. Index Currency Neutral Fund
TD Nasdaq[®] Index Fund
TD International Index Fund
TD International Index Currency Neutral Fund
TD European Index Fund
TD Japanese Index Fund
TD Balanced Index Fund
TD Private Canadian Bond Return Fund
TD Private Canadian Corporate Bond Fund
TD Private Canadian Bond Income Fund
TD Private Canadian Equity Fund
TD Private North American Equity Fund
TD Private Small/Mid-Cap Equity Fund
TD Private Income Trust Fund
TD Private Canadian Dividend Fund
TD Private U.S. Equity Fund
TD Private Canadian Strategic Opportunities Fund
TD Private International Equity Fund
TD Emerald Canadian Bond Index Fund
TD Emerald Canadian Short Term Investment Fund
TD Emerald International Equity Index Fund
TD Emerald Global Government Bond Index Fund
TD Emerald Canadian Equity Index Fund
TD Emerald U.S. Market Index Fund
TD Emerald Balanced Fund
TD Emerald Canadian Treasury Management - Government of Canada Fund
TD Emerald Canadian Treasury Management Fund
TD Emerald Canadian Treasury Management - Financial Institution Fund
TD Emerald U.S. Dollar Treasury Management - Government Fund
TD Emerald U.S. Dollar Treasury Management Fund
TD Managed Income Portfolio
TD U.S. Equity Advantage Currency Neutral Portfolio
TD Global Select Fund
TD International Equity Fund
TD European Growth Fund
TD Japanese Growth Fund
TD Pacific Rim Fund
TD Asian Growth Fund
TD Emerging Markets Fund
TD Latin American Growth Fund
TD Global Multi-Cap Fund

TD Global Value Fund
TD International Equity Growth Fund
TD Global Dividend Fund
TD Resource Fund
TD Energy Fund
TD Precious Metals Fund
TD Entertainment & Communications Fund
TD Science & Technology Fund
TD Health Sciences Fund
TD Canadian Bond Index Fund
TD Canadian Index Fund
TD Managed Income & Moderate Growth Portfolio
TD Managed Balanced Growth Portfolio
TD Managed Aggressive Growth Portfolio
TD Managed Maximum Equity Growth Portfolio
TD Managed Index Income Portfolio
TD Managed Index Income & Moderate Growth Portfolio
TD Managed Index Balanced Growth Portfolio
TD Managed Index Aggressive Growth Portfolio
TD Managed Index Maximum Equity Growth Portfolio
TD FundSmart Managed Income Portfolio
TD FundSmart Managed Income & Moderate Growth Portfolio
TD FundSmart Managed Balanced Growth Portfolio
TD FundSmart Managed Aggressive Growth Portfolio
TD FundSmart Managed Maximum Equity Growth Portfolio
TD Canadian Core Plus Bond Fund
TD World Bond Pool
TD Global Monthly Income Fund
TD North American Dividend Fund
TD Private U.S. Large Cap Currency Neutral Fund
TD Global Sustainability Fund
TD Managed Income Portfolio

C. SCOTIA CASSELS INVESTMENT COUNSEL LIMITED, SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.

Scotia T-Bill Fund
Scotia Premium T-Bill Fund
Scotia Money Market Fund
Scotia CanAm® U.S. \$ Money Market Fund
Scotia Canadian Bond Index Fund
Scotia Mortgage Income Fund
Scotia Canadian Income Fund
Scotia Cassels Canadian Bond Fund
Scotia Cassels Canadian Corporate Bond Fund
Scotia CanAm U.S. \$ Income Fund
Scotia CanGlobal Income Fund
Scotia Diversified Monthly Income Fund
Scotia Canadian Balanced Fund
Scotia Canadian Tactical Asset Allocation Fund
Scotia Selected Income & Modest Growth Fund
Scotia Selected Balanced Income & Growth Fund
Scotia Selected Conservative Growth Fund
Scotia Selected Aggressive Growth Fund
Scotia Partners™ Income & Modest Growth Portfolio
Scotia Partners™ Balanced Income & Growth Portfolio
Scotia Partners™ Conservative Growth Portfolio
Scotia Partners™ Aggressive Growth Portfolio
Scotia Global Opportunities Fund
Scotia Global Small Cap Fund
Scotia Global Growth Fund
Scotia Cassels International Equity Fund
Scotia European Growth Fund
Scotia Pacific Rim Growth Fund

Scotia Latin American Growth Fund
Scotia U.S. Value Fund
Scotia Resource Fund
Scotia Cassels North American Equity Fund
Scotia American Stock Index Fund
Scotia Cassels U.S. Equity Fund
Scotia American Growth Fund
Scotia CanAm Stock Index Fund
Pinnacle Short Term Income Fund
Pinnacle Income Fund
Pinnacle High Yield Income Fund
Pinnacle American Core-Plus Bond Fund
Pinnacle Global Real Estate Securities Fund
Pinnacle Strategic Balanced Fund
Pinnacle Canadian Value Equity Fund
Pinnacle Canadian Mid Cap Value Equity Fund
Pinnacle Canadian Growth Equity Fund
Pinnacle Canadian Small Cap Equity Fund
Scotia Vision Conservative 2010 Fund
Scotia Vision Aggressive 2010 Fund
Scotia Vision Conservative 2015 Fund
Scotia Vision Aggressive 2015 Fund
Scotia Vision Conservative 2020 Fund
Scotia Vision Aggressive 2020 Fund
Scotia Vision Conservative 2030 Fund
Scotia Vision Aggressive 2030 Fund
Scotia Canadian Stock Index Fund
Scotia Canadian Dividend Fund
Scotia Cassels Canadian Equity Fund
Scotia Canadian Blue Chip Fund
Scotia Canadian Growth Fund
Scotia Canadian Small Cap Fund
Scotia Nasdaq Index Fund
Scotia International Stock Index Fund
Scotia International Value Fund
Pinnacle American Value Equity Fund
Pinnacle American Mid Cap Value Equity Fund
Pinnacle American Large Cap Growth Equity Fund
Pinnacle American Mid Cap Growth Equity Fund
Pinnacle International Equity Fund
Pinnacle International Small to Mid Cap Value
Equity Fund
Pinnacle Global Equity Fund
Pinnacle Balanced Income Portfolio
Pinnacle Conservative Balanced Growth Portfolio
Pinnacle Balanced Growth Portfolio
Pinnacle Conservative Growth Portfolio
Pinnacle Growth Portfolio

D. RBC ASSET MANAGEMENT INC.

RBC Canadian T Bill Fund
RBC Canadian Money Market Fund
RBC Premium Money Market Fund
RBC \$U.S. Money Market Fund
RBC Canadian Short-Term Income Fund
RBC Bond Fund
RBC Canadian Bond Index Fund
RBC Monthly Income Fund
RBC \$U.S. Income Fund
RBC Global Bond Fund
RBC Global Corporate Bond Fund
RBC Advisor Canadian Bond Fund

RBC Global High Yield Fund
RBC Cash Flow Portfolio
RBC Enhanced Cash Flow Portfolio
RBC Balanced Fund
RBC Tax Managed Return Fund
RBC Balanced Growth Fund
RBC Select Conservative Portfolio
RBC Select Balanced Portfolio
RBC Select Growth Portfolio
RBC Select Aggressive Growth Portfolio
RBC Select Choices Conservative Portfolio
RBC Select Choices Balanced Portfolio
RBC Select Choices Growth Portfolio
RBC Select Choices Aggressive Growth Portfolio
RBC Target 2010 Education Fund
RBC Target 2015 Education Fund
RBC Target 2020 Education Fund
RBC Canadian Dividend Fund
RBC Canadian Equity Fund
RBC International Equity Fund
RBC International Index Currency Neutral Fund
RBC O'Shaughnessy International Equity Fund
RBC European Equity Fund
RBC Asian Equity Fund
RBC Global Dividend Growth Fund
RBC O'Shaughnessy Global Equity Fund
RBC Global Energy Fund
RBC Global Precious Metals Fund
RBC Global Consumer and Financials Fund
RBC Global Health Sciences Fund
RBC Global Resources Fund
RBC Global Technology Fund
RBC DS North American Focus Fund
RBC DS Canadian Focus Fund
RBC DS International Focus Fund
RBC DS Balanced Global Portfolio
RBC DS Growth Global Portfolio
RBC DS All Equity Global Portfolio
RBC Private Short-Term Income Pool
RBC Private Canadian Bond Pool
RBC Private Corporate Bond Pool
RBC Private Income Pool
RBC Private Global Bond Pool
RBC Private Canadian Dividend Pool
RBC Private Canadian Growth and Income Equity Pool
RBC Private Canadian Equity Pool
RBC Private Canadian Value Equity Pool
RBC Private O'Shaughnessy Canadian Equity Pool
RBC Private Core Canadian Equity Pool
RBC Canadian Index Fund
RBC O'Shaughnessy Canadian Equity Fund
RBC O'Shaughnessy All-Canadian Equity Fund
RBC Canadian Diversified Income Trust Fund
RBC North American Dividend Fund
RBC North American Value Fund
RBC North American Growth Fund
RBC U.S. Equity Fund
RBC U.S. Equity Currency Neutral Fund
RBC U.S. Index Fund
RBC U.S. Index Currency Neutral Fund
RBC O'Shaughnessy U.S. Value Fund
RBC U.S. Mid-Cap Equity Fund
RBC U.S. Mid-Cap Equity Currency Neutral Fund

RBC O'Shaughnessy U.S. Growth Fund
RBC Life Science and Technology Fund
RBC Private Canadian Mid Cap Equity Pool
RBC Private U.S. Equity Pool
RBC Private U.S. Value Equity Pool
RBC Private O'Shaughnessy U.S. Value Equity Pool
RBC Private U.S. Growth Equity Pool
RBC Private O'Shaughnessy U.S. Growth Equity Pool
RBC Private U.S. Mid Cap Equity Pool
RBC Private U.S. Small Cap Equity Pool
RBC Private International Equity Pool
RBC Private EAFE Equity Pool
RBC Private European Equity Pool
RBC Private Asian Equity Pool
RBC Private Global Dividend Growth Pool
RBC Private World Equity Pool
RBC Private Overseas Equity Pool
RBC Jantzi Balanced Fund
RBC Target 2025 Education Fund
RBC Jantzi Canadian Equity Fund
RBC Jantzi Global Equity Fund

E. BMO HARRIS INVESTMENT MANAGEMENT INC., BMO NESBITT BURNS INC., GUARDIAN GROUP OF FUNDS LTD., BMO INVESTMENTS INC., AND JONES HEWARD INVESTMENT COUNSEL INC.

BMO Harris Canadian Money Market Portfolio
BMO Harris Canadian Bond Income Portfolio
BMO Harris Canadian Total Return Bond Portfolio
BMO Harris Canadian Corporate Bond Portfolio
BMO Harris Income Opportunity Bond Portfolio
BMO Harris Opportunity Bond Portfolio
BMO Harris Diversified Trust Portfolio
BMO Harris Canadian Dividend Income Portfolio
BMO Harris Canadian Income Equity Portfolio
BMO Harris Canadian Conservative Equity Portfolio
BMO Harris Canadian Growth Equity Portfolio
BMO Harris Growth Opportunities Portfolio
BMO Harris Canadian Special Growth Portfolio
BMO Harris U.S. Equity Portfolio
BMO Harris U.S. Growth Portfolio
BMO Harris International Equity Portfolio
BMO Harris International Special Equity Portfolio
BMO Harris Emerging Markets Equity Portfolio
BMO Nesbitt Burns Canadian Stock Selection Fund
BMO Nesbitt Burns U.S. Stock Selection Fund
BMO Nesbitt Burns Bond Fund
BMO Nesbitt Burns Balanced Fund
BMO Nesbitt Burns Balanced Portfolio Fund
BMO Nesbitt Burns Growth Portfolio Fund
BMO Nesbitt Burns All Equity Portfolio Fund
BMO T-Bill Fund
BMO Money Market Fund
BMO Precious Metals Fund
BMO Global Science & Technology Fund
BMO Emerging Markets Fund
BMO U.S. Dollar Money Market Fund
BMO U.S. Dollar Monthly Income Fund
BMO U.S. Dollar Equity Index Fund
BMO Short-Term Income Class
BMO Dividend Class
BMO Canadian Equity Class
BMO Global Dividend Class
BMO U.S. Equity Class

BMO Global Equity Class
BMO Greater China Class
BMO LifeStage Plus™ 2015 Fund
BMO LifeStage Plus™ 2020 Fund
BMO LifeStage Plus™ 2025 Fund
BMO LifeStage Plus™ 2030 Fund
BMO FundSelect Security Portfolio
BMO FundSelect Balanced Portfolio
BMO FundSelect Growth Portfolio
BMO FundSelect Aggressive Growth Portfolio
GGOF Canadian Bond Fund
GGOF Canadian Money Market Fund
GGOF Floating Rate Income Fund
GGOF Global Bond Fund
GGOF High Yield Bond Fund
GGOF Monthly Dividend Fund Ltd
GGOF Monthly High Income Fund
GGOF Monthly High Income Fund II
BMO AIR MILES®† Money Market Fund
BMO Premium Money Market Fund
BMO Mortgage and Short-Term Income Fund
BMO Bond Fund
BMO World Bond Fund
BMO Monthly Income Fund
BMO Diversified Income Fund
BMO Global Monthly Income Fund
BMO Global High Yield Bond Fund
BMO Income Trust Fund
BMO Asset Allocation Fund
BMO Dividend Fund
BMO Equity Index Fund
BMO Equity Fund
BMO U.S. Equity Index Fund
BMO U.S. Growth Fund
BMO U.S. Equity Fund
BMO International Index Fund
BMO International Equity Fund
BMO North American Dividend Fund
BMO European Fund
BMO Japanese Fund
BMO Special Equity Fund
BMO U.S. Special Equity Fund
BMO Resource Fund
GGOF U.S. Money Market Fund
GGOF American Equity Fund Ltd
GGOF Canadian Growth Fund Ltd
GGOF Canadian Large Cap Equity Fund
GGOF Dividend Growth Fund
GGOF Emerging Markets Fund
GGOF Enterprise Fund
GGOF European Equity Fund
GGOF Global Absolute Return Fund
GGOF Global Equity Fund
GGOF Global Small Cap Fund
GGOF Global Technology Fund
GGOF Japanese Equity Fund
GGOF Resource Fund
GGOF Asian Growth and Income Fund
GGOF Canadian Balanced Fund
GGOF Canadian Diversified Monthly Income Fund
GGOF Global Diversified Fund
GGOF Small Cap Growth and Income Fund
GGOF U.S. Diversified Monthly Income Fund

GGOF Income Solution
GGOF Conservative Solution
GGOF Balanced Solution
GGOF Growth Solution
GGOF Aggressive Growth Solution

F. CIBC ASSET MANAGEMENT INC., CIBC GLOBAL ASSET MANAGEMENT INC.

Axiom All Equity Portfolio
Axiom Balanced Growth Portfolio
Axiom Balanced Income Portfolio
Axiom Canadian Growth Portfolio
Axiom Diversified Monthly Income Portfolio
Axiom Foreign Growth Portfolio
Axiom Global Growth Portfolio
Axiom Long-Term Growth Portfolio
CIBC Asia Pacific Index Fund
CIBC Balanced Fund
CIBC Balanced Index Fund
CIBC Canadian Bond Fund
CIBC Canadian Bond Index Fund
CIBC Canadian Emerging Companies Fund
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Index Fund
CIBC Canadian Real Estate Fund
CIBC Canadian Resources Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Small Companies Fund
CIBC Managed Balanced Growth Portfolio
CIBC Managed Balanced Growth RRSP Portfolio
CIBC Managed Balanced Portfolio
CIBC Managed Growth Portfolio
CIBC Managed Growth RRSP Portfolio
CIBC Managed Income Plus Portfolio
CIBC Managed Income Portfolio
CIBC Managed Monthly Income Balanced Portfolio
CIBC U.S. Dollar Managed Balanced Portfolio
CIBC U.S. Dollar Managed Growth Portfolio
CIBC U.S. Dollar Managed Income Portfolio
Renaissance Canadian Balanced Fund
Renaissance Canadian Balanced Value Fund
Renaissance Canadian Bond Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Dividend Income Fund
Renaissance Canadian Growth Fund
Renaissance Canadian High Yield Bond Fund
Renaissance Canadian Money Market Fund
Renaissance Canadian Monthly Income Fund
Renaissance Canadian Real Return Bond Fund
Renaissance Canadian Small Cap Fund
CIBC Canadian T-Bill Fund
CIBC Capital Appreciation Fund
CIBC Disciplined International Equity Fund
CIBC Disciplined U.S. Equity Fund
CIBC Diversified Income Fund
CIBC Dividend Fund
CIBC Emerging Economies Fund
CIBC Emerging Markets Index Fund
CIBC Energy Fund
CIBC European Equity Fund
CIBC European Index Fund
CIBC European Index RRSP Fund

CIBC Far East Prosperity Fund
CIBC Financial Companies Fund
CIBC Global Bond Fund
CIBC Global Bond Index Fund
CIBC Global Equity Fund
CIBC Global Monthly Income Fund
CIBC Global Technology Fund
CIBC High Yield Cash Fund
CIBC International Index Fund
CIBC International Index RRSP Fund
CIBC International Small Companies Fund
CIBC Japanese Equity Fund
CIBC Japanese Index RRSP Fund
CIBC Latin American Fund
CIBC Money Market Fund
CIBC Monthly Income Fund
CIBC Mortgage and Short-Term Income Fund
CIBC Nasdaq Index Fund
CIBC Nasdaq Index RRSP Fund
CIBC North American Demographics Fund
CIBC Precious Metals Fund
CIBC Premium Canadian T-Bill Fund
CIBC U.S. Dollar Money Market Fund
CIBC U.S. Equity Index Fund
CIBC U.S. Index RRSP Fund
CIBC U.S. Small Companies Fund
Frontiers Canadian Equity Pool
Frontiers Canadian Fixed Income Pool
Frontiers Canadian Monthly Income Pool
Frontiers Canadian Short Term Income Pool
Frontiers Emerging Markets Equity Pool
Frontiers Global Bond Pool
Frontiers International Equity Pool
Frontiers U.S. Equity Pool
Imperial Canadian Bond Pool
Imperial Canadian Dividend Income Pool
Imperial Canadian Dividend Pool
Imperial Canadian Equity Pool
Renaissance Canadian T-Bill Fund
Renaissance Developing Capital Markets Fund
Renaissance Diversified Income Fund
Renaissance Euro Fund
Renaissance Global Growth Fund
Renaissance Global Opportunities Fund
Renaissance Global Sectors Fund
Renaissance Global Technology Fund
Renaissance International Growth Fund
Renaissance International Index Fund
Renaissance Tactical Allocation Fund
Renaissance Talvest China Plus Fund
Renaissance Talvest Global Health Care Fund
Renaissance Talvest Millennium High Income Fund
Renaissance U.S. Equity Growth Fund
Renaissance U.S. Equity Value Fund
Renaissance U.S. Index Fund
Renaissance U.S. Money Market Fund
Sequence 2010 Conservative Portfolio
Sequence 2010 Moderate Portfolio
Sequence 2020 Conservative Portfolio
Sequence 2020 Moderate Portfolio
Sequence 2030 Conservative Portfolio
Sequence 2030 Moderate Portfolio
Sequence 2040 Conservative Portfolio

Sequence 2040 Moderate Portfolio
Sequence Income Portfolio
Talvest Asian Fund
Talvest Bond Fund
Talvest Cdn. Asset Allocation Fund
Talvest Cdn. Equity Growth Fund
Talvest Cdn. Equity Value Fund
Talvest Cdn. Multi Management Fund
Talvest China Plus Fund
Talvest Dividend Fund
Talvest European Fund
Talvest Global Asset Allocation Fund
Talvest Global Bond Fund
Talvest Global Equity Fund
Talvest Global Health Care Fund
Talvest Global Markets Fund
Talvest Global Multi Management Fund
Talvest Global Resource Fund
Talvest Global Science & Technology Fund
Talvest Global Small Cap Fund
Talvest High Yield Bond Fund
Talvest Income Fund
Talvest International Equity Fund
Talvest Millennium High Income Fund
Talvest Millennium Next Generation Fund
Imperial Canadian Income Trust Pool
Imperial Emerging Economies Pool
Imperial International Bond Pool
Imperial International Equity Pool
Imperial Money Market Pool
Imperial Overseas Equity Pool
Imperial Registered International Equity Index Pool
Imperial Registered U.S. Equity Index Pool
Imperial Short-Term Bond Pool
Imperial U.S. Equity Pool
Talvest Money Market Fund
Talvest Renaissance Canadian Balanced Fund
Talvest Renaissance Canadian Balanced Value Fund
Talvest Renaissance Canadian Core Value Fund
Talvest Renaissance Canadian Real Return Bond Fund
Talvest Renaissance U.S. Equity Value Fund
Talvest Small Cap Cdn. Equity Fund
Talvest U.S. Equity Fund

2.1.12 Altamira Investment Services Inc. et al. - MRRS Decision

Headnote

Relief granted from prohibition in s. 4.1(2) of NI 81-102 to permit applicant funds to purchase securities of related entity on secondary market - Relief subject to conditions including IRC approval and pricing requirements.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(2), 19.1.

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

May 15, 2008

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

AND

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

AND

IN THE MATTER OF
ALTAMIRA INVESTMENT SERVICES INC.,
NATIONAL BANK SECURITIES INC.,
TD ASSET MANAGEMENT INC.,
SCOTIA CASSELS INVESTMENT COUNSEL LIMITED,
SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.,
RBC ASSET MANAGEMENT INC.,
BMO HARRIS INVESTMENT MANAGEMENT INC.,
BMO NESBITT BURNS INC.,
GUARDIAN GROUP OF FUNDS LTD.,
BMO INVESTMENTS INC.,
AND JONES HEWARD INVESTMENT COUNSEL INC.,
CIBC ASSET MANAGEMENT INC. AND
CIBC GLOBAL ASSET MANAGEMENT INC.
(the Applicants)

AND

IN THE MATTER OF
THE MUTUAL FUNDS
listed under an Applicant's name in Schedule A and any
mutual funds subject to National Instrument 81-102 –
Mutual Funds (NI 81-102) that may be established in the
future for which the Applicant acts as portfolio advisor
and/or manager (the Applicant Funds)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (**Decision Maker**) in each of the Jurisdictions received an application (the **Application**) from the Applicants on behalf of each Applicant Fund under section 19.1 of NI 81-102 for relief from the

requirement in Section 4.1(2) of NI 81-102 (the **Requested Section 4.1(2) Relief**) which prevents a dealer managed mutual fund from investing in a class of securities of an issuer (a **Related Person**) of which a partner, director, officer or employee of the dealer manager of the mutual fund, or a partner, director, officer or employee of an affiliate or associate of the dealer manager, is a partner, director or officer unless the partner, director, officer or employee

- (a) does not participate in the formulation of investment decisions made on behalf of the dealer managed mutual fund;
- (b) does not have access before implementation to information concerning investment decisions made on behalf of the dealer managed mutual fund; and
- (c) does not influence, other than through research, statistical and other reports generally available to clients, the investment decisions made on behalf of the dealer managed mutual fund.

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (i) the Ontario Securities Commission (the **OSC**) is the principal regulator for the Application; and
- (ii) this MRRS decision document (**MRRS Decision**) represents the decision of each of the Decision Makers.

Interpretation

Defined terms contained in National Instrument 14-101 – Definitions (**NI 14-101**), in NI 81-102 and in National Instrument 81-107 – Independent Review Committee for Investment Funds (**NI 81-107**) have the same meaning in this MRRS Decision Document unless they are otherwise defined in this Decision Document.

Representations

This decision is based on the following facts represented by an Applicant in respect of the Applicant and the Applicant Funds of the Applicant:

1. Each of the Applicants is or will be the portfolio adviser and/or the manager of the Applicant Funds of the Applicant.
2. Each of the Applicants and the Applicant Funds is or will be compliant with the requirements of NI 81-107. Accordingly, each Applicant Fund has or will have an independent review committee (**IRC**) established in accordance with NI 81-107.
3. The investment strategies of an Applicant Fund that relies on the Requested Section 4.1(2) Relief permit or will permit it to invest in the securities purchased, either as a principal strategy in achieving its investment objective or as a temporary strategy pending the purchase of other securities.
4. TD Asset Management Inc. (**TDAM**) previously obtained relief from Section 4.1(2) (the **TDAM Existing Related Person Securities Relief**) so that an Applicant Fund of TDAM could invest in securities of certain Related Persons of TDAM. These securities included exchange-traded securities and non-exchange-traded securities of The Toronto-Dominion Bank (**TD Bank**) such as long-term bonds and bankers acceptances.
5. Pursuant to section 7.2 of NI 81-107, the TDAM Existing Related Person Securities Relief expired on November 1, 2007. Each of the remaining Applicants did not previously obtain relief from section 4.1(2) of NI 81-102.
6. Section 6.2 of NI 81-107 provides an exemption from the mutual fund conflict of interest investment restrictions for purchases of Related Person securities if the purchase is made on an exchange. It does not provide an exemption from section 4.1(2) of NI 81-102 and it does not provide an exemption for purchases of non-exchange traded securities.
7. Related Persons of each Applicant are significant issuers of both exchange –traded and non-exchange-traded securities.
8. Non-exchange-traded securities that are debt securities issued by Related Persons, in addition to securities that are listed and traded on an exchange, may be appropriate investments for the Applicant Funds.
9. In respect of Applicant Funds of an Applicant, directors, officers and employees of each Applicant or of an affiliate or associate of an Applicant may be directors, officers or employees of a Related Person who do not meet the exceptions in section 4.1(2) of NI 81-102 such that the Requested Section 4.1(2) Relief is required by an Applicant to permit Applicant Funds to invest in securities of a Related Person.

10. Each purchase of securities of a Related Person will occur in the secondary market and not under primary distributions or treasury offerings of a Related Person.
11. Each non-exchange-traded security purchased by an Applicant Fund pursuant to the Requested Section 4.1(2) Relief will be a debt security issued by a Related Person that has been given, and continues to have at the time of purchase, an "approved credit rating" by an approved credit rating organization.
12. The Applicants consider that the Applicant Funds should have access to such securities for the following reasons:
 - a) There is currently and has been for several years a very limited supply of highly rated corporate debt.
 - b) Diversification is reduced to the extent that an Applicant Fund is limited with respect to investment opportunities.
 - c) To the extent that an Applicant Fund is trying to track or outperform a benchmark it is important for the Applicant Fund to be able to purchase any securities included in the benchmark. Debt securities of Related Persons of the Applicants are included in most of the Canadian debt indices.
13. If a Fund's purchase of non-exchange-traded securities issued by Related Persons involves an interfund trade with another fund to which NI 81-107 applies, the provisions of section 6.1.(2) of NI 81-107 will apply to such transaction.

Decision

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

The decision of the Decision Makers is that the Requested Section 4.1(2) Relief is granted to permit purchases of Related Person securities in the secondary market on the conditions that:

- (a) the purchase is consistent with, or is necessary to meet, the investment objective of the Applicant Fund;
- (b) the IRC of the Applicant Fund has approved the transaction in accordance with Section 5.2(2) of NI 81-107;
- (c) the manager of the Applicant Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Applicant Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;
- (d) if the security is an exchange-traded security, the purchase is made on an exchange on which the securities of the issuer are listed and traded;
- (e) if the security is not an exchange-traded security,
 - (a) the price payable for the security is not more than the ask price of the security;
 - (b) the ask price of the security is determined as follows:
 - (i) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or
 - (ii) if the purchase does not occur on a marketplace,
 - (A) the Applicant Fund may pay the price for the security at which an independent, arm's length seller is willing to sell the security, or
 - (B) if the Applicant Fund does not purchase the security from an independent, arm's length seller, the Applicant Fund must pay the price quoted publicly by an independent marketplace or obtain, immediately before the purchase, at least one quote from an independent, arm's length purchaser or seller and not pay more than that quote.;
- (f) the transaction complies with any applicable "market integrity requirements";

- (g) no later than the time the Applicant Fund files its annual financial statements, the Applicant files with the securities regulatory authority or regulator the particulars of any such investments; and
- (h) the reporting obligation in section 4.5 of NI 81-107 applies to the Requested Section 4.1(2) Relief granted in this Decision and the IRC of the Applicant Fund complies with section 4.5 of NI 81-107 in connection with any instance that it becomes aware that the Applicant did not comply with any of the conditions of this Decision.

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

SCHEDULE A

APPLICANTS AND APPLICANT FUNDS

A. ALTAMIRA INVESTMENT SERVICES INC., NATIONAL BANK SECURITIES INC.

Altamira T-Bill Fund
Altamira Income Fund
Altamira Bond Fund
Altamira High Yield Bond Fund
Altamira Short Term Canadian Income Fund
Altamira Short Term Government Bond Fund
Altamira Inflation-Adjusted Bond Fund
Altamira Global Bond Fund
Altamira Short Term Global Income Fund
Altamira Balanced Fund
Altamira Dividend Fund Inc.
Altamira Growth & Income Fund
Altamira Monthly Income Fund
Altamira Global Diversified Fund
Altamira Canadian Value Fund
Altamira Equity Fund
AltaFund Investment Corp.
Altamira Capital Growth Fund Limited
Altamira Special Growth Fund
Altamira European Equity Fund
Altamira Global Value Fund
Altamira US Larger Company Fund
Altamira Asia Pacific Fund
Altamira Japanese Opportunity Fund
Altamira Global Discovery Fund
Altamira Global Small Company Fund
Altamira Select American Fund
National Bank Money Market Fund
National Bank Treasury Bill Plus Fund
National Bank U.S. Money Market Fund
National Bank Corporate Cash Management Fund
National Bank Treasury Management Fund
National Bank Mortgage Fund
National Bank Bond Fund
National Bank Dividend Fund
National Bank Global Bond Fund
National Bank High Yield Bond Fund
National Bank Monthly Secure Income Fund
National Bank Monthly Conservative Income Fund
National Bank Monthly Moderate Income Fund
National Bank Monthly Income Fund
National Bank Monthly High Income Fund
National Bank Monthly Equity Income Fund
Altamira Precision Canadian Index Fund
Altamira Precision European Index Fund
Altamira Precision International Currency Neutral Index Fund
Altamira Precision U.S. Currency Neutral Index Fund
Altamira Precision U.S. Midcap Index Fund
Altamira Health Sciences Fund
Altamira Precious and Strategic Metal Fund
Altamira Resource Fund
Altamira Science and Technology Fund
Altamira Energy Fund
Meritage Canadian Equity Portfolio
Meritage Global Equity Portfolio
Meritage American Equity Portfolio
Meritage International Equity Portfolio

Meritage Conservative Portfolio
Meritage Moderate Portfolio
Meritage Balanced Portfolio
Meritage Growth Portfolio
Meritage Equity Portfolio
Meritage Conservative Income Portfolio
Meritage Moderate Income Portfolio
Meritage Balanced Income Portfolio
Meritage Growth Income Portfolio
Meritage Equity Income Portfolio
National Bank Global Equity Fund
National Bank International Index Fund
National Bank American Index Fund
National Bank American Index Plus Fund
National Bank European Equity Fund
National Bank European Small Capitalization Fund
National Bank Asia-Pacific Fund
National Bank Emerging Markets Fund
National Bank Quebec Growth Fund
National Bank Natural Resources Fund
National Bank Future Economy Fund
National Bank Global Technologies Fund
National Bank Strategic Yield Class
National Bank/Fidelity Canadian Asset Allocation Fund
National Bank Retirement Balanced Fund
National Bank Secure Diversified Fund
National Bank Conservative Diversified Fund
National Bank Moderate Diversified Fund
National Bank Balanced Diversified Fund
National Bank Growth Diversified Fund
National Bank Canadian Equity Fund
National Bank Canadian Opportunities Fund
National Bank Canadian Index Fund
National Bank Canadian Index Plus Fund
National Bank Small Capitalization Fund
National Bank/Fidelity True North Fund
National Bank/Fidelity Global Fund
National Bank Protected Canadian Bond Fund
National Bank Protected Retirement Balanced Fund
National Bank Protected Growth Balanced Fund
National Bank Protected Canadian Equity Fund
National Bank Protected Global Fund
Omega Preferred Equity Fund
Omega High Dividend Fund
Omega Consensus American Equity Fund
Omega Consensus International Equity Fund

B. TD ASSET MANAGEMENT INC.

TD Canadian T-Bill Fund
TD Canadian Money Market Fund
TD Premium Money Market Fund
TD U.S. Money Market Fund
TD Short Term Bond Fund
TD Mortgage Fund
TD Canadian Bond Fund
TD Real Return Bond Fund
TD Global Bond Fund
TD High Yield Income Fund
TD Corporate Bond Pool
TD Corporate Bond Capital Yield Fund
TD Income Advantage Portfolio
TD Monthly Income Fund

TD Balanced Income Fund
TD Monthly High Income Fund
TD Balanced Growth Fund
TD Global Equity Advantage Portfolio
TD Income Trust Pool
TD Income Trust Capital Yield Fund
TD Dividend Income Fund
TD Dividend Growth Fund
TD Canadian Blue Chip Equity Fund
TD Canadian Value Fund
TD Canadian Equity Fund
TD Canadian Small-Cap Equity Fund
TD U.S. Quantitative Equity Fund
TD U.S. Blue Chip Equity Fund
TD North American Dividend Fund
TD U.S. Mid-Cap Growth Fund
TD U.S. Small-Cap Equity Fund
TD U.S. Large-Cap Value Fund
TD U.S. Blue Chip Equity Currency Neutral Fund
TD U.S. Mid-Cap Growth Currency Neutral Fund
TD U.S. Small-Cap Equity Currency Neutral Fund
TD U.S. Large Cap Value Currency Neutral Fund
TD U.S. Equity Advantage Portfolio
TD Dow Jones Industrial AverageSM Index Fund
TD U.S. Index Fund
TD U.S. Index Currency Neutral Fund
TD Nasdaq[®] Index Fund
TD International Index Fund
TD International Index Currency Neutral Fund
TD European Index Fund
TD Japanese Index Fund
TD Balanced Index Fund
TD Private Canadian Bond Return Fund
TD Private Canadian Corporate Bond Fund
TD Private Canadian Bond Income Fund
TD Private Canadian Equity Fund
TD Private North American Equity Fund
TD Private Small/Mid-Cap Equity Fund
TD Private Income Trust Fund
TD Private Canadian Dividend Fund
TD Private U.S. Equity Fund
TD Private Canadian Strategic Opportunities Fund
TD Private International Equity Fund
TD Emerald Canadian Bond Index Fund
TD Emerald Canadian Short Term Investment Fund
TD Emerald International Equity Index Fund
TD Emerald Global Government Bond Index Fund
TD Emerald Canadian Equity Index Fund
TD Emerald U.S. Market Index Fund
TD Emerald Balanced Fund
TD Emerald Canadian Treasury Management - Government Fund
TD Emerald Canadian Treasury Management Fund
TD Emerald Canadian Treasury Management - Financial Institution Fund
TD Emerald U.S. Treasury Management - Government Fund
TD Emerald U.S. Dollar Treasury Management Fund
TD Managed Income Portfolio
TD U.S. Equity Advantage Currency Neutral Portfolio
TD Global Select Fund
TD International Equity Fund
TD European Growth Fund
TD Japanese Growth Fund
TD Pacific Rim Fund
TD Asian Growth Fund

TD Emerging Markets Fund
TD Latin American Growth Fund
TD Global Multi-Cap Fund
TD Global Value Fund
TD International Equity Growth Fund
TD Global Dividend Fund
TD Resource Fund
TD Energy Fund
TD Precious Metals Fund
TD Entertainment & Communications Fund
TD Science & Technology Fund
TD Health Sciences Fund
TD Canadian Bond Index Fund
TD Canadian Index Fund
TD Managed Income & Moderate Growth Portfolio
TD Managed Balanced Growth Portfolio
TD Managed Aggressive Growth Portfolio
TD Managed Maximum Equity Growth Portfolio
TD Managed Index Income Portfolio
TD Managed Index Income & Moderate Growth Portfolio
TD Managed Index Balanced Growth Portfolio
TD Managed Index Aggressive Growth Portfolio
TD Managed Index Maximum Equity Growth Portfolio
TD FundSmart Managed Income Portfolio
TD FundSmart Managed Income & Moderate Growth Portfolio
TD FundSmart Managed Balanced Growth Portfolio
TD FundSmart Managed Aggressive Growth Portfolio
TD FundSmart Managed Maximum Equity Growth Portfolio
TD Canadian Core Plus Bond Fund
TD Diversified Monthly Income Fund
TD Global Monthly Income Fund
TD World Bond Pool
TD Private U.S. Large Cap Currency Neutral Fund
TD Global Sustainability Fund

C. SCOTIA CASSELS INVESTMENT COUNSEL LIMITED, SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.

Scotia T-Bill Fund
Scotia Premium T-Bill Fund
Scotia Money Market Fund
Scotia U.S. \$ Money Market Fund
Scotia Mortgage Income Fund
Scotia Canadian Income Fund
Scotia Cassels Short-Mid Government Bond Fund
Scotia Cassels Canadian Corporate Bond Fund
Scotia U.S. \$ Bond Fund
Scotia Global Bond Fund
Scotia Diversified Monthly Income Fund
Scotia Canadian Balanced Fund
Scotia Cassels Advantaged Income Fund
Scotia Canadian Tactical Asset Allocation Fund
Scotia Canadian Dividend Fund
Scotia Cassels Canadian Equity Fund
Scotia Canadian Blue Chip Fund
Scotia Canadian Growth Fund
Scotia Canadian Small Cap Fund
Scotia Resource Fund
Scotia Cassels North American Equity Fund
Scotia Cassels U.S. Equity Fund
Scotia U.S. Growth Fund
Scotia U.S. Value Fund
Scotia International Value Fund
Scotia Cassels International Equity Fund

Scotia European Fund
Scotia Pacific Rim Fund
Scotia Latin American Fund
Scotia Global Growth Fund
Scotia Global Small Cap Fund
Scotia Global Opportunities Fund
Scotia Global Climate Change Fund
Scotia Canadian Bond Index Fund
Scotia Canadian Index Fund
Scotia U.S. Index Fund
Scotia CanAm(r) Index Fund
Scotia Nasdaq Index Fund
Scotia International Index Fund
Scotia Selected Income & Modest Growth Portfolio
Scotia Selected Balanced Income & Growth Portfolio
Scotia Selected Moderate Growth Portfolio
Scotia Selected Aggressive Growth Portfolio
Scotia Partners(tm) Income & Modest Growth Portfolio
Scotia Partners Balanced Income & Growth Portfolio
Scotia Partners Moderate Growth Portfolio
Scotia Partners Aggressive Growth Portfolio
Scotia Vision Conservative 2010 Portfolio
Scotia Vision Aggressive 2010 Portfolio
Scotia Vision Conservative 2015 Portfolio
Scotia Vision Aggressive 2015 Portfolio
Scotia Vision Conservative 2020 Portfolio
Scotia Vision Aggressive 2020 Portfolio
Scotia Vision Conservative 2030 Portfolio
Scotia Vision Aggressive 2030 Portfolio
Pinnacle Short Term Income Fund
Pinnacle Income Fund
Pinnacle High Yield Income Fund
Pinnacle American Core-Plus Bond Fund
Pinnacle Global Real Estate Securities Fund
Pinnacle Strategic Balanced Fund
Pinnacle Canadian Value Equity Fund
Pinnacle Canadian Mid Cap Value Equity Fund
Pinnacle Canadian Growth Equity Fund
Pinnacle Canadian Small Cap Equity Fund
Pinnacle American Value Equity Fund
Pinnacle American Mid Cap Value Equity Fund
Pinnacle American Large Cap Growth Equity Fund
Pinnacle American Mid Cap Growth Equity Fund
Pinnacle International Equity Fund
Pinnacle International Small to Mid Cap Value Equity Fund
Pinnacle Global Equity Fund
Pinnacle Balanced Income Portfolio
Pinnacle Conservative Balanced Growth Portfolio
Pinnacle Balanced Growth Portfolio
Pinnacle Conservative Growth Portfolio
Pinnacle Growth Portfolio

D. RBC ASSET MANAGEMENT INC.

RBC Canadian T Bill Fund
RBC Canadian Money Market Fund
RBC Premium Money Market Fund
RBC \$U.S. Money Market Fund
RBC Premium \$U.S. Money Market Fund
RBC Canadian Short-Term Income Fund
RBC Bond Fund
RBC Canadian Bond Index Fund
RBC Monthly Income Fund

RBC \$U.S. Income Fund
RBC Global Bond Fund
RBC Global Corporate Bond Fund
RBC Advisor Canadian Bond Fund
RBC Global High Yield Fund
RBC Cash Flow Portfolio
RBC Enhanced Cash Flow Portfolio
RBC Balanced Fund
RBC Tax Managed Return Fund
RBC Balanced Growth Fund
RBC Jantzi Balanced Fund
RBC Select Conservative Portfolio
RBC Select Balanced Portfolio
RBC Select Growth Portfolio
RBC Select Aggressive Growth Portfolio
RBC Select Choices Conservative Portfolio
RBC Select Choices Balanced Portfolio
RBC Select Choices Growth Portfolio
RBC Select Choices Aggressive Growth Portfolio
RBC Target 2010 Education Fund
RBC Target 2015 Education Fund
RBC Target 2020 Education Fund
RBC Target 2025 Education Fund
RBC Canadian Dividend Fund
RBC Canadian Equity Fund
RBC Jantzi Canadian Equity Fund
RBC International Equity Fund
RBC International Index Currency Neutral Fund
RBC O'Shaughnessy International Equity Fund
RBC European Equity Fund
RBC Asian Equity Fund
RBC Global Dividend Growth Fund
RBC Jantzi Global Equity Fund
RBC O'Shaughnessy Global Equity Fund
RBC Global Energy Fund
RBC Global Precious Metals Fund
RBC Global Consumer and Financials Fund
RBC Global Health Sciences Fund
RBC Global Resources Fund
RBC Global Technology Fund
RBC DS North American Focus Fund
RBC DS Canadian Focus Fund
RBC DS International Focus Fund
RBC DS Balanced Global Portfolio
RBC DS Growth Global Portfolio
RBC DS All Equity Global Portfolio
RBC Private Short-Term Income Pool
RBC Private Canadian Bond Pool
RBC Private Corporate Bond Pool
RBC Private Income Pool
RBC Private Global Bond Pool
RBC Private Canadian Dividend Pool
RBC Private Canadian Growth and Income Equity Pool
RBC Private Canadian Equity Pool
RBC Private Canadian Value Equity Pool
RBC Private O'Shaughnessy Canadian Equity Pool
RBC Private Core Canadian Equity Pool
RBC Canadian Index Fund
RBC O'Shaughnessy Canadian Equity Fund
RBC O'Shaughnessy All-Canadian Equity Fund
RBC Canadian Diversified Income Trust Fund
RBC North American Dividend Fund
RBC North American Value Fund

RBC North American Growth Fund
RBC U.S. Equity Fund
RBC U.S. Equity Currency Neutral Fund
RBC U.S. Index Fund
RBC U.S. Index Currency Neutral Fund
RBC O'Shaughnessy U.S. Value Fund
RBC U.S. Mid-Cap Equity Fund
RBC U.S. Mid-Cap Equity Currency Neutral Fund
RBC O'Shaughnessy U.S. Growth Fund
RBC O'Shaughnessy U.S. Growth Fund II
RBC Life Science and Technology Fund
RBC Private Canadian Mid Cap Equity Pool
RBC Private U.S. Equity Pool
RBC Private U.S. Value Equity Pool
RBC Private O'Shaughnessy U.S. Value Equity Pool
RBC Private U.S. Growth Equity Pool
RBC Private O'Shaughnessy U.S. Growth Equity Pool
RBC Private U.S. Mid Cap Equity Pool
RBC Private U.S. Small Cap Equity Pool
RBC Private International Equity Pool
RBC Private EAFE Equity Pool
RBC Private European Equity Pool
RBC Private Asian Equity Pool
RBC Private Global Dividend Growth Pool
RBC Private World Equity Pool

E. BMO HARRIS INVESTMENT MANAGEMENT INC., BMO NESBITT BURNS INC., GUARDIAN GROUP OF FUNDS LTD., BMO INVESTMENTS INC., AND JONES HEWARD INVESTMENT COUNSEL INC.

BMO Harris Canadian Money Market Portfolio
BMO Harris Canadian Bond Income Portfolio
BMO Harris Canadian Total Return Bond Portfolio
BMO Harris Canadian Corporate Bond Portfolio
BMO Harris Income Opportunity Bond Portfolio
BMO Harris Opportunity Bond Portfolio
BMO Harris Diversified Yield Portfolio (formerly BMO Harris Diversified Trust Portfolio)
BMO Harris Canadian Dividend Income Portfolio
BMO Harris Canadian Income Equity Portfolio
BMO Harris Canadian Conservative Equity Portfolio
BMO Harris Canadian Growth Equity Portfolio
BMO Harris Growth Opportunities Portfolio
BMO Harris Canadian Special Growth Portfolio
BMO Harris U.S. Equity Portfolio
BMO Harris U.S. Growth Portfolio
BMO Harris International Equity Portfolio
BMO Harris International Special Equity Portfolio
BMO Harris Emerging Markets Equity Portfolio
BMO Nesbitt Burns Canadian Stock Selection Fund
BMO Nesbitt Burns U.S. Stock Selection Fund
BMO Nesbitt Burns Bond Fund
BMO Nesbitt Burns Balanced Fund
BMO Nesbitt Burns Balanced Portfolio Fund
BMO Nesbitt Burns Growth Portfolio Fund
BMO Nesbitt Burns All Equity Portfolio Fund
BMO T-Bill Fund
BMO Money Market Fund
BMO Precious Metals Fund
BMO Global Science & Technology Fund
BMO Emerging Markets Fund
BMO U.S. Dollar Money Market Fund
BMO U.S. Dollar Monthly Income Fund
BMO U.S. Dollar Equity Index Fund
BMO Short-Term Income Class

BMO Dividend Class
BMO Canadian Equity Class
BMO Global Dividend Class
BMO U.S. Equity Class
BMO Global Equity Class
BMO Greater China Class
BMO LifeStage Plus 2015 Fund
BMO LifeStage Plus 2020 Fund
BMO LifeStage Plus 2025 Fund
BMO LifeStage Plus 2030 Fund
BMO FundSelect™ Security Portfolio
BMO FundSelect™ Balanced Portfolio
BMO FundSelect™ Growth Portfolio
BMO FundSelect™ Aggressive Growth Portfolio
GGOF Canadian Bond Fund
GGOF Canadian Money Market Fund
GGOF Floating Rate Income Fund
GGOF Global Bond Fund
GGOF High Yield Bond Fund
GGOF Monthly Dividend Fund Ltd
GGOF Monthly High Income Fund
GGOF Monthly High Income Fund II
BMO AIR MILES®† Money Market Fund
BMO Premium Money Market Fund
BMO Mortgage and Short-Term Income Fund
BMO Bond Fund
BMO World Bond Fund
BMO Monthly Income Fund
BMO Diversified Income Fund
BMO Global Monthly Income Fund
BMO Global High Yield Bond Fund
BMO Income Trust Fund
BMO Asset Allocation Fund
BMO Dividend Fund
BMO Equity Index Fund
BMO Equity Fund
BMO U.S. Equity Index Fund
BMO U.S. Growth Fund
BMO U.S. Equity Fund
BMO International Index Fund
BMO International Equity Fund
BMO North American Dividend Fund
BMO European Fund
BMO Japanese Fund
BMO Special Equity Fund
BMO U.S. Special Equity Fund
BMO Resource Fund
GGOF U.S. Money Market Fund
GGOF American Equity Fund Ltd
GGOF Canadian Equity Fund Ltd (formerly GGOF Canadian Growth Fund Ltd.)
GGOF Canadian Large Cap Equity Fund
GGOF Dividend Growth Fund
GGOF Emerging Markets Fund
GGOF Enterprise Fund
GGOF European Equity Fund
GGOF Global Absolute Return Fund
GGOF Global Equity Fund
GGOF Global Small Cap Fund
GGOF Global Technology Fund
GGOF Japanese Equity Fund
GGOF Resource Fund
GGOF Asian Growth and Income Fund
GGOF Canadian Balanced Fund

GGOF Canadian Diversified Monthly Income Fund
GGOF Global Diversified Fund
GGOF Small Cap Growth and Income Fund
GGOF U.S. Diversified Monthly Income Fund
GGOF Income Solution
GGOF Conservative Solution
GGOF Balanced Solution
GGOF Growth Solution
GGOF Aggressive Growth Solution
GGOF Global Real Estate Fund
GGOF Global Dividend Growth Fund

F. CIBC ASSET MANAGEMENT INC., CANADIAN IMPERIAL BANK OF COMMERCE

CIBC Asia Pacific Index Fund
CIBC Balanced Fund
CIBC Balanced Index Fund
CIBC Canadian Bond Fund
CIBC Canadian Bond Index Fund
CIBC Canadian Emerging Companies Fund
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Index Fund
CIBC Canadian Real Estate Fund
CIBC Canadian Resources Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Small Companies Fund
Renaissance Canadian Balanced Fund
Renaissance Canadian Balanced Value Fund
Renaissance Canadian Bond Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Dividend Income Fund
Renaissance Canadian Growth Fund
Renaissance Canadian High Yield Bond Fund
Renaissance Canadian Monthly Income Fund
Renaissance Canadian Real Return Bond Fund
Renaissance Canadian Small-Cap Fund
CIBC Canadian T-Bill Fund
CIBC Capital Appreciation Fund
CIBC Disciplined International Equity Fund
CIBC Disciplined U.S. Equity Fund
CIBC Diversified Income Fund
CIBC Dividend Fund
CIBC Emerging Economies Fund
CIBC Emerging Markets Index Fund
CIBC Energy Fund
CIBC European Equity Fund
CIBC European Index Fund
CIBC European Index RRSP Fund
CIBC Far East Prosperity Fund
CIBC Financial Companies Fund
CIBC Global Bond Fund
CIBC Global Bond Index Fund
CIBC Global Equity Fund
CIBC Global Monthly Income Fund
CIBC Global Technology Fund
CIBC High Yield Cash Fund
CIBC International Index Fund
CIBC International Index RRSP Fund
CIBC International Small Companies Fund
CIBC Japanese Equity Fund
CIBC Japanese Index RRSP Fund
CIBC Latin American Fund

CIBC Money Market Fund
CIBC Monthly Income Fund
CIBC Mortgage and Short-Term Income Fund
CIBC Nasdaq Index Fund
CIBC Nasdaq Index RRSP Fund
CIBC North American Demographics Fund
CIBC Precious Metals Fund
CIBC Premium Canadian T-Bill Fund
CIBC U.S. Dollar Money Market Fund
CIBC U.S. Equity Index Fund
CIBC U.S. Index RRSP Fund
CIBC U.S. Small Companies Fund
Frontiers Canadian Equity Pool
Frontiers Canadian Fixed Income Pool
Frontiers Canadian Monthly Income Pool
Frontiers Canadian Short Term Income Pool
Frontiers Emerging Markets Equity Pool
Frontiers Global Bond Pool
Frontiers International Equity Pool
Frontiers U.S. Equity Pool
Imperial Canadian Bond Pool
Imperial Canadian Dividend Income Pool
Imperial Canadian Dividend Pool
Imperial Canadian Equity Pool
Renaissance Canadian T-Bill Fund
Renaissance Emerging Markets Fund
Renaissance Diversified Income Fund
Renaissance European Fund
Renaissance Global Growth Fund
Renaissance Global Infrastructure Fund
Renaissance Global Focus Fund
Renaissance Global Technology Fund
Renaissance International Index Fund
Renaissance U.S. Equity Growth Fund
Renaissance U.S. Equity Value Fund
Renaissance U.S. Index Fund
Renaissance U.S. Money Market Fund
Renaissance Asian Fund
Renaissance Canadian Asset Allocation Fund
Renaissance China Plus Fund
Renaissance Dividend Fund
Renaissance Global Asset Allocation Fund
Renaissance Global Bond Fund
Renaissance Global Value Fund
Renaissance Global Health Care Fund
Renaissance Global Markets Fund
Renaissance Global Multi Management Fund
Renaissance Global Resource Fund
Renaissance Global Science & Technology Fund
Renaissance Global Small-Cap Fund
Renaissance Canadian Income Fund
Renaissance International Equity Fund
Renaissance Millennium High Income Fund
Renaissance Millennium Next Generation Fund
Imperial Canadian Income Trust Pool
Imperial Emerging Economies Pool
Imperial International Bond Pool
Imperial International Equity Pool
Imperial Money Market Pool
Imperial Overseas Equity Pool
Imperial Registered International Equity Index Pool
Imperial Registered U.S. Equity Index Pool
Imperial Short-Term Bond Pool

Imperial U.S. Equity Pool
Renaissance Money Market Fund

2.1.13 Fairfax Financial Holdings Limited

Headnote

MI 11-102 and NP 11-203 – Exemption from formal issuer bid requirements – Issuer proposes to repurchase, from time to time, preferred shares on a pro rata basis from three preferred shareholders and each such repurchase constitutes an issuer bid under the Act – Each preferred shareholder is a sophisticated investor and would qualify as an “accredited investor” and does not require an issuer bid circular nor the other protections of the formal issuer bid requirements – All preferred shareholders will be treated equally and must provide consent and acknowledgement for the proposed offers – Relief from formal issuer bid requirements granted, subject to conditions

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 93 to 99.1, 104(2)(c).

June 10, 2008

IN THE MATTER OF THE SECURITIES LEGISLATION OF ONTARIO (the Jurisdiction)

AND

IN THE MATTER OF THE PROCESS FOR EXEMPTIVE RELIEF APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF FAIRFAX FINANCIAL HOLDINGS LIMITED (the Filer)

Decision

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption from the requirements in sections 93 to 99.1 of the Legislation that are applicable to issuer bids (the **Formal Issuer Bid Requirements**) in connection with the Proposed Offers (as defined below) (the **Exemption Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

- (a) the Ontario Securities Commission (the **OSC**) is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(a) of Multilateral Instrument 11-102 Passport System (**MI 11-102**) is intended to be relied upon in Quebec and Nova Scotia.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer is a corporation incorporated under the *Canada Business Corporations Act*.
2. Pursuant to Section 3.6(3)(b) of National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* the Filer has selected the OSC as principal regulator as the Filer's head office is located in Toronto, Ontario.
3. The Filer is a reporting issuer in all the provinces and territories of Canada, and has been for more than 12 months, and is not in default of securities legislation in any jurisdiction where the Filer is a reporting issuer.
4. The authorized share capital of the Filer consists of an unlimited number of multiple voting shares carrying ten votes per share, an unlimited number of subordinate voting shares carrying one vote per share, and an unlimited number of preferred shares issuable in series.
5. As at April 30, 2008, there were issued and outstanding 17,786,165 subordinate voting shares, 1,548,000 multiple voting shares, 3,000,000 Series A preferred shares and 5,000,000 Series B preferred shares (the Series A preferred shares and Series B preferred shares are collectively referred to as the **Preferred Shares**).
6. The subordinate voting shares are publicly listed and posted for trading on the Toronto Stock Exchange (the **TSX**).
7. The multiple voting shares are beneficially owned and controlled, indirectly, by V. Prem Watsa, the Filer's Chairman and Chief Executive Officer, and are not listed on the TSX. The multiple voting shares are convertible into subordinate voting shares.
8. The Series A preferred shares are held entirely by a Schedule I Canadian chartered bank and the Series B preferred shares are held entirely by two other Schedule I Canadian chartered banks.
9. The Preferred Shares are not listed on the TSX and are not convertible into subordinate voting shares or multiple voting shares. The Preferred Shares are not entitled to vote except with respect

- to certain matters affecting such shares as a class or series.
10. The Series A preferred shares are floating rate cumulative preferred shares with an annual dividend rate based on the prime rate, but in any event not less than 5% per annum and have a stated capital of Cdn\$25.00 per share. The Series A preferred shares are currently redeemable at the option of the Filer, however, all of the outstanding Series A preferred shares must be redeemed if the Filer chooses to exercise its redemption right. A partial redemption is not permitted by the terms of the Series A preferred shares.
11. The Series B preferred shares are fixed rate cumulative preferred shares with a dividend rate of 6.5% per annum until November 30, 2009 and thereafter at an annual rate based upon the yield of five year Government of Canada bonds, and have a stated capital of Cdn\$25.00 per share. The Filer may not redeem any of the Series B preferred shares prior to December 1, 2009. The Filer may, on December 1, 2009 and on December 1, in every fifth year thereafter, redeem at any time all, but not less than all, the outstanding Series B preferred shares.
12. The redemption price for the Series A preferred shares and Series B preferred shares is \$25.00 per share, plus accrued and unpaid dividends.
13. The Series A preferred shares rank on a parity with the Series B preferred shares with respect to dividends and return of capital in the event of the liquidation, dissolution or winding-up of the Filer.
14. The Preferred Shares are entitled to a preference over the subordinate voting shares and multiple voting shares and over any other shares ranking junior to the Preferred Shares with respect to priority in payment of dividends and in the distribution of assets (to the extent of the redemption price for such shares) in the event of the Filer's liquidation, dissolution or winding-up, whether voluntary or involuntary, or any other distribution of the Filer's assets among shareholders for the purpose of winding-up the affairs of the Filer.
15. Holders of Series A preferred shares have the right to convert such shares into Series B preferred shares on a one-for-one basis on December 1, 2004 and on December 1 in every fifth year thereafter. Holders of Series B preferred shares have the right to convert such shares into Series A preferred shares on a one-for-one basis on December 1, 2009 and on December 1 in every fifth year thereafter. Such conversion rights are subject to limitations and to the Filer's right to automatically convert all remaining shares of a series if less than 500,000 shares of the series would be outstanding following the exercise of conversion rights by holders.
16. The conditions attaching to the Preferred Shares in the Filer's articles permit, subject to applicable law, the repurchase of all or any part of an outstanding series of Preferred Shares by private contract at the lowest price or prices at which, in the opinion of the Filer's board of directors, such shares are then obtainable.
17. The Filer intends to invite, from time to time, the holders of the Preferred Shares (the **Preferred Shareholders**) to sell Preferred Shares back to the Filer for cancellation by way of private contract (the **Proposed Offers**).
18. The Preferred Shareholders are all sophisticated investors with extensive knowledge of the Canadian securities market and would qualify as "accredited investors" as defined in Section 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* and accordingly do not require the protection afforded by the Formal Issuer Bid Requirements.
19. All of the Preferred Shareholders are the original holders of the Series A preferred shares and Series B preferred shares, respectively.
20. The Filer and the Preferred Shareholders have determined that it would be advantageous for the Filer to be able to make Proposed Offers in order to avoid the time and expense involved in complying with the Formal Issuer Bid Requirements.
21. Any private contract entered into between the Filer and the Preferred Shareholders would include an acknowledgement from the Preferred Shareholders that (i) the Filer is relying on an exemption from the Formal Issuer Bid Requirements, (ii) that the Preferred Shareholders are accredited investors, and (iii) that they will not receive an issuer bid circular from the Filer or be afforded the other protections in Part XX - *Take-Over Bids and Issuer Bids* of the Legislation.
22. The terms of any Proposed Offer would be negotiated on an arm's length basis between the Filer and the Preferred Shareholders, but would be completed at a price not to exceed the redemption price of Cdn\$25.00 per Preferred Share, plus accrued and unpaid dividends, and otherwise in accordance with the conditions attaching to the Preferred Shares and any other outstanding shares in the capital of the Filer.
23. To the extent there is more than one holder of a particular series of Preferred Shares, any purchases made under the Proposed Offer would be made *pro rata* among the holders of the series accepting the Proposed Offer and only with the

agreement of all holders of such series of Preferred Shares.

24. Any Proposed Offer made to the holders of Series A preferred shares will be made to the holders of Series B preferred shares, and *vice versa*.

25. The terms of any Proposed Offer will be approved by the Filer's board of directors.

26. The Proposed Offers will not adversely affect the Filer nor the rights of any of its security holders.

27. Each Proposed Offer would constitute an "issuer bid" under the Formal Issuer Bid Requirements. The exemptions from the Formal Issuer Bid Requirements contained in the Legislation would not be available in respect of each Proposed Offer.

28. All holders of the Preferred Shares have been advised of this order and have not raised any objection to its granting nor the resulting exemption from the Formal Issuer Bid Requirements.

and (iii) that the Preferred Shareholders will not receive an issuer bid circular from the Filer or be afforded the other protections in Part XX - *Take-Over Bids and Issuer Bids* of the Legislation.

David L. Knight
Commissioner
Ontario Securities Commission

Mary Condon
Commissioner
Ontario Securities Commission

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Proposed Offers, to the extent made by the Filer from time to time, shall be exempt from the Formal Issuer Bid Requirements, provided that:

- (a) At the time of each Proposed Offer, no person or company, other than the Preferred Shareholders as of the date of this decision, holds Preferred Shares;
- (b) Each Proposed Offer is made to all holders of Series A preferred shares and Series B preferred shares on a pro rata basis and on identical terms and only with the agreement of all holders of such series of Preferred Shares, although the timing of closing of the repurchase of shares pursuant to a Proposed Offer may differ between series to coincide with the next dividend payment date applicable to a particular series; and
- (c) The private contracts entered into between the Filer and the Preferred Shareholders in respect of each Proposed Offer include an acknowledgement from the Preferred Shareholders that (i) the Filer is relying on an exemption from the Formal Issuer Bid Requirements, (ii) that the Preferred Shareholders are accredited investors

2.1.14 Phillips, Hager & North Investment Management Ltd. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted from prohibition in the Regulation against an investment counsel purchasing and selling any security in which an investment counsel or any partner, officer or associate of the investment counsel has a direct or indirect beneficial interest from or to a portfolio managed or supervised by the investment counsel – The relief will enable a portfolio manager, also an investment counsel, on behalf of certain mutual funds, to continue to purchase and sell debt securities with a dealer that will become a related dealer upon completion of an acquisition – The relief is conditional on approval by the funds' independent review committee established under National Instrument 81-107 Independent Review Committee for Investment Funds and compliance with certain pricing requirements.

Applicable Legislative Provisions

Ontario Regulation 1015 General Regulation, s. 115(6).
Securities Act (Ontario), s. 147.

April 25, 2008

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

AND

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

AND

IN THE MATTER OF

**IN THE MATTER OF
PHILLIPS, HAGER & NORTH INVESTMENT
MANAGEMENT LTD.
(the Filer)**

AND

**IN THE MATTER OF
THE MUTUAL FUNDS LISTED IN SCHEDULES
A AND B AND ANY FUTURE MUTUAL FUND
TO WHICH NATIONAL INSTRUMENT 81-102
– MUTUAL FUNDS (NI 81-102) APPLIES
(each, an NI 81-102 Fund and, collectively,
the NI 81-102 Funds) AND THE POOLED FUNDS
LISTED IN SCHEDULES A AND B AND ANY
FUTURE MUTUAL FUND TO WHICH**

NI 81-102 DOES NOT APPLY (each, a Private Fund and, collectively, the Private Funds) OF WHICH THE FILER OR AN AFFILIATE OR ASSOCIATE OF THE FILER IS THE MANAGER OR A PORTFOLIO ADVISER

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions have received an application from the Filer for a decision under the securities regulations and rules of the Jurisdictions (the **Regulations**) for relief from the restriction contained in the Regulations that prohibits the purchase or sale of a security in which an investment counsel, or any associate of an investment counsel, (together, a **Related Counsel**) has a direct or indirect beneficial interest from or to any portfolio managed or supervised by the Related Counsel, in order to permit the NI 81-102 Funds and the Private Funds to purchase from or sell to a related party that is a principal dealer in the Canadian debt securities market (a **Related Dealer**) debt securities of an issuer other than the federal or a provincial government (**Non-Government Debt Securities**) or debt securities issued or fully and unconditionally guaranteed by the federal or a provincial government (**Government Debt Securities**) in the secondary market (the **Requested Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions*, in the Legislation, in NI 81-102 and in National Instrument 81-107 – *Independent Review Committee for Investment Funds* (**NI 81-107**) have the same meaning in this MRRS Decision Document unless they are otherwise defined in this Decision Document.

Representations

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

- 1. The Filer is a company organized under the laws of British Columbia.
- 2. The Filer is registered under the Legislation of British Columbia as an adviser in the categories of investment counsel and portfolio manager (and in equivalent categories under the securities legislation in the other Jurisdictions). In addition, the Filer is registered under the Legislation of Ontario as a dealer in the category of mutual fund

dealer and is registered as an Investment Adviser with the U.S. Securities and Exchange Commission.

3. The Filer, or an affiliate or associate of the Filer, is or will be the manager of the NI 81-102 Funds listed in Schedule A and any future NI 81-102 Funds managed by the Filer or one of its affiliates or associates (the **Managed Mutual Funds**) and the Private Funds listed in Schedule A or any future Private Funds managed by the Filer or one of its affiliates or associates (the **Managed Pooled Funds**). The Filer, or an affiliate or associate of the Filer, is expected to be a portfolio adviser of the Managed Mutual Funds and Managed Pooled Funds.
4. The Filer, or an affiliate or associate of the Filer, is or will be a portfolio advisor, but not the manager, of the NI 81-102 Funds listed in Schedule B and any future NI 81-102 Funds advised (but not managed) by the Filer, or one of its affiliates or associates, (the **Advised Mutual Funds**) and the Private Funds listed in Schedule B or any future Private Funds advised (but not managed) by the Filer or one of its affiliates or associates (the **Advised Pooled Funds**).
5. Each of the existing NI 81-102 Funds and Private Funds is a mutual fund established under the laws of British Columbia or one of the Jurisdictions.
6. Each of the future NI 81-102 Funds or future Private Funds will be a mutual fund established under the laws of British Columbia or of another Jurisdiction.
7. The securities of the NI 81-102 Funds are or will be offered for sale pursuant to a prospectus filed in the Jurisdictions. The NI 81-102 Funds are or will be reporting issuers in one or more of the Jurisdictions.
8. The securities of the Private Funds are or will be offered for sale in the Jurisdictions pursuant to an exemption from the prospectus requirement.
9. Pursuant to the terms of a share purchase transaction (the **Transaction**) with the shareholders of the Filer, Royal Bank of Canada (**RBC**) will become, indirectly, a substantial securityholder of the Filer on the closing of the Transaction.
10. As a result of the Transaction, the Requested Relief will be required because effective on and after the closing date (the **Closing Date**) of the Transaction, the Filer, or an affiliate or associate of the Filer, may wish to purchase for a NI 81-102 Fund or Private Fund or sell from a NI 81-102 Fund or Private Fund, as the case may be, Non-Government Debt Securities or Government Debt

Securities from or to, as the case may be, a Related Dealer.

11. Each of the NI 81-102 Funds has, or will have, at the time the Requested Relief is relied upon, an independent review committee (**IRC**) appointed under NI 81-107.
12. The Filer, or an affiliate or associate of the Filer, will establish an IRC (which will likely also be the IRC in respect of the NI 81-102 Funds) in respect of each Managed Pooled Fund that relies on the Requested Relief. The IRC of the Managed Pooled Fund will be composed by the Filer, or an affiliate or associate of the Filer, in accordance with the requirements of section 3.7 of NI 81-107 and will be expected to comply with the standard of care set out in section 3.9 of NI 81-107, as if NI 81-107 applied to the Managed Pooled Fund.
13. The manager of an Advised Pooled Fund will establish an IRC in respect of each Advised Pooled Fund that relies on the Requested Relief. The IRC of the Advised Pooled Fund will be composed in accordance with the requirements of section 3.7 of NI 81-107 and will be expected to comply with the standard of care set out in section 3.9 of NI 81-107, as if NI 81-107 applied to the Advised Pooled Fund.
14. The mandate of the IRC of a NI 81-102 Fund or a Private Fund will include reviewing and approving purchases and sales of Non-Government Debt Securities or Government Debt Securities with a Related Dealer.
15. The investment strategies of a NI 81-102 Fund or Private Fund that relies on the Requested Relief permit, or will permit, it to invest in the securities purchased, either as a principal strategy in achieving its investment objective or as a temporary strategy, pending the purchase of other securities.

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 is that the Requested Relief is granted provided that:

- (a) the purchase or sale is consistent with, or is necessary to meet, the investment objective of the NI 81-102 Fund or Private Fund;
- (b) the IRC of the NI 81-102 Fund or Private Fund has approved the transaction in accordance with Section 5.2(2) of NI 81-107;

- (c) the manager of the NI 81-102 Fund or Private Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the NI 81-102 Fund or Private Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;
- (d) the bid and ask price of the Non-Government Debt Security or Government Debt Security is readily available, as provided in Commentary 7 to section 6.1 of NI 81-107;
- (e) a purchase is not executed at a price which is higher than the available ask price and a sale is not executed at a price which is lower than the available bid price;
- (f) the purchase or sale is subject to market integrity requirements as defined in NI 81-107; and
- (g) the NI 81-102 Fund or Private Fund keeps the written records required by section 6.1(2)(g) of NI 81-107.

"Lawrence E. Ritchie"

"Paul K. Bates"

SCHEDULE A

Managed Mutual Funds

1. Phillips, Hager & North U.S. Equity Fund
2. Phillips, Hager & North Canadian Equity Plus Pension Trust
3. Phillips, Hager & North Bond Fund
4. Phillips, Hager & North Canadian Equity Fund
5. Phillips, Hager & North Dividend Income Fund
6. Phillips, Hager & North Vintage Fund
7. Phillips, Hager & North Canadian Money Market Fund
8. Phillips, Hager & North Canadian Growth Fund
9. Phillips, Hager & North Balanced Pension Trust
10. Phillips, Hager & North \$U.S. Money Market Fund
11. Phillips, Hager & North Balanced Fund
12. Phillips, Hager & North U.S. Growth Fund
13. Phillips, Hager & North Short Term Bond & Mortgage Fund
14. Phillips, Hager & North Small Float Fund
15. Phillips, Hager & North Canadian Equity Pension Trust
16. Phillips, Hager & North High Yield Bond Fund
17. Phillips, Hager & North Total Return Bond Fund
18. Phillips, Hager & North Global Equity Fund
19. Phillips, Hager & North Overseas Equity Fund
20. Phillips, Hager & North Overseas Equity Pension Trust
21. Phillips, Hager & North U.S. Dividend Income Fund
22. Phillips, Hager & North Community Values Bond Fund
23. Phillips, Hager & North Community Values Balanced Fund
24. Phillips, Hager & North Community Values Canadian Equity Fund
25. Phillips, Hager & North Community Values Global Equity
26. Phillips, Hager & North Canadian Income Fund
27. Phillips, Hager & North Currency-Hedged U.S. Equity Fund
28. Phillips, Hager & North Currency-Hedged Overseas Equity Fund
29. BonaVista Global Balanced Fund
30. BonaVista Canadian Equity Value Fund

Managed Pooled Funds

1. Phillips, Hager & North U.S. Pooled Pension Fund
2. Phillips, Hager & North Institutional S.T.I.F.
3. Phillips, Hager & North Long Bond Pension Trust
4. Phillips, Hager & North High Grade Corporate Bond Fund
5. Phillips, Hager & North Investment Grade Corporate Bond Trust
6. Phillips, Hager & North Mortgage Pension Trust
7. Phillips, Hager & North Absolute Return Fund
8. Phillips, Hager & North Income Equity Pension Trust
9. Phillips, Hager & North Enhanced Income Equity Pension Trust
10. Phillips, Hager & North Global Equity Pension Trust
11. Phillips, Hager & North PRisM – Short
12. Phillips, Hager & North PRisM – Mid
13. Phillips, Hager & North PRisM – Long
14. Phillips, Hager & North Long Mortgage Pension Trust
15. Phillips, Hager & North Long Corporate Bond Pension Trust
16. Phillips, Hager & North Foreign Bond Fund
17. Phillips, Hager & North PRisM Balanced Fund
18. Phillips, Hager & North Enhanced Total Return Bond Fund
19. BonaVista Canadian Equity Fund
20. BonaVista U.S. Equity Fund
21. BonaVista Fixed Income Fund
22. BonaVista Money Market Fund
23. BonaVista Balanced Fund
24. BonaVista International Equity Fund
25. BonaVista Private Balanced Fund

SCHEDULE B

Advised Mutual Funds

1. Social Housing Canadian Money Market Fund
2. Social Housing Canadian Short-Term Bond Fund
3. Social Housing Canadian Bond Fund
4. Social Housing Canadian Equity Fund
5. Tradex Equity Fund Limited
6. Pinnacle Canadian Value Equity Fund

Advised Pooled Funds

None currently.

**2.1.15 Altamira Investment Services Inc. et al. –
MRRS Decision**

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted to permit applicant funds to continue to engage in principal trading of debt securities with certain related persons/companies past November 1, 2007 – Section 7.2 of National Instrument 81-107 Independent Review Committee for Investment funds causes prior relief to expire on November 1, 2007 – New relief now issued on revised conditions which contemplate IRC approval.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 118(2)(b), 121(a)(ii).

November 1, 2007

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

AND

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

AND

**IN THE MATTER OF
ALTAMIRA INVESTMENT SERVICES INC.,
NATIONAL BANK SECURITIES INC.,
TD ASSET MANAGEMENT INC.,
SCOTIA CASSELS INVESTMENT COUNSEL LIMITED,
SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.,
RBC ASSET MANAGEMENT INC.,
BMO HARRIS INVESTMENT MANAGEMENT INC.,
BMO NESBITT BURNS INC.,
GUARDIAN GROUP OF FUNDS LTD.,
BMO INVESTMENTS INC.,
AND JONES HEWARD INVESTMENT COUNSEL INC.,
CIBC ASSET MANAGEMENT INC. AND
CIBC GLOBAL ASSET MANAGEMENT INC.
(the Applicants)**

AND

**IN THE MATTER OF
THE MUTUAL FUNDS
listed under an Applicant's name in Schedule A and
any
mutual funds subject to National Instrument 81-102 –
Mutual Funds (NI 81-102) that may be established in the
future for which the Applicant acts as portfolio advisor
and/or manager (the Applicant Funds)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (**Decision Maker**) in each of the Jurisdictions received an application (the Application) from the Applicants on behalf of each Applicant Fund for relief (the **Related Account Relief**) from the prohibition in the Legislation of the Jurisdictions (the **Related Account Prohibition**) that prohibits a portfolio manager or a mutual fund (depending on the Jurisdiction) from causing the portfolio of the mutual fund to purchase or sell securities of any issuer from or to the account of a responsible person, any associate of a responsible person or the portfolio manager (each, a **Related Account**).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (i) the Ontario Securities Commission (the **OSC**) is the principal regulator for the Application; and
- (ii) this MRRS decision document (**MRRS Decision**) represents the decision of each of the Decision Makers.

Interpretation

Defined terms contained in National Instrument 14-101 – Definitions (**NI 14-101**), in NI 81-102 and in National Instrument 81-107 – Independent Review Committee for Investment Funds (**NI 81-107**) have the same meaning in this MRRS Decision unless they are otherwise defined in this decision.

In this Decision Document the term Related Person will be used to refer to a Related Account.

Representations

This decision is based on the following facts represented by an Applicant in respect of the Applicant and the Applicant Funds of the Applicant:

- 1. Each of the Applicants is or will be the portfolio adviser and/or the manager of the Applicant Funds of the Applicant.
- 2. Schedule A contains a list of all the mutual funds that are subject to NI 81-102 of which an Applicant currently is the portfolio adviser and/or the manager.
- 3. An Independent Review Committee (**IRC**) has or will be constituted for each of the Applicant Funds in accordance with the requirements of NI 81-107.
- 4. The investment strategies of an Applicant Fund that relies on the Related Account Relief permit or will permit it to invest in the securities purchased, either as a principal strategy in achieving its

investment objective or as a temporary strategy, pending the purchase of other securities.

5. Each of the Applicants previously obtained Related Account Relief (the **Existing Related Person Purchase Relief**) so that an Applicant Fund of the Applicant may purchase from or sell to a related person or company (a **Related Person**) that is a principal dealer in the Canadian debt securities market (a **Principal Dealer**) debt securities of an issuer other than the federal or a provincial government (**Non-Government Debt Securities**) or debt securities issued or fully and unconditionally guaranteed by the federal or a provincial government (**Government Debt Securities**) in the secondary market.
6. Related Persons of the Applicant Funds are Principal Dealers in the Canadian debt securities market – both primary and secondary.
7. Pursuant to Section 7.2 of NI 81-107, the Existing Related Person Purchase Relief will terminate on November 1, 2007 (the **Termination Date**).
8. The relief which was provided in the Existing Related Person Purchase Relief has not been provided for in NI 81-102 or NI 81-107.
9. The Applicants have made the Application for the Related Account Relief so that an Applicant Fund may continue to purchase from or sell to a Related Person of the Applicant Funds Non-Government Debt Securities or Government Debt Securities in the secondary market after the Termination Date.
10. The purchase of Non-Government Debt Securities and Government Debt Securities from a Related Person of the Applicant Funds in the secondary market is subject to the Related Account Prohibition.
11. The representations by the Applicants referred to by the Decision Makers in the Existing Related Person Purchase Relief, in respect of the role played by Related Persons of the Applicant Funds in the Government and Non-Government Debt Securities markets remain, in all material respects, accurate as of the date of this Decision Document, particularly,
 - (a) there is a limited supply of Non-Government Debt Securities and Government Debt Securities available to the Applicant Funds; and
 - (b) frequently the only source of Non-Government Debt Securities and Government Debt Securities for an Applicant Fund is a Related Person of the Applicant Fund.

12. The Applicant Funds require the Related Account Relief in order to pursue their investment objectives and strategies effectively.

Decision

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

The decision of the Decision Makers is that the Related Account Relief is granted subject to the following conditions:

- (a) the purchase or sale is consistent with, or is necessary to meet, the investment objective of the Applicant Fund;
- (b) the IRC has approved the transaction in accordance with Section 5.2(2) of NI 81-107;
- (c) the manager of the Applicant Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Applicant Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions; and
- (d) the Applicant Fund keeps the written records required by Section 6.1(2)(g) of NI 81-107.

"Robert L. Shirriff"
Commissioner
Ontario Securities Commission

"Lawrence E. Ritchie"
Vice-Chair/Commissioner
Ontario Securities Commission

SCHEDULE A

APPLICANTS AND APPLICANT FUNDS

**A. ALTAMIRA INVESTMENT SERVICES INC.,
NATIONAL BANK SECURITIES INC.**

Altamira T-Bill Fund
 Altamira Income Fund
 Altamira Bond Fund
 Altamira High Yield Bond Fund
 Altamira Short Term Canadian Income Fund
 Altamira Short Term Government Bond Fund
 Altamira Inflation-Adjusted Bond Fund
 Altamira Global Bond Fund
 Altamira Short Term Global Income Fund
 Altamira Balanced Fund
 Altamira Dividend Fund Inc.
 Altamira Growth & Income Fund
 Altamira Monthly Income Fund
 Altamira Global Diversified Fund
 Altamira Canadian Value Fund
 Altamira Equity Fund
 AltaFund Investment Corp.
 Altamira Capital Growth Fund Limited
 Altamira Special Growth Fund
 Altamira European Equity Fund
 Altamira Global Value Fund
 Altamira US Larger Company Fund
 Altamira Asia Pacific Fund
 Altamira Japanese Opportunity Fund
 Altamira Global Discovery Fund
 Altamira Global Small Company Fund
 Altamira Select American Fund
 National Bank Money Market Fund
 National Bank Treasury Bill Plus Fund
 National Bank U.S. Money Market Fund
 National Bank Corporate Cash Management Fund
 National Bank Treasury Management Fund
 National Bank Mortgage Fund
 National Bank Bond Fund
 National Bank Dividend Fund
 National Bank Global Bond Fund
 National Bank High Yield Bond Fund
 National Bank Monthly Secure Income Fund
 National Bank Monthly Conservative Income Fund
 National Bank Monthly Moderate Income Fund
 National Bank Monthly Income Fund
 National Bank Monthly High Income Fund
 National Bank Monthly Equity Income Fund
 Altamira Precision Canadian Index Fund
 Altamira Precision European Index Fund
 Altamira Precision International Currency Neutral Index Fund
 Altamira Precision U.S. Currency Neutral Index Fund
 Altamira Precision U.S. Midcap Index Fund
 Altamira Health Sciences Fund
 Altamira Precious and Strategic Metal Fund
 Altamira Resource Fund
 Altamira Science and Technology Fund
 Altamira Energy Fund
 Meritage Canadian Equity Portfolio
 Meritage Global Equity Portfolio

Meritage American Equity Portfolio
 Meritage International Equity Portfolio
 Meritage Conservative Portfolio
 Meritage Moderate Portfolio
 Meritage Balanced Portfolio
 Meritage Growth Portfolio
 Meritage Equity Portfolio
 Meritage Conservative Income Portfolio
 Meritage Moderate Income Portfolio
 Meritage Balanced Income Portfolio
 Meritage Growth Income Portfolio
 Meritage Equity Income Portfolio
 National Bank Global Equity Fund
 National Bank International Index Fund
 National Bank American Index Fund
 National Bank American Index Plus Fund
 National Bank European Equity Fund
 National Bank European Small Capitalization Fund
 National Bank Asia-Pacific Fund
 National Bank Emerging Markets Fund
 National Bank Quebec Growth Fund
 National Bank Natural Resources Fund
 National Bank Future Economy Fund
 National Bank Global Technologies Fund
 National Bank Strategic Yield Class
 National Bank/Fidelity Canadian Asset Allocation Fund
 National Bank Retirement Balanced Fund
 National Bank Secure Diversified Fund
 National Bank Conservative Diversified Fund
 National Bank Moderate Diversified Fund
 National Bank Balanced Diversified Fund
 National Bank Growth Diversified Fund
 National Bank Canadian Equity Fund
 National Bank Canadian Opportunities Fund
 National Bank Canadian Index Fund
 National Bank Canadian Index Plus Fund
 National Bank Small Capitalization Fund
 National Bank/Fidelity True North Fund
 National Bank/Fidelity Global Fund
 National Bank Protected Canadian Bond Fund
 National Bank Protected Retirement Balanced Fund
 National Bank Protected Growth Balanced Fund
 National Bank Protected Canadian Equity Fund
 National Bank Protected Global Fund

B. TD ASSET MANAGEMENT INC.

TD Canadian T-Bill Fund
 TD Canadian Money Market Fund
 TD Premium Money Market Fund
 TD U.S. Money Market Fund
 TD Short Term Bond Fund
 TD Mortgage Fund
 TD Canadian Bond Fund
 TD Real Return Bond Fund
 TD Global Bond Fund
 TD High Yield Income Fund
 TD Corporate Bond Pool
 TD Corporate Bond Capital Yield Fund
 TD Income Advantage Portfolio
 TD Monthly Income Fund

TD Balanced Income Fund
 TD Diversified Monthly Income Fund
 TD Balanced Growth Fund
 TD Global Equity Advantage Portfolio
 TD Income Trust Pool
 TD Income Trust Capital Yield Fund
 TD Dividend Income Fund
 TD Dividend Growth Fund
 TD Canadian Blue Chip Equity Fund
 TD Canadian Value Fund
 TD Canadian Equity Fund
 TD Canadian Small-Cap Equity Fund
 TD U.S. Quantitative Equity Fund
 TD U.S. Blue Chip Equity Fund
 TD North American Dividend Fund
 TD U.S. Mid-Cap Growth Fund
 TD U.S. Small-Cap Equity Fund
 TD U.S. Large-Cap Value Fund
 TD U.S. Blue Chip Equity Currency Neutral Fund
 TD U.S. Mid-Cap Growth Currency Neutral Fund
 TD U.S. Small-Cap Equity Currency Neutral Fund
 TD U.S. Large Cap Value Currency Neutral Fund
 TD U.S. Equity Advantage Portfolio
 TD Dow Jones Industrial AverageSM Index Fund
 TD U.S. Index Fund
 TD U.S. Index Currency Neutral Fund
 TD Nasdaq® Index Fund
 TD International Index Fund
 TD International Index Currency Neutral Fund
 TD European Index Fund
 TD Japanese Index Fund
 TD Balanced Index Fund
 TD Private Canadian Bond Return Fund
 TD Private Canadian Corporate Bond Fund
 TD Private Canadian Bond Income Fund
 TD Private Canadian Equity Fund
 TD Private North American Equity Fund
 TD Private Small/Mid-Cap Equity Fund
 TD Private Income Trust Fund
 TD Private Canadian Dividend Fund
 TD Private U.S. Equity Fund
 TD Private Canadian Strategic Opportunities Fund
 TD Private International Equity Fund
 TD Emerald Canadian Bond Index Fund
 TD Emerald Canadian Short Term Investment Fund
 TD Emerald International Equity Index Fund
 TD Emerald Global Government Bond Index Fund
 TD Emerald Canadian Equity Index Fund
 TD Emerald U.S. Market Index Fund
 TD Emerald Balanced Fund
 TD Emerald Canadian Treasury Management - Government of Canada Fund
 TD Emerald Canadian Treasury Management Fund
 TD Emerald Canadian Treasury Management - Financial Institution Fund
 TD Emerald U.S. Dollar Treasury Management - Government Fund
 TD Emerald U.S. Dollar Treasury Management Fund
 TD Managed Income Portfolio
 TD U.S. Equity Advantage Currency Neutral Portfolio
 TD Global Select Fund

TD International Equity Fund
 TD European Growth Fund
 TD Japanese Growth Fund
 TD Pacific Rim Fund
 TD Asian Growth Fund
 TD Emerging Markets Fund
 TD Latin American Growth Fund
 TD Global Multi-Cap Fund
 TD Global Value Fund
 TD International Equity Growth Fund
 TD Global Dividend Fund
 TD Resource Fund
 TD Energy Fund
 TD Precious Metals Fund
 TD Entertainment & Communications Fund
 TD Science & Technology Fund
 TD Health Sciences Fund
 TD Canadian Bond Index Fund
 TD Canadian Index Fund
 TD Managed Income & Moderate Growth Portfolio
 TD Managed Balanced Growth Portfolio
 TD Managed Aggressive Growth Portfolio
 TD Managed Maximum Equity Growth Portfolio
 TD Managed Index Income Portfolio
 TD Managed Index Income & Moderate Growth Portfolio
 TD Managed Index Balanced Growth Portfolio
 TD Managed Index Aggressive Growth Portfolio
 TD Managed Index Maximum Equity Growth Portfolio
 TD FundSmart Managed Income Portfolio
 TD FundSmart Managed Income & Moderate Growth Portfolio
 TD FundSmart Managed Balanced Growth Portfolio
 TD FundSmart Managed Aggressive Growth Portfolio
 TD FundSmart Managed Maximum Equity Growth Portfolio
 TD Canadian Core Plus Bond Fund
 TD World Bond Pool
 TD Global Monthly Income Fund
 TD North American Dividend Fund
 TD Private U.S. Large Cap Currency Neutral Fund
 TD Global Sustainability Fund
 TD Managed Income Portfolio

C. SCOTIA CASSELS INVESTMENT COUNSEL LIMITED, SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.

Scotia T-Bill Fund
 Scotia Premium T-Bill Fund
 Scotia Money Market Fund
 Scotia CanAm® U.S. \$ Money Market Fund
 Scotia Canadian Bond Index Fund
 Scotia Mortgage Income Fund
 Scotia Canadian Income Fund
 Scotia Cassels Canadian Bond Fund
 Scotia Cassels Canadian Corporate Bond Fund
 Scotia CanAm U.S. \$ Income Fund
 Scotia CanGlobal Income Fund

Scotia Diversified Monthly Income Fund
Scotia Canadian Balanced Fund
Scotia Canadian Tactical Asset Allocation Fund
Scotia Selected Income & Modest Growth Fund
Scotia Selected Balanced Income & Growth Fund
Scotia Selected Conservative Growth Fund
Scotia Selected Aggressive Growth Fund
Scotia Partners™ Income & Modest Growth Portfolio
Scotia Partners™ Balanced Income & Growth Portfolio
Scotia Partners™ Conservative Growth Portfolio
Scotia Partners™ Aggressive Growth Portfolio
Scotia Global Opportunities Fund
Scotia Global Small Cap Fund
Scotia Global Growth Fund
Scotia Cassels International Equity Fund
Scotia European Growth Fund
Scotia Pacific Rim Growth Fund
Scotia Latin American Growth Fund
Scotia U.S. Value Fund
Scotia Resource Fund
Scotia Cassels North American Equity Fund
Scotia American Stock Index Fund
Scotia Cassels U.S. Equity Fund
Scotia American Growth Fund
Scotia CanAm Stock Index Fund
Pinnacle Short Term Income Fund
Pinnacle Income Fund
Pinnacle High Yield Income Fund
Pinnacle American Core-Plus Bond Fund
Pinnacle Global Real Estate Securities Fund
Pinnacle Strategic Balanced Fund
Pinnacle Canadian Value Equity Fund
Pinnacle Canadian Mid Cap Value Equity Fund
Pinnacle Canadian Growth Equity Fund
Pinnacle Canadian Small Cap Equity Fund
Scotia Vision Conservative 2010 Fund
Scotia Vision Aggressive 2010 Fund
Scotia Vision Conservative 2015 Fund
Scotia Vision Aggressive 2015 Fund
Scotia Vision Conservative 2020 Fund
Scotia Vision Aggressive 2020 Fund
Scotia Vision Conservative 2030 Fund
Scotia Vision Aggressive 2030 Fund
Scotia Canadian Stock Index Fund
Scotia Canadian Dividend Fund
Scotia Cassels Canadian Equity Fund
Scotia Canadian Blue Chip Fund
Scotia Canadian Growth Fund
Scotia Canadian Small Cap Fund
Scotia Nasdaq Index Fund
Scotia International Stock Index Fund
Scotia International Value Fund
Pinnacle American Value Equity Fund
Pinnacle American Mid Cap Value Equity Fund
Pinnacle American Large Cap Growth Equity Fund
Pinnacle American Mid Cap Growth Equity Fund
Pinnacle International Equity Fund
Pinnacle International Small to Mid Cap Value

Equity Fund
Pinnacle Global Equity Fund
Pinnacle Balanced Income Portfolio
Pinnacle Conservative Balanced Growth Portfolio
Pinnacle Balanced Growth Portfolio
Pinnacle Conservative Growth Portfolio
Pinnacle Growth Portfolio

D. RBC ASSET MANAGEMENT INC.

RBC Canadian T Bill Fund
RBC Canadian Money Market Fund
RBC Premium Money Market Fund
RBC \$U.S. Money Market Fund
RBC Canadian Short-Term Income Fund
RBC Bond Fund
RBC Canadian Bond Index Fund
RBC Monthly Income Fund
RBC \$U.S. Income Fund
RBC Global Bond Fund
RBC Global Corporate Bond Fund
RBC Advisor Canadian Bond Fund
RBC Global High Yield Fund
RBC Cash Flow Portfolio
RBC Enhanced Cash Flow Portfolio
RBC Balanced Fund
RBC Tax Managed Return Fund
RBC Balanced Growth Fund
RBC Select Conservative Portfolio
RBC Select Balanced Portfolio
RBC Select Growth Portfolio
RBC Select Aggressive Growth Portfolio
RBC Select Choices Conservative Portfolio
RBC Select Choices Balanced Portfolio
RBC Select Choices Growth Portfolio
RBC Select Choices Aggressive Growth Portfolio
RBC Target 2010 Education Fund
RBC Target 2015 Education Fund
RBC Target 2020 Education Fund
RBC Canadian Dividend Fund
RBC Canadian Equity Fund
RBC International Equity Fund
RBC International Index Currency Neutral Fund
RBC O'Shaughnessy International Equity Fund
RBC European Equity Fund
RBC Asian Equity Fund
RBC Global Dividend Growth Fund
RBC O'Shaughnessy Global Equity Fund
RBC Global Energy Fund
RBC Global Precious Metals Fund
RBC Global Consumer and Financials Fund
RBC Global Health Sciences Fund
RBC Global Resources Fund
RBC Global Technology Fund
RBC DS North American Focus Fund
RBC DS Canadian Focus Fund
RBC DS International Focus Fund
RBC DS Balanced Global Portfolio
RBC DS Growth Global Portfolio
RBC DS All Equity Global Portfolio
RBC Private Short-Term Income Pool
RBC Private Canadian Bond Pool

RBC Private Corporate Bond Pool
 RBC Private Income Pool
 RBC Private Global Bond Pool
 RBC Private Canadian Dividend Pool
 RBC Private Canadian Growth and Income Equity Pool
 RBC Private Canadian Equity Pool
 RBC Private Canadian Value Equity Pool
 RBC Private O'Shaughnessy Canadian Equity Pool
 RBC Private Core Canadian Equity Pool
 RBC Canadian Index Fund
 RBC O'Shaughnessy Canadian Equity Fund
 RBC O'Shaughnessy All-Canadian Equity Fund
 RBC Canadian Diversified Income Trust Fund
 RBC North American Dividend Fund
 RBC North American Value Fund
 RBC North American Growth Fund
 RBC U.S. Equity Fund
 RBC U.S. Equity Currency Neutral Fund
 RBC U.S. Index Fund
 RBC U.S. Index Currency Neutral Fund
 RBC O'Shaughnessy U.S. Value Fund
 RBC U.S. Mid-Cap Equity Fund
 RBC U.S. Mid-Cap Equity Currency Neutral Fund
 RBC O'Shaughnessy U.S. Growth Fund
 RBC Life Science and Technology Fund
 RBC Private Canadian Mid Cap Equity Pool
 RBC Private U.S. Equity Pool
 RBC Private U.S. Value Equity Pool
 RBC Private O'Shaughnessy U.S. Value Equity Pool
 RBC Private U.S. Growth Equity Pool
 RBC Private O'Shaughnessy U.S. Growth Equity Pool
 RBC Private U.S. Mid Cap Equity Pool
 RBC Private U.S. Small Cap Equity Pool
 RBC Private International Equity Pool
 RBC Private EAFE Equity Pool
 RBC Private European Equity Pool
 RBC Private Asian Equity Pool
 RBC Private Global Dividend Growth Pool
 RBC Private World Equity Pool
 RBC Private Overseas Equity Pool
 RBC Jantzi Balanced Fund
 RBC Target 2025 Education Fund
 RBC Jantzi Canadian Equity Fund
 RBC Jantzi Global Equity Fund

E. BMO HARRIS INVESTMENT MANAGEMENT INC., BMO NESBITT BURNS INC., GUARDIAN GROUP OF FUNDS LTD., BMO INVESTMENTS INC., AND JONES HEWARD INVESTMENT COUNSEL INC.

BMO Harris Canadian Money Market Portfolio
 BMO Harris Canadian Bond Income Portfolio
 BMO Harris Canadian Total Return Bond Portfolio
 BMO Harris Canadian Corporate Bond Portfolio
 BMO Harris Income Opportunity Bond Portfolio
 BMO Harris Opportunity Bond Portfolio
 BMO Harris Diversified Trust Portfolio
 BMO Harris Canadian Dividend Income Portfolio
 BMO Harris Canadian Income Equity Portfolio
 BMO Harris Canadian Conservative Equity Portfolio
 BMO Harris Canadian Growth Equity Portfolio

BMO Harris Growth Opportunities Portfolio
 BMO Harris Canadian Special Growth Portfolio
 BMO Harris U.S. Equity Portfolio
 BMO Harris U.S. Growth Portfolio
 BMO Harris International Equity Portfolio
 BMO Harris International Special Equity Portfolio
 BMO Harris Emerging Markets Equity Portfolio
 BMO Nesbitt Burns Canadian Stock Selection Fund
 BMO Nesbitt Burns U.S. Stock Selection Fund
 BMO Nesbitt Burns Bond Fund
 BMO Nesbitt Burns Balanced Fund
 BMO Nesbitt Burns Balanced Portfolio Fund
 BMO Nesbitt Burns Growth Portfolio Fund
 BMO Nesbitt Burns All Equity Portfolio Fund
 BMO T-Bill Fund
 BMO Money Market Fund
 BMO Precious Metals Fund
 BMO Global Science & Technology Fund
 BMO Emerging Markets Fund
 BMO U.S. Dollar Money Market Fund
 BMO U.S. Dollar Monthly Income Fund
 BMO U.S. Dollar Equity Index Fund
 BMO Short-Term Income Class
 BMO Dividend Class
 BMO Canadian Equity Class
 BMO Global Dividend Class
 BMO U.S. Equity Class
 BMO Global Equity Class
 BMO Greater China Class
 BMO LifeStage Plus™ 2015 Fund
 BMO LifeStage Plus™ 2020 Fund
 BMO LifeStage Plus™ 2025 Fund
 BMO LifeStage Plus™ 2030 Fund
 BMO FundSelect Security Portfolio
 BMO FundSelect Balanced Portfolio
 BMO FundSelect Growth Portfolio
 BMO FundSelect Aggressive Growth Portfolio
 GGOF Canadian Bond Fund
 GGOF Canadian Money Market Fund
 GGOF Floating Rate Income Fund
 GGOF Global Bond Fund
 GGOF High Yield Bond Fund
 GGOF Monthly Dividend Fund Ltd
 GGOF Monthly High Income Fund
 GGOF Monthly High Income Fund II
 BMO AIR MILES®† Money Market Fund
 BMO Premium Money Market Fund
 BMO Mortgage and Short-Term Income Fund
 BMO Bond Fund
 BMO World Bond Fund
 BMO Monthly Income Fund
 BMO Diversified Income Fund
 BMO Global Monthly Income Fund
 BMO Global High Yield Bond Fund
 BMO Income Trust Fund
 BMO Asset Allocation Fund
 BMO Dividend Fund
 BMO Equity Index Fund
 BMO Equity Fund
 BMO U.S. Equity Index Fund
 BMO U.S. Growth Fund
 BMO U.S. Equity Fund
 BMO International Index Fund

BMO International Equity Fund
BMO North American Dividend Fund
BMO European Fund
BMO Japanese Fund
BMO Special Equity Fund
BMO U.S. Special Equity Fund
BMO Resource Fund
GGOF U.S. Money Market Fund
GGOF American Equity Fund Ltd
GGOF Canadian Growth Fund Ltd
GGOF Canadian Large Cap Equity Fund
GGOF Dividend Growth Fund
GGOF Emerging Markets Fund
GGOF Enterprise Fund
GGOF European Equity Fund
GGOF Global Absolute Return Fund
GGOF Global Equity Fund
GGOF Global Small Cap Fund
GGOF Global Technology Fund
GGOF Japanese Equity Fund
GGOF Resource Fund
GGOF Asian Growth and Income Fund
GGOF Canadian Balanced Fund
GGOF Canadian Diversified Monthly Income Fund
GGOF Global Diversified Fund
GGOF Small Cap Growth and Income Fund
GGOF U.S. Diversified Monthly Income Fund
GGOF Income Solution
GGOF Conservative Solution
GGOF Balanced Solution
GGOF Growth Solution
GGOF Aggressive Growth Solution

**F. CIBC ASSET MANAGEMENT INC., CIBC
GLOBAL ASSET MANAGEMENT INC.**

Axiom All Equity Portfolio
Axiom Balanced Growth Portfolio
Axiom Balanced Income Portfolio
Axiom Canadian Growth Portfolio
Axiom Diversified Monthly Income Portfolio
Axiom Foreign Growth Portfolio
Axiom Global Growth Portfolio
Axiom Long-Term Growth Portfolio
CIBC Asia Pacific Index Fund
CIBC Balanced Fund
CIBC Balanced Index Fund
CIBC Canadian Bond Fund
CIBC Canadian Bond Index Fund
CIBC Canadian Emerging Companies Fund
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Index Fund
CIBC Canadian Real Estate Fund
CIBC Canadian Resources Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Small Companies Fund
CIBC Managed Balanced Growth Portfolio
CIBC Managed Balanced Growth RRSP Portfolio
CIBC Managed Balanced Portfolio
CIBC Managed Growth Portfolio
CIBC Managed Growth RRSP Portfolio
CIBC Managed Income Plus Portfolio

CIBC Managed Income Portfolio
CIBC Managed Monthly Income Balanced Portfolio
CIBC U.S. Dollar Managed Balanced Portfolio
CIBC U.S. Dollar Managed Growth Portfolio
CIBC U.S. Dollar Managed Income Portfolio
Renaissance Canadian Balanced Fund
Renaissance Canadian Balanced Value Fund
Renaissance Canadian Bond Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Dividend Income Fund
Renaissance Canadian Growth Fund
Renaissance Canadian High Yield Bond Fund
Renaissance Canadian Money Market Fund
Renaissance Canadian Monthly Income Fund
Renaissance Canadian Real Return Bond Fund
Renaissance Canadian Small Cap Fund
CIBC Canadian T-Bill Fund
CIBC Capital Appreciation Fund
CIBC Disciplined International Equity Fund
CIBC Disciplined U.S. Equity Fund
CIBC Diversified Income Fund
CIBC Dividend Fund
CIBC Emerging Economies Fund
CIBC Emerging Markets Index Fund
CIBC Energy Fund
CIBC European Equity Fund
CIBC European Index Fund
CIBC European Index RRSP Fund
CIBC Far East Prosperity Fund
CIBC Financial Companies Fund
CIBC Global Bond Fund
CIBC Global Bond Index Fund
CIBC Global Equity Fund
CIBC Global Monthly Income Fund
CIBC Global Technology Fund
CIBC High Yield Cash Fund
CIBC International Index Fund
CIBC International Index RRSP Fund
CIBC International Small Companies Fund
CIBC Japanese Equity Fund
CIBC Japanese Index RRSP Fund
CIBC Latin American Fund
CIBC Money Market Fund
CIBC Monthly Income Fund
CIBC Mortgage and Short-Term Income Fund
CIBC Nasdaq Index Fund
CIBC Nasdaq Index RRSP Fund
CIBC North American Demographics Fund
CIBC Precious Metals Fund
CIBC Premium Canadian T-Bill Fund
CIBC U.S. Dollar Money Market Fund
CIBC U.S. Equity Index Fund
CIBC U.S. Index RRSP Fund
CIBC U.S. Small Companies Fund
Frontiers Canadian Equity Pool
Frontiers Canadian Fixed Income Pool
Frontiers Canadian Monthly Income Pool
Frontiers Canadian Short Term Income Pool
Frontiers Emerging Markets Equity Pool
Frontiers Global Bond Pool
Frontiers International Equity Pool
Frontiers U.S. Equity Pool
Imperial Canadian Bond Pool

Imperial Canadian Dividend Income Pool	Imperial U.S. Equity Pool
Imperial Canadian Dividend Pool	Talvest Money Market Fund
Imperial Canadian Equity Pool	Talvest Renaissance Canadian Balanced Fund
Renaissance Canadian T-Bill Fund	Talvest Renaissance Canadian Balanced Value Fund
Renaissance Developing Capital Markets Fund	Talvest Renaissance Canadian Core Value Fund
Renaissance Diversified Income Fund	Talvest Renaissance Canadian Real Return Bond Fund
Renaissance Euro Fund	Talvest Renaissance U.S. Equity Value Fund
Renaissance Global Growth Fund	Talvest Small Cap Cdn. Equity Fund
Renaissance Global Opportunities Fund	Talvest U.S. Equity Fund
Renaissance Global Sectors Fund	
Renaissance Global Technology Fund	
Renaissance International Growth Fund	
Renaissance International Index Fund	
Renaissance Tactical Allocation Fund	
Renaissance Talvest China Plus Fund	
Renaissance Talvest Global Health Care Fund	
Renaissance Talvest Millennium High Income Fund	
Renaissance U.S. Equity Growth Fund	
Renaissance U.S. Equity Value Fund	
Renaissance U.S. Index Fund	
Renaissance U.S. Money Market Fund	
Sequence 2010 Conservative Portfolio	
Sequence 2010 Moderate Portfolio	
Sequence 2020 Conservative Portfolio	
Sequence 2020 Moderate Portfolio	
Sequence 2030 Conservative Portfolio	
Sequence 2030 Moderate Portfolio	
Sequence 2040 Conservative Portfolio	
Sequence 2040 Moderate Portfolio	
Sequence Income Portfolio	
Talvest Asian Fund	
Talvest Bond Fund	
Talvest Cdn. Asset Allocation Fund	
Talvest Cdn. Equity Growth Fund	
Talvest Cdn. Equity Value Fund	
Talvest Cdn. Multi Management Fund	
Talvest China Plus Fund	
Talvest Dividend Fund	
Talvest European Fund	
Talvest Global Asset Allocation Fund	
Talvest Global Bond Fund	
Talvest Global Equity Fund	
Talvest Global Health Care Fund	
Talvest Global Markets Fund	
Talvest Global Multi Management Fund	
Talvest Global Resource Fund	
Talvest Global Science & Technology Fund	
Talvest Global Small Cap Fund	
Talvest High Yield Bond Fund	
Talvest Income Fund	
Talvest International Equity Fund	
Talvest Millennium High Income Fund	
Talvest Millennium Next Generation Fund	
Imperial Canadian Income Trust Pool	
Imperial Emerging Economies Pool	
Imperial International Bond Pool	
Imperial International Equity Pool	
Imperial Money Market Pool	
Imperial Overseas Equity Pool	
Imperial Registered International Equity Index Pool	
Imperial Registered U.S. Equity Index Pool	
Imperial Short-Term Bond Pool	

**2.1.16 Altamira Investment Services Inc. et al. –
MRRS Decision**

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted from section 115(6) of the Regulation to permit applicant funds to engage in principal trading in debt securities with certain related persons/companies, subject to conditions which include IRC approval and pricing and transparency requirements.

Applicable Legislative Provisions

Ontario Regulations 1015, s. 115(6).

April 25, 2008

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

AND

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

AND

**IN THE MATTER OF
ALTAMIRA INVESTMENT SERVICES INC.,
NATIONAL BANK SECURITIES INC.,
TD ASSET MANAGEMENT INC.,
SCOTIA CASSELS INVESTMENT COUNSEL LIMITED,
SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.,
RBC ASSET MANAGEMENT INC.,
BMO HARRIS INVESTMENT MANAGEMENT INC.,
BMO NESBITT BURNS INC.,
GUARDIAN GROUP OF FUNDS LTD.,
BMO INVESTMENTS INC.,
AND JONES HEWARD INVESTMENT COUNSEL INC.,
CIBC ASSET MANAGEMENT INC. AND
CIBC GLOBAL ASSET MANAGEMENT INC.
(the Applicants)**

AND

**IN THE MATTER OF
THE MUTUAL FUNDS
listed under an Applicant's name in Schedule A and
any
mutual funds subject to National Instrument 81-102 –
Mutual Funds (NI 81-102) that may be established in the
future for which the Applicant acts as portfolio advisor
and/or manager (the Applicant Funds)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (**Decision Maker**) in each of the Jurisdictions received an application (the **Application**) from the Applicants on behalf of each Applicant Fund for relief from the prohibition in the Legislation (the **Related Owner Prohibition**) of the Jurisdictions that prohibits an investment counsel from making a purchase or sale of any security in which an investment counsel or any partner, officer or associate of an investment counsel has a direct or indirect beneficial interest from or to any portfolio managed by the investment counsel (**Related Owner Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (i) the Ontario Securities Commission (the **OSC**) is the principal regulator for the Application; and
- (ii) this MRRS decision document (**MRRS Decision**) represents the decision of each of the Decision Makers.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* (**NI 14-101**), in NI 81-102 and in National Instrument 81-107 – *Independent Review Committee for Investment Funds* (**NI 81-107**) have the same meaning in this MRRS Decision unless they are otherwise defined in this decision.

Representations

This decision is based on the following facts represented by an Applicant in respect of the Applicant and the Applicant Funds of the Applicant.

1. Each of the Applicants is or will be the portfolio adviser and/or the manager of the Applicant Funds of the Applicant.
2. Schedule A contains a list of all the mutual funds that are subject to NI 81-102 of which an Applicant currently is the portfolio adviser and/or the manager.
3. An Independent Review Committee (**IRC**) has or will be constituted for each of the Applicant Funds in accordance with the requirements of NI 81-107.
4. The investment strategies of an Applicant Fund that relies on the Related Owner Relief permit or will permit it to invest in the securities purchased, either as a principal strategy in achieving its investment objective or as a temporary strategy, pending the purchase of other securities.
5. The Applicants are seeking the Related Owner Relief so that an Applicant Fund of the Applicant may purchase from or sell to a related person or company (a **Related Person**) that is a principal

dealer in the Canadian debt securities market (a **Principal Dealer**) debt securities of an issuer other than the federal or a provincial government (**Non-Government Debt Securities**) or debt securities issued or fully and unconditionally guaranteed by the federal or a provincial government (**Government Debt Securities**) in the secondary market. The Applicants have obtained required relief for this purpose from NI 81-102 and the securities legislation of the Jurisdictions as evidenced by MRRS Decisions dated October 31, 2007 and November 1, 2007.

6. Related Persons of the Applicant Funds are Principal Dealers in the Canadian debt securities market.
7. An exemption from the conflict prohibition which is the subject of the Related Owner Relief has not been provided for in NI 81-102 or NI 81-107 for purchases and sales of Non-Government Debt Securities or Government Debt Securities in the secondary market from or to a Related Person that is a Principal Dealer .
8. The purchase of debt securities by an Applicant Fund from a Related Person in the secondary market is subject to the Related Owner Prohibition.
9. The Applicant Funds require the Related Owner Relief in order to pursue their investment objectives and strategies effectively.

- (e) a purchase is not executed at a price which is higher than the available ask price and a sale is not executed at a price which is lower than the available bid price;
- (f) the purchase or sale is subject to "market integrity requirements" as defined in NI 81-107; and
- (g) the Applicant Fund keeps the written records required by Section 6.1(2)(g) of NI 81-107.

"Lawrence E. Ritchie"

"Paul K. Bates"

Decision

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

The decision of the Decision Makers is that the Related Owner Relief is granted so long as:

- (a) the purchase or sale is consistent with, or is necessary to meet, the investment objective of the Applicant Fund;
- (b) the IRC has approved the transaction in accordance with Section 5.2(2) of NI 81-107;
- (c) the manager of the Applicant Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Applicant Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;
- (d) the bid and ask price of the security is readily available, as provided in Commentary 7 to section 6.1 of NI 81-107;

SCHEDULE A

APPLICANTS AND APPLICANT FUNDS

**A. ALTAMIRA INVESTMENT SERVICES INC.,
NATIONAL BANK SECURITIES INC.**

Altamira T-Bill Fund
 Altamira Income Fund
 Altamira Bond Fund
 Altamira High Yield Bond Fund
 Altamira Short Term Canadian Income Fund
 Altamira Short Term Government Bond Fund
 Altamira Inflation-Adjusted Bond Fund
 Altamira Global Bond Fund
 Altamira Short Term Global Income Fund
 Altamira Balanced Fund
 Altamira Dividend Fund Inc.
 Altamira Growth & Income Fund
 Altamira Monthly Income Fund
 Altamira Global Diversified Fund
 Altamira Canadian Value Fund
 Altamira Equity Fund
 AltaFund Investment Corp.
 Altamira Capital Growth Fund Limited
 Altamira Special Growth Fund
 Altamira European Equity Fund
 Altamira Global Value Fund
 Altamira US Larger Company Fund
 Altamira Asia Pacific Fund
 Altamira Japanese Opportunity Fund
 Altamira Global Discovery Fund
 Altamira Global Small Company Fund
 Altamira Select American Fund
 National Bank Money Market Fund
 National Bank Treasury Bill Plus Fund
 National Bank U.S. Money Market Fund
 National Bank Corporate Cash Management Fund
 National Bank Treasury Management Fund
 National Bank Mortgage Fund
 National Bank Bond Fund
 National Bank Dividend Fund
 National Bank Global Bond Fund
 National Bank High Yield Bond Fund
 National Bank Monthly Secure Income Fund
 National Bank Monthly Conservative Income Fund
 National Bank Monthly Moderate Income Fund
 National Bank Monthly Income Fund
 National Bank Monthly High Income Fund
 National Bank Monthly Equity Income Fund
 Altamira Precision Canadian Index Fund
 Altamira Precision European Index Fund
 Altamira Precision International Currency Neutral Index Fund
 Altamira Precision U.S. Currency Neutral Index Fund
 Altamira Precision U.S. Midcap Index Fund
 Altamira Health Sciences Fund
 Altamira Precious and Strategic Metal Fund
 Altamira Resource Fund
 Altamira Science and Technology Fund
 Altamira Energy Fund
 Meritage Canadian Equity Portfolio
 Meritage Global Equity Portfolio

Meritage American Equity Portfolio
 Meritage International Equity Portfolio
 Meritage Conservative Portfolio
 Meritage Moderate Portfolio
 Meritage Balanced Portfolio
 Meritage Growth Portfolio
 Meritage Equity Portfolio
 Meritage Conservative Income Portfolio
 Meritage Moderate Income Portfolio
 Meritage Balanced Income Portfolio
 Meritage Growth Income Portfolio
 Meritage Equity Income Portfolio
 National Bank Global Equity Fund
 National Bank International Index Fund
 National Bank American Index Fund
 National Bank American Index Plus Fund
 National Bank European Equity Fund
 National Bank European Small Capitalization Fund
 National Bank Asia-Pacific Fund
 National Bank Emerging Markets Fund
 National Bank Quebec Growth Fund
 National Bank Natural Resources Fund
 National Bank Future Economy Fund
 National Bank Global Technologies Fund
 National Bank Strategic Yield Class
 National Bank/Fidelity Canadian Asset Allocation Fund
 National Bank Retirement Balanced Fund
 National Bank Secure Diversified Fund
 National Bank Conservative Diversified Fund
 National Bank Moderate Diversified Fund
 National Bank Balanced Diversified Fund
 National Bank Growth Diversified Fund
 National Bank Canadian Equity Fund
 National Bank Canadian Opportunities Fund
 National Bank Canadian Index Fund
 National Bank Canadian Index Plus Fund
 National Bank Small Capitalization Fund
 National Bank/Fidelity True North Fund
 National Bank/Fidelity Global Fund
 National Bank Protected Canadian Bond Fund
 National Bank Protected Retirement Balanced Fund
 National Bank Protected Growth Balanced Fund
 National Bank Protected Canadian Equity Fund
 National Bank Protected Global Fund
 Omega Preferred Equity Fund
 Omega High Dividend Fund
 Omega Consensus American Equity Fund
 Omega Consensus International Equity Fund

B. TD ASSET MANAGEMENT INC.

TD Canadian T-Bill Fund
 TD Canadian Money Market Fund
 TD Premium Money Market Fund
 TD U.S. Money Market Fund
 TD Short Term Bond Fund
 TD Mortgage Fund
 TD Canadian Bond Fund
 TD Real Return Bond Fund
 TD Global Bond Fund
 TD High Yield Income Fund
 TD Corporate Bond Pool

TD Corporate Bond Capital Yield Fund
 TD Income Advantage Portfolio
 TD Monthly Income Fund
 TD Balanced Income Fund
 TD Monthly High Income Fund
 TD Balanced Growth Fund
 TD Global Equity Advantage Portfolio
 TD Income Trust Pool
 TD Income Trust Capital Yield Fund
 TD Dividend Income Fund
 TD Dividend Growth Fund
 TD Canadian Blue Chip Equity Fund
 TD Canadian Value Fund
 TD Canadian Equity Fund
 TD Canadian Small-Cap Equity Fund
 TD U.S. Quantitative Equity Fund
 TD U.S. Blue Chip Equity Fund
 TD North American Dividend Fund
 TD U.S. Mid-Cap Growth Fund
 TD U.S. Small-Cap Equity Fund
 TD U.S. Large-Cap Value Fund
 TD U.S. Blue Chip Equity Currency Neutral Fund
 TD U.S. Mid-Cap Growth Currency Neutral Fund
 TD U.S. Small-Cap Equity Currency Neutral Fund
 TD U.S. Large Cap Value Currency Neutral Fund
 TD U.S. Equity Advantage Portfolio
 TD Dow Jones Industrial AverageSM Index Fund
 TD U.S. Index Fund
 TD U.S. Index Currency Neutral Fund
 TD Nasdaq® Index Fund
 TD International Index Fund
 TD International Index Currency Neutral Fund
 TD European Index Fund
 TD Japanese Index Fund
 TD Balanced Index Fund
 TD Private Canadian Bond Return Fund
 TD Private Canadian Corporate Bond Fund
 TD Private Canadian Bond Income Fund
 TD Private Canadian Equity Fund
 TD Private North American Equity Fund
 TD Private Small/Mid-Cap Equity Fund
 TD Private Income Trust Fund
 TD Private Canadian Dividend Fund
 TD Private U.S. Equity Fund
 TD Private Canadian Strategic Opportunities Fund
 TD Private International Equity Fund
 TD Emerald Canadian Bond Index Fund
 TD Emerald Canadian Short Term Investment Fund
 TD Emerald International Equity Index Fund
 TD Emerald Global Government Bond Index Fund
 TD Emerald Canadian Equity Index Fund
 TD Emerald U.S. Market Index Fund
 TD Emerald Balanced Fund
 TD Emerald Canadian Treasury Management - Government Fund
 TD Emerald Canadian Treasury Management Fund
 TD Emerald Canadian Treasury Management - Financial Institution Fund
 TD Emerald U.S. Treasury Management - Government Fund
 TD Emerald U.S. Dollar Treasury Management Fund
 TD Managed Income Portfolio
 TD U.S. Equity Advantage Currency Neutral Portfolio

TD Global Select Fund
 TD International Equity Fund
 TD European Growth Fund
 TD Japanese Growth Fund
 TD Pacific Rim Fund
 TD Asian Growth Fund
 TD Emerging Markets Fund
 TD Latin American Growth Fund
 TD Global Multi-Cap Fund
 TD Global Value Fund
 TD International Equity Growth Fund
 TD Global Dividend Fund
 TD Resource Fund
 TD Energy Fund
 TD Precious Metals Fund
 TD Entertainment & Communications Fund
 TD Science & Technology Fund
 TD Health Sciences Fund
 TD Canadian Bond Index Fund
 TD Canadian Index Fund
 TD Managed Income & Moderate Growth Portfolio
 TD Managed Balanced Growth Portfolio
 TD Managed Aggressive Growth Portfolio
 TD Managed Maximum Equity Growth Portfolio
 TD Managed Index Income Portfolio
 TD Managed Index Income & Moderate Growth Portfolio
 TD Managed Index Balanced Growth Portfolio
 TD Managed Index Aggressive Growth Portfolio
 TD Managed Index Maximum Equity Growth Portfolio
 TD FundSmart Managed Income Portfolio
 TD FundSmart Managed Income & Moderate Growth Portfolio
 TD FundSmart Managed Balanced Growth Portfolio
 TD FundSmart Managed Aggressive Growth Portfolio
 TD FundSmart Managed Maximum Equity Growth Portfolio
 TD Canadian Core Plus Bond Fund
 TD Diversified Monthly Income Fund
 TD Global Monthly Income Fund
 TD World Bond Pool
 TD Private U.S. Large Cap Currency Neutral Fund
 TD Global Sustainability Fund

C. SCOTIA CASSELS INVESTMENT COUNSEL LIMITED, SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.

Scotia T-Bill Fund
 Scotia Premium T-Bill Fund
 Scotia Money Market Fund
 Scotia U.S. \$ Money Market Fund
 Scotia Mortgage Income Fund
 Scotia Canadian Income Fund
 Scotia Cassels Short-Mid Government Bond Fund
 Scotia Cassels Canadian Corporate Bond Fund
 Scotia U.S. \$ Bond Fund
 Scotia Global Bond Fund
 Scotia Diversified Monthly Income Fund
 Scotia Canadian Balanced Fund
 Scotia Cassels Advantaged Income Fund
 Scotia Canadian Tactical Asset Allocation Fund
 Scotia Canadian Dividend Fund
 Scotia Cassels Canadian Equity Fund
 Scotia Canadian Blue Chip Fund

Scotia Canadian Growth Fund
 Scotia Canadian Small Cap Fund
 Scotia Resource Fund
 Scotia Cassels North American Equity Fund
 Scotia Cassels U.S. Equity Fund
 Scotia U.S. Growth Fund
 Scotia U.S. Value Fund
 Scotia International Value Fund
 Scotia Cassels International Equity Fund
 Scotia European Fund
 Scotia Pacific Rim Fund
 Scotia Latin American Fund
 Scotia Global Growth Fund
 Scotia Global Small Cap Fund
 Scotia Global Opportunities Fund
 Scotia Global Climate Change Fund
 Scotia Canadian Bond Index Fund
 Scotia Canadian Index Fund
 Scotia U.S. Index Fund
 Scotia CanAm(r) Index Fund
 Scotia Nasdaq Index Fund
 Scotia International Index Fund
 Scotia Selected Income & Modest Growth Portfolio
 Scotia Selected Balanced Income & Growth Portfolio
 Scotia Selected Moderate Growth Portfolio
 Scotia Selected Aggressive Growth Portfolio
 Scotia Partners(tm) Income & Modest Growth Portfolio
 Scotia Partners Balanced Income & Growth Portfolio
 Scotia Partners Moderate Growth Portfolio
 Scotia Partners Aggressive Growth Portfolio
 Scotia Vision Conservative 2010 Portfolio
 Scotia Vision Aggressive 2010 Portfolio
 Scotia Vision Conservative 2015 Portfolio
 Scotia Vision Aggressive 2015 Portfolio
 Scotia Vision Conservative 2020 Portfolio
 Scotia Vision Aggressive 2020 Portfolio
 Scotia Vision Conservative 2030 Portfolio
 Scotia Vision Aggressive 2030 Portfolio
 Pinnacle Short Term Income Fund
 Pinnacle Income Fund
 Pinnacle High Yield Income Fund
 Pinnacle American Core-Plus Bond Fund
 Pinnacle Global Real Estate Securities Fund
 Pinnacle Strategic Balanced Fund
 Pinnacle Canadian Value Equity Fund
 Pinnacle Canadian Mid Cap Value Equity Fund
 Pinnacle Canadian Growth Equity Fund
 Pinnacle Canadian Small Cap Equity Fund
 Pinnacle American Value Equity Fund
 Pinnacle American Mid Cap Value Equity Fund
 Pinnacle American Large Cap Growth Equity Fund
 Pinnacle American Mid Cap Growth Equity Fund
 Pinnacle International Equity Fund
 Pinnacle International Small to Mid Cap Value Equity Fund
 Pinnacle Global Equity Fund
 Pinnacle Balanced Income Portfolio
 Pinnacle Conservative Balanced Growth Portfolio
 Pinnacle Balanced Growth Portfolio
 Pinnacle Conservative Growth Portfolio
 Pinnacle Growth Portfolio

D. RBC ASSET MANAGEMENT INC.

RBC Canadian T Bill Fund
 RBC Canadian Money Market Fund
 RBC Premium Money Market Fund
 RBC \$U.S. Money Market Fund
 RBC Premium \$U.S. Money Market Fund
 RBC Canadian Short-Term Income Fund
 RBC Bond Fund
 RBC Canadian Bond Index Fund
 RBC Monthly Income Fund
 RBC \$U.S. Income Fund
 RBC Global Bond Fund
 RBC Global Corporate Bond Fund
 RBC Advisor Canadian Bond Fund
 RBC Global High Yield Fund
 RBC Cash Flow Portfolio
 RBC Enhanced Cash Flow Portfolio
 RBC Balanced Fund
 RBC Tax Managed Return Fund
 RBC Balanced Growth Fund
 RBC Jantzi Balanced Fund
 RBC Select Conservative Portfolio
 RBC Select Balanced Portfolio
 RBC Select Growth Portfolio
 RBC Select Aggressive Growth Portfolio
 RBC Select Choices Conservative Portfolio
 RBC Select Choices Balanced Portfolio
 RBC Select Choices Growth Portfolio
 RBC Select Choices Aggressive Growth Portfolio
 RBC Target 2010 Education Fund
 RBC Target 2015 Education Fund
 RBC Target 2020 Education Fund
 RBC Target 2025 Education Fund
 RBC Canadian Dividend Fund
 RBC Canadian Equity Fund
 RBC Jantzi Canadian Equity Fund
 RBC International Equity Fund
 RBC International Index Currency Neutral Fund
 RBC O'Shaughnessy International Equity Fund
 RBC European Equity Fund
 RBC Asian Equity Fund
 RBC Global Dividend Growth Fund
 RBC Jantzi Global Equity Fund
 RBC O'Shaughnessy Global Equity Fund
 RBC Global Energy Fund
 RBC Global Precious Metals Fund
 RBC Global Consumer and Financials Fund
 RBC Global Health Sciences Fund
 RBC Global Resources Fund
 RBC Global Technology Fund
 RBC DS North American Focus Fund
 RBC DS Canadian Focus Fund
 RBC DS International Focus Fund
 RBC DS Balanced Global Portfolio
 RBC DS Growth Global Portfolio
 RBC DS All Equity Global Portfolio
 RBC Private Short-Term Income Pool
 RBC Private Canadian Bond Pool
 RBC Private Corporate Bond Pool
 RBC Private Income Pool
 RBC Private Global Bond Pool
 RBC Private Canadian Dividend Pool

RBC Private Canadian Growth and Income Equity Pool
RBC Private Canadian Equity Pool
RBC Private Canadian Value Equity Pool
RBC Private O'Shaughnessy Canadian Equity Pool
RBC Private Core Canadian Equity Pool
RBC Canadian Index Fund
RBC O'Shaughnessy Canadian Equity Fund
RBC O'Shaughnessy All-Canadian Equity Fund
RBC Canadian Diversified Income Trust Fund
RBC North American Dividend Fund
RBC North American Value Fund
RBC North American Growth Fund
RBC U.S. Equity Fund
RBC U.S. Equity Currency Neutral Fund
RBC U.S. Index Fund
RBC U.S. Index Currency Neutral Fund
RBC O'Shaughnessy U.S. Value Fund
RBC U.S. Mid-Cap Equity Fund
RBC U.S. Mid-Cap Equity Currency Neutral Fund
RBC O'Shaughnessy U.S. Growth Fund
RBC O'Shaughnessy U.S. Growth Fund II
RBC Life Science and Technology Fund
RBC Private Canadian Mid Cap Equity Pool
RBC Private U.S. Equity Pool
RBC Private U.S. Value Equity Pool
RBC Private O'Shaughnessy U.S. Value Equity Pool
RBC Private U.S. Growth Equity Pool
RBC Private O'Shaughnessy U.S. Growth Equity Pool
RBC Private U.S. Mid Cap Equity Pool
RBC Private U.S. Small Cap Equity Pool
RBC Private International Equity Pool
RBC Private EAFE Equity Pool
RBC Private European Equity Pool
RBC Private Asian Equity Pool
RBC Private Global Dividend Growth Pool
RBC Private World Equity Pool

E. BMO HARRIS INVESTMENT MANAGEMENT INC., BMO NESBITT BURNS INC., GUARDIAN GROUP OF FUNDS LTD., BMO INVESTMENTS INC., AND JONES HEWARD INVESTMENT COUNSEL INC.

BMO Harris Canadian Money Market Portfolio
BMO Harris Canadian Bond Income Portfolio
BMO Harris Canadian Total Return Bond Portfolio
BMO Harris Canadian Corporate Bond Portfolio
BMO Harris Income Opportunity Bond Portfolio
BMO Harris Opportunity Bond Portfolio
BMO Harris Diversified Yield Portfolio (formerly BMO Harris Diversified Trust Portfolio)
BMO Harris Canadian Dividend Income Portfolio
BMO Harris Canadian Income Equity Portfolio
BMO Harris Canadian Conservative Equity Portfolio
BMO Harris Canadian Growth Equity Portfolio
BMO Harris Growth Opportunities Portfolio
BMO Harris Canadian Special Growth Portfolio
BMO Harris U.S. Equity Portfolio
BMO Harris U.S. Growth Portfolio
BMO Harris International Equity Portfolio
BMO Harris International Special Equity Portfolio
BMO Harris Emerging Markets Equity Portfolio
BMO Nesbitt Burns Canadian Stock Selection Fund

BMO Nesbitt Burns U.S. Stock Selection Fund
BMO Nesbitt Burns Bond Fund
BMO Nesbitt Burns Balanced Fund
BMO Nesbitt Burns Balanced Portfolio Fund
BMO Nesbitt Burns Growth Portfolio Fund
BMO Nesbitt Burns All Equity Portfolio Fund
BMO T-Bill Fund
BMO Money Market Fund
BMO Precious Metals Fund
BMO Global Science & Technology Fund
BMO Emerging Markets Fund
BMO U.S. Dollar Money Market Fund
BMO U.S. Dollar Monthly Income Fund
BMO U.S. Dollar Equity Index Fund
BMO Short-Term Income Class
BMO Dividend Class
BMO Canadian Equity Class
BMO Global Dividend Class
BMO U.S. Equity Class
BMO Global Equity Class
BMO Greater China Class
BMO LifeStage Plus 2015 Fund
BMO LifeStage Plus 2020 Fund
BMO LifeStage Plus 2025 Fund
BMO LifeStage Plus 2030 Fund
BMO FundSelect™ Security Portfolio
BMO FundSelect™ Balanced Portfolio
BMO FundSelect™ Growth Portfolio
BMO FundSelect™ Aggressive Growth Portfolio
GGOF Canadian Bond Fund
GGOF Canadian Money Market Fund
GGOF Floating Rate Income Fund
GGOF Global Bond Fund
GGOF High Yield Bond Fund
GGOF Monthly Dividend Fund Ltd
GGOF Monthly High Income Fund
GGOF Monthly High Income Fund II
BMO AIR MILES®† Money Market Fund
BMO Premium Money Market Fund
BMO Mortgage and Short-Term Income Fund
BMO Bond Fund
BMO World Bond Fund
BMO Monthly Income Fund
BMO Diversified Income Fund
BMO Global Monthly Income Fund
BMO Global High Yield Bond Fund
BMO Income Trust Fund
BMO Asset Allocation Fund
BMO Dividend Fund
BMO Equity Index Fund
BMO Equity Fund
BMO U.S. Equity Index Fund
BMO U.S. Growth Fund
BMO U.S. Equity Fund
BMO International Index Fund
BMO International Equity Fund
BMO North American Dividend Fund
BMO European Fund
BMO Japanese Fund
BMO Special Equity Fund
BMO U.S. Special Equity Fund
BMO Resource Fund
GGOF U.S. Money Market Fund

GGOF American Equity Fund Ltd
GGOF Canadian Equity Fund Ltd (formerly GGOF Canadian Growth Fund Ltd.)
GGOF Canadian Large Cap Equity Fund
GGOF Dividend Growth Fund
GGOF Emerging Markets Fund
GGOF Enterprise Fund
GGOF European Equity Fund
GGOF Global Absolute Return Fund
GGOF Global Equity Fund
GGOF Global Small Cap Fund
GGOF Global Technology Fund
GGOF Japanese Equity Fund
GGOF Resource Fund
GGOF Asian Growth and Income Fund
GGOF Canadian Balanced Fund
GGOF Canadian Diversified Monthly Income Fund
GGOF Global Diversified Fund
GGOF Small Cap Growth and Income Fund
GGOF U.S. Diversified Monthly Income Fund
GGOF Income Solution
GGOF Conservative Solution
GGOF Balanced Solution
GGOF Growth Solution
GGOF Aggressive Growth Solution
GGOF Global Real Estate Fund
GGOF Global Dividend Growth Fund

F. CIBC ASSET MANAGEMENT INC., CANADIAN IMPERIAL BANK OF COMMERCE

CIBC Asia Pacific Index Fund
CIBC Balanced Fund
CIBC Balanced Index Fund
CIBC Canadian Bond Fund
CIBC Canadian Bond Index Fund
CIBC Canadian Emerging Companies Fund
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Index Fund
CIBC Canadian Real Estate Fund
CIBC Canadian Resources Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Small Companies Fund
Renaissance Canadian Balanced Fund
Renaissance Canadian Balanced Value Fund
Renaissance Canadian Bond Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Dividend Income Fund
Renaissance Canadian Growth Fund
Renaissance Canadian High Yield Bond Fund
Renaissance Canadian Monthly Income Fund
Renaissance Canadian Real Return Bond Fund
Renaissance Canadian Small-Cap Fund
CIBC Canadian T-Bill Fund
CIBC Capital Appreciation Fund
CIBC Disciplined International Equity Fund
CIBC Disciplined U.S. Equity Fund
CIBC Diversified Income Fund
CIBC Dividend Fund
CIBC Emerging Economies Fund
CIBC Emerging Markets Index Fund
CIBC Energy Fund

CIBC European Equity Fund
CIBC European Index Fund
CIBC European Index RRSP Fund
CIBC Far East Prosperity Fund
CIBC Financial Companies Fund
CIBC Global Bond Fund
CIBC Global Bond Index Fund
CIBC Global Equity Fund
CIBC Global Monthly Income Fund
CIBC Global Technology Fund
CIBC High Yield Cash Fund
CIBC International Index Fund
CIBC International Index RRSP Fund
CIBC International Small Companies Fund
CIBC Japanese Equity Fund
CIBC Japanese Index RRSP Fund
CIBC Latin American Fund
CIBC Money Market Fund
CIBC Monthly Income Fund
CIBC Mortgage and Short-Term Income Fund
CIBC Nasdaq Index Fund
CIBC Nasdaq Index RRSP Fund
CIBC North American Demographics Fund
CIBC Precious Metals Fund
CIBC Premium Canadian T-Bill Fund
CIBC U.S. Dollar Money Market Fund
CIBC U.S. Equity Index Fund
CIBC U.S. Index RRSP Fund
CIBC U.S. Small Companies Fund
Frontiers Canadian Equity Pool
Frontiers Canadian Fixed Income Pool
Frontiers Canadian Monthly Income Pool
Frontiers Canadian Short Term Income Pool
Frontiers Emerging Markets Equity Pool
Frontiers Global Bond Pool
Frontiers International Equity Pool
Frontiers U.S. Equity Pool
Imperial Canadian Bond Pool
Imperial Canadian Dividend Income Pool
Imperial Canadian Dividend Pool
Imperial Canadian Equity Pool
Renaissance Canadian T-Bill Fund
Renaissance Emerging Markets Fund
Renaissance Diversified Income Fund
Renaissance European Fund
Renaissance Global Growth Fund
Renaissance Global Infrastructure Fund
Renaissance Global Focus Fund
Renaissance Global Technology Fund
Renaissance International Index Fund
Renaissance U.S. Equity Growth Fund
Renaissance U.S. Equity Value Fund
Renaissance U.S. Index Fund
Renaissance U.S. Money Market Fund
Renaissance Asian Fund
Renaissance Canadian Asset Allocation Fund
Renaissance China Plus Fund
Renaissance Dividend Fund
Renaissance Global Asset Allocation Fund
Renaissance Global Bond Fund
Renaissance Global Value Fund
Renaissance Global Health Care Fund
Renaissance Global Markets Fund

Renaissance Global Multi Management Fund
Renaissance Global Resource Fund
Renaissance Global Science & Technology Fund
Renaissance Global Small-Cap Fund
Renaissance Canadian Income Fund
Renaissance International Equity Fund
Renaissance Millennium High Income Fund
Renaissance Millennium Next Generation Fund
Imperial Canadian Income Trust Pool
Imperial Emerging Economies Pool
Imperial International Bond Pool
Imperial International Equity Pool
Imperial Money Market Pool
Imperial Overseas Equity Pool
Imperial Registered International Equity Index Pool
Imperial Registered U.S. Equity Index Pool
Imperial Short-Term Bond Pool
Imperial U.S. Equity Pool
Renaissance Money Market Fund

**2.1.17 Altamira Investment Services Inc. et al. –
MRRS Decision**

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief from s. 111 and 118(2)(a) of the Act granted to permit applicants to purchase debt securities of related entities in the secondary market on behalf of mutual funds they manage – relief conditional on IRC approval and compliance with pricing requirements.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 111(2)(a), 111(2)(c)(ii), 113, 118(2)(a), 121.
National Instrument 81-107 Independent Review Committee for Investment Funds – s. 6.2.

May 22, 2008

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

AND

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

AND

**IN THE MATTER OF
ALTAMIRA INVESTMENT SERVICES INC.,
NATIONAL BANK SECURITIES INC.,
TD ASSET MANAGEMENT INC.,
SCOTIA CASSELS INVESTMENT COUNSEL LIMITED,
SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.,
RBC ASSET MANAGEMENT INC.,
BMO HARRIS INVESTMENT MANAGEMENT INC.,
BMO NESBITT BURNS INC.,
GUARDIAN GROUP OF FUNDS LTD.,
BMO INVESTMENTS INC.,
AND JONES HEWARD INVESTMENT COUNSEL INC.,
CIBC ASSET MANAGEMENT INC. AND
CIBC GLOBAL ASSET MANAGEMENT INC.
(the Applicants)**

AND

**IN THE MATTER OF
THE MUTUAL FUNDS**
listed under an Applicant's name in Schedule A
and any mutual funds subject to National Instrument
81-102 – Mutual Funds (NI 81-102) that may be
established in the future for which the Applicant acts
as portfolio advisor and/or manager
(the Applicant Funds)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (**Decision Maker**) in each of the Jurisdictions received an application (the Application) from the Applicants on behalf of each Applicant Fund for relief from:

- (a) the prohibition in the Legislation of the Jurisdictions (the **Related Shareholder Relief**) that prohibits a mutual fund from making or holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company (each a **Related Shareholder**);
- (b) the prohibition in the Legislation of the Jurisdictions (the **Related Party Relief**) that prohibits a mutual fund from making or holding an investment in an issuer in which a Related Shareholder has a significant interest (each, a **Related Party**); and
- (c) the prohibition in the Legislation of the Jurisdictions (the **Related Issuer Relief**) that prohibits a portfolio manager or a mutual fund (depending on the Jurisdiction) from investing the portfolio of the mutual fund in any issuer in which a responsible person or an associate of a responsible person is an officer or director, or where his or her own interest might distort his or her judgement (each, a **Related Issuer**), unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the purchase.

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

- (i) the Ontario Securities Commission (the **OSC**) is the principal regulator for the Application; and
- (ii) this MRRS decision document (**MRRS Decision**) represents the decision of each of the Decision Makers.

Interpretation

Defined terms contained in National Instrument 14-101 – Definitions (**NI 14-101**), in NI 81-102 and in National Instrument 81-107 – Independent Review Committee for Investment Funds (**NI 81-107**) have the same meaning in this MRRS Decision Document unless they are otherwise defined in this Decision Document.

In this Decision Document the term **Related Person** will be used to refer to a Related Shareholder, a Related Party or a Related Issuer depending on the provision that is being considered.

The Related Shareholder Relief, the Related Party Relief and the Related Issuer Relief will be collectively referred to as the **Requested Related Person Securities Relief**.

Representations

This decision is based on the following facts represented by an Applicant in respect of the Applicant and the Applicant Funds of the Applicant.

- 1. Each of the Applicants is or will be the portfolio adviser and/or the manager of the Applicant Funds of the Applicant.
- 2. Each of the Applicants and the Applicant Funds is or will be compliant with the requirements of NI 81-107. Accordingly, each Applicant Fund has or will have an independent review committee (**IRC**) established in accordance with NI 81-107.
- 3. The investment strategies of each of the Applicant Funds that relies on the Requested Related Person Securities Relief permit or will permit it to invest in the securities purchased, either as a principal strategy in achieving its investment objective or as a temporary strategy pending the purchase of other securities.
- 4. Related Persons of the Applicants are significant issuers of securities.
- 5. Each of the Applicants previously obtained Related Shareholder Relief, Related Party Relief and Related Issuer Relief (the **Existing Related Person Relief**) so that an Applicant Fund of the Applicant could invest in common shares of Related Persons of the Applicant.
- 6. TD Asset Management Inc., CIBC Asset Management Inc. (**CIBC**) and certain affiliates of CIBC also had Existing Related Person Relief that applied generally to "securities" of the relevant Related Persons. Pursuant to section 7.2 of NI 81-107, this relief expired on November 1, 2007.
- 7. Section 6.2 of NI 81-107 provides an exemption from the prohibitions comprising the Requested Related Person Securities Relief for exchange-traded securities, such as common shares. It does not permit an Applicant Fund, or an Applicant on behalf of an Applicant Fund, to purchase non-exchange-traded securities issued by Related Persons. Some securities of Related Persons, such as debt securities, of the Applicants are not listed and traded.
- 8. Each of the Applicants is restricted from purchasing and holding non-exchange -traded

securities of Related Persons on behalf of the Applicant Funds. Such Related Persons (in particular those that are Canadian banks) are issuers of highly rated commercial paper and other debt instruments. The Applicants consider that the Applicant Funds should have access to such securities for the following reasons:

- a) There is currently and has been for several years a very limited supply of highly rated corporate debt.
- b) Diversification is reduced to the extent that an Applicant Fund is limited with respect to investment opportunities.
- c) To the extent that an Applicant Fund is trying to track or outperform a benchmark it is important for the Applicant Fund to be able to purchase any securities included in the benchmark. Debt securities of Related Persons of the Applicants are included in most of the Canadian debt indices.

- 9. Each Applicant is seeking the Requested Related Person Securities Relief to permit the Applicant Funds of the Applicant to purchase and hold non-exchange-traded securities that are debt securities issued by a Related Person.
- 10. Each purchase of non-exchange traded securities of a Related Person will occur in the secondary market and not under primary distributions or treasury offerings of a Related Person.
- 11. Each non-exchange traded security purchased by an Applicant Fund pursuant to the Requested Related Person Purchase Relief will be a debt security issued by a Related Person that has been given and continues to have, at the time of purchase, an "approved credit rating" by an approved credit rating organization.
- 12. If a Fund's purchase of non-exchange traded securities issued by a Related Person involves an interfund trade with another fund to which NI 81-107 applies, the provisions of section 6.1(2) of NI 81-107 will apply to such transaction.

Decision

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

The decision of the Decision Makers is that the Requested Related Person Securities Relief is granted to permit the Applicants to purchase Related Person debt securities in the secondary market on behalf of the Applicant Funds on the conditions that:

- (a) the purchase or holding is consistent with, or is necessary to meet, the investment objective of the Applicant Fund;
- (b) the IRC of the Applicant Fund has approved the transaction in accordance with Section 5.2(2) of NI 81-107;
- (c) the manager of the Applicant Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Applicant Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;
- (d) the price payable for the security is not more than the ask price of the security;
- (e) the ask price of the security is determined as follows:
 - (i) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or
 - (ii) if the purchase does not occur on a marketplace,
 - (A) the Fund may pay the price for the security at which an independent, arm's length seller is willing to sell the security, or
 - (B) if the Fund does not purchase the security from an independent, arm's length seller, the Fund must pay the price quoted publicly by an independent marketplace or obtain, immediately before the purchase, at least one quote from an independent, arm's length purchaser or seller and not pay more than that quote.
- (f) the transaction complies with any applicable "market integrity requirements"; and
- (g) no later than the time the Applicant Fund files its annual financial statements, the Applicant files with the securities

regulatory authority or regulator the
particulars of any such investments.

“James E.A. Turner”

“Margot C. Howard”

SCHEDULE A

APPLICANTS AND APPLICANT FUNDS

A. ALTAMIRA INVESTMENT SERVICES INC., NATIONAL BANK SECURITIES INC.

Altamira T-Bill Fund
Altamira Income Fund
Altamira Bond Fund
Altamira High Yield Bond Fund
Altamira Short Term Canadian Income Fund
Altamira Short Term Government Bond Fund
Altamira Inflation-Adjusted Bond Fund
Altamira Global Bond Fund
Altamira Short Term Global Income Fund
Altamira Balanced Fund
Altamira Dividend Fund Inc.
Altamira Growth & Income Fund
Altamira Monthly Income Fund
Altamira Global Diversified Fund
Altamira Canadian Value Fund
Altamira Equity Fund
AltaFund Investment Corp.
Altamira Capital Growth Fund Limited
Altamira Special Growth Fund
Altamira European Equity Fund
Altamira Global Value Fund
Altamira US Larger Company Fund
Altamira Asia Pacific Fund
Altamira Japanese Opportunity Fund
Altamira Global Discovery Fund
Altamira Global Small Company Fund
Altamira Select American Fund
National Bank Money Market Fund
National Bank Treasury Bill Plus Fund
National Bank U.S. Money Market Fund
National Bank Corporate Cash Management Fund
National Bank Treasury Management Fund
National Bank Mortgage Fund
National Bank Bond Fund
National Bank Dividend Fund
National Bank Global Bond Fund
National Bank High Yield Bond Fund
National Bank Monthly Secure Income Fund
National Bank Monthly Conservative Income Fund
National Bank Monthly Moderate Income Fund
National Bank Monthly Income Fund
National Bank Monthly High Income Fund
National Bank Monthly Equity Income Fund
Altamira Precision Canadian Index Fund
Altamira Precision European Index Fund
Altamira Precision International Currency Neutral Index Fund
Altamira Precision U.S. Currency Neutral Index Fund
Altamira Precision U.S. Midcap Index Fund
Altamira Health Sciences Fund
Altamira Precious and Strategic Metal Fund
Altamira Resource Fund
Altamira Science and Technology Fund
Altamira Energy Fund
Meritage Canadian Equity Portfolio
Meritage Global Equity Portfolio

Meritage American Equity Portfolio
 Meritage International Equity Portfolio
 Meritage Conservative Portfolio
 Meritage Moderate Portfolio
 Meritage Balanced Portfolio
 Meritage Growth Portfolio
 Meritage Equity Portfolio
 Meritage Conservative Income Portfolio
 Meritage Moderate Income Portfolio
 Meritage Balanced Income Portfolio
 Meritage Growth Income Portfolio
 Meritage Equity Income Portfolio
 National Bank Global Equity Fund
 National Bank International Index Fund
 National Bank American Index Fund
 National Bank American Index Plus Fund
 National Bank European Equity Fund
 National Bank European Small Capitalization Fund
 National Bank Asia-Pacific Fund
 National Bank Emerging Markets Fund
 National Bank Quebec Growth Fund
 National Bank Natural Resources Fund
 National Bank Future Economy Fund
 National Bank Global Technologies Fund
 National Bank Strategic Yield Class
 National Bank/Fidelity Canadian Asset Allocation Fund
 National Bank Retirement Balanced Fund
 National Bank Secure Diversified Fund
 National Bank Conservative Diversified Fund
 National Bank Moderate Diversified Fund
 National Bank Balanced Diversified Fund
 National Bank Growth Diversified Fund
 National Bank Canadian Equity Fund
 National Bank Canadian Opportunities Fund
 National Bank Canadian Index Fund
 National Bank Canadian Index Plus Fund
 National Bank Small Capitalization Fund
 National Bank/Fidelity True North Fund
 National Bank/Fidelity Global Fund
 National Bank Protected Canadian Bond Fund
 National Bank Protected Retirement Balanced Fund
 National Bank Protected Growth Balanced Fund
 National Bank Protected Canadian Equity Fund
 National Bank Protected Global Fund
 Omega Preferred Equity Fund
 Omega High Dividend Fund
 Omega Consensus American Equity Fund
 Omega Consensus International Equity Fund

B. TD ASSET MANAGEMENT INC.

TD Canadian T-Bill Fund
 TD Canadian Money Market Fund
 TD Premium Money Market Fund
 TD U.S. Money Market Fund
 TD Short Term Bond Fund
 TD Mortgage Fund
 TD Canadian Bond Fund
 TD Real Return Bond Fund
 TD Global Bond Fund
 TD High Yield Income Fund
 TD Corporate Bond Pool

TD Corporate Bond Capital Yield Fund
 TD Income Advantage Portfolio
 TD Monthly Income Fund
 TD Balanced Income Fund
 TD Monthly High Income Fund
 TD Balanced Growth Fund
 TD Global Equity Advantage Portfolio
 TD Income Trust Pool
 TD Income Trust Capital Yield Fund
 TD Dividend Income Fund
 TD Dividend Growth Fund
 TD Canadian Blue Chip Equity Fund
 TD Canadian Value Fund
 TD Canadian Equity Fund
 TD Canadian Small-Cap Equity Fund
 TD U.S. Quantitative Equity Fund
 TD U.S. Blue Chip Equity Fund
 TD North American Dividend Fund
 TD U.S. Mid-Cap Growth Fund
 TD U.S. Small-Cap Equity Fund
 TD U.S. Large-Cap Value Fund
 TD U.S. Blue Chip Equity Currency Neutral Fund
 TD U.S. Mid-Cap Growth Currency Neutral Fund
 TD U.S. Small-Cap Equity Currency Neutral Fund
 TD U.S. Large Cap Value Currency Neutral Fund
 TD U.S. Equity Advantage Portfolio
 TD Dow Jones Industrial AverageSM Index Fund
 TD U.S. Index Fund
 TD U.S. Index Currency Neutral Fund
 TD Nasdaq® Index Fund
 TD International Index Fund
 TD International Index Currency Neutral Fund
 TD European Index Fund
 TD Japanese Index Fund
 TD Balanced Index Fund
 TD Private Canadian Bond Return Fund
 TD Private Canadian Corporate Bond Fund
 TD Private Canadian Bond Income Fund
 TD Private Canadian Equity Fund
 TD Private North American Equity Fund
 TD Private Small/Mid-Cap Equity Fund
 TD Private Income Trust Fund
 TD Private Canadian Dividend Fund
 TD Private U.S. Equity Fund
 TD Private Canadian Strategic Opportunities Fund
 TD Private International Equity Fund
 TD Emerald Canadian Bond Index Fund
 TD Emerald Canadian Short Term Investment Fund
 TD Emerald International Equity Index Fund
 TD Emerald Global Government Bond Index Fund
 TD Emerald Canadian Equity Index Fund
 TD Emerald U.S. Market Index Fund
 TD Emerald Balanced Fund
 TD Emerald Canadian Treasury Management - Government Fund
 TD Emerald Canadian Treasury Management Fund
 TD Emerald Canadian Treasury Management - Financial Institution Fund
 TD Emerald U.S. Treasury Management - Government Fund
 TD Emerald U.S. Dollar Treasury Management Fund
 TD Managed Income Portfolio
 TD U.S. Equity Advantage Currency Neutral Portfolio

TD Global Select Fund
 TD International Equity Fund
 TD European Growth Fund
 TD Japanese Growth Fund
 TD Pacific Rim Fund
 TD Asian Growth Fund
 TD Emerging Markets Fund
 TD Latin American Growth Fund
 TD Global Multi-Cap Fund
 TD Global Value Fund
 TD International Equity Growth Fund
 TD Global Dividend Fund
 TD Resource Fund
 TD Energy Fund
 TD Precious Metals Fund
 TD Entertainment & Communications Fund
 TD Science & Technology Fund
 TD Health Sciences Fund
 TD Canadian Bond Index Fund
 TD Canadian Index Fund
 TD Managed Income & Moderate Growth Portfolio
 TD Managed Balanced Growth Portfolio
 TD Managed Aggressive Growth Portfolio
 TD Managed Maximum Equity Growth Portfolio
 TD Managed Index Income Portfolio
 TD Managed Index Income & Moderate Growth Portfolio
 TD Managed Index Balanced Growth Portfolio
 TD Managed Index Aggressive Growth Portfolio
 TD Managed Index Maximum Equity Growth Portfolio
 TD FundSmart Managed Income Portfolio
 TD FundSmart Managed Income & Moderate Growth Portfolio
 TD FundSmart Managed Balanced Growth Portfolio
 TD FundSmart Managed Aggressive Growth Portfolio
 TD FundSmart Managed Maximum Equity Growth Portfolio
 TD Canadian Core Plus Bond Fund
 TD Diversified Monthly Income Fund
 TD Global Monthly Income Fund
 TD World Bond Pool
 TD Private U.S. Large Cap Currency Neutral Fund
 TD Global Sustainability Fund

C. SCOTIA CASSELS INVESTMENT COUNSEL LIMITED, SCOTIA SECURITIES INC., SCOTIA CAPITAL INC.

Scotia T-Bill Fund
 Scotia Premium T-Bill Fund
 Scotia Money Market Fund
 Scotia U.S. \$ Money Market Fund
 Scotia Mortgage Income Fund
 Scotia Canadian Income Fund
 Scotia Cassels Short-Mid Government Bond Fund
 Scotia Cassels Canadian Corporate Bond Fund
 Scotia U.S. \$ Bond Fund
 Scotia Global Bond Fund
 Scotia Diversified Monthly Income Fund
 Scotia Canadian Balanced Fund
 Scotia Cassels Advantaged Income Fund
 Scotia Canadian Tactical Asset Allocation Fund
 Scotia Canadian Dividend Fund
 Scotia Cassels Canadian Equity Fund
 Scotia Canadian Blue Chip Fund

Scotia Canadian Growth Fund
 Scotia Canadian Small Cap Fund
 Scotia Resource Fund
 Scotia Cassels North American Equity Fund
 Scotia Cassels U.S. Equity Fund
 Scotia U.S. Growth Fund
 Scotia U.S. Value Fund
 Scotia International Value Fund
 Scotia Cassels International Equity Fund
 Scotia European Fund
 Scotia Pacific Rim Fund
 Scotia Latin American Fund
 Scotia Global Growth Fund
 Scotia Global Small Cap Fund
 Scotia Global Opportunities Fund
 Scotia Global Climate Change Fund
 Scotia Canadian Bond Index Fund
 Scotia Canadian Index Fund
 Scotia U.S. Index Fund
 Scotia CanAm(r) Index Fund
 Scotia Nasdaq Index Fund
 Scotia International Index Fund
 Scotia Selected Income & Modest Growth Portfolio
 Scotia Selected Balanced Income & Growth Portfolio
 Scotia Selected Moderate Growth Portfolio
 Scotia Selected Aggressive Growth Portfolio
 Scotia Partners(tm) Income & Modest Growth Portfolio
 Scotia Partners Balanced Income & Growth Portfolio
 Scotia Partners Moderate Growth Portfolio
 Scotia Partners Aggressive Growth Portfolio
 Scotia Vision Conservative 2010 Portfolio
 Scotia Vision Aggressive 2010 Portfolio
 Scotia Vision Conservative 2015 Portfolio
 Scotia Vision Aggressive 2015 Portfolio
 Scotia Vision Conservative 2020 Portfolio
 Scotia Vision Aggressive 2020 Portfolio
 Scotia Vision Conservative 2030 Portfolio
 Scotia Vision Aggressive 2030 Portfolio
 Pinnacle Short Term Income Fund
 Pinnacle Income Fund
 Pinnacle High Yield Income Fund
 Pinnacle American Core-Plus Bond Fund
 Pinnacle Global Real Estate Securities Fund
 Pinnacle Strategic Balanced Fund
 Pinnacle Canadian Value Equity Fund
 Pinnacle Canadian Mid Cap Value Equity Fund
 Pinnacle Canadian Growth Equity Fund
 Pinnacle Canadian Small Cap Equity Fund
 Pinnacle American Value Equity Fund
 Pinnacle American Mid Cap Value Equity Fund
 Pinnacle American Large Cap Growth Equity Fund
 Pinnacle American Mid Cap Growth Equity Fund
 Pinnacle International Equity Fund
 Pinnacle International Small to Mid Cap Value Equity Fund
 Pinnacle Global Equity Fund
 Pinnacle Balanced Income Portfolio
 Pinnacle Conservative Balanced Growth Portfolio
 Pinnacle Balanced Growth Portfolio
 Pinnacle Conservative Growth Portfolio
 Pinnacle Growth Portfolio

D. RBC ASSET MANAGEMENT INC.

RBC Canadian T Bill Fund
 RBC Canadian Money Market Fund
 RBC Premium Money Market Fund
 RBC \$U.S. Money Market Fund
 RBC Premium \$U.S. Money Market Fund
 RBC Canadian Short-Term Income Fund
 RBC Bond Fund
 RBC Canadian Bond Index Fund
 RBC Monthly Income Fund
 RBC \$U.S. Income Fund
 RBC Global Bond Fund
 RBC Global Corporate Bond Fund
 RBC Advisor Canadian Bond Fund
 RBC Global High Yield Fund
 RBC Cash Flow Portfolio
 RBC Enhanced Cash Flow Portfolio
 RBC Balanced Fund
 RBC Tax Managed Return Fund
 RBC Balanced Growth Fund
 RBC Jantzi Balanced Fund
 RBC Select Conservative Portfolio
 RBC Select Balanced Portfolio
 RBC Select Growth Portfolio
 RBC Select Aggressive Growth Portfolio
 RBC Select Choices Conservative Portfolio
 RBC Select Choices Balanced Portfolio
 RBC Select Choices Growth Portfolio
 RBC Select Choices Aggressive Growth Portfolio
 RBC Target 2010 Education Fund
 RBC Target 2015 Education Fund
 RBC Target 2020 Education Fund
 RBC Target 2025 Education Fund
 RBC Canadian Dividend Fund
 RBC Canadian Equity Fund
 RBC Jantzi Canadian Equity Fund
 RBC International Equity Fund
 RBC International Index Currency Neutral Fund
 RBC O'Shaughnessy International Equity Fund
 RBC European Equity Fund
 RBC Asian Equity Fund
 RBC Global Dividend Growth Fund
 RBC Jantzi Global Equity Fund
 RBC O'Shaughnessy Global Equity Fund
 RBC Global Energy Fund
 RBC Global Precious Metals Fund
 RBC Global Consumer and Financials Fund
 RBC Global Health Sciences Fund
 RBC Global Resources Fund
 RBC Global Technology Fund
 RBC DS North American Focus Fund
 RBC DS Canadian Focus Fund
 RBC DS International Focus Fund
 RBC DS Balanced Global Portfolio
 RBC DS Growth Global Portfolio
 RBC DS All Equity Global Portfolio
 RBC Private Short-Term Income Pool
 RBC Private Canadian Bond Pool
 RBC Private Corporate Bond Pool
 RBC Private Income Pool
 RBC Private Global Bond Pool
 RBC Private Canadian Dividend Pool

RBC Private Canadian Growth and Income Equity Pool
 RBC Private Canadian Equity Pool
 RBC Private Canadian Value Equity Pool
 RBC Private O'Shaughnessy Canadian Equity Pool
 RBC Private Core Canadian Equity Pool
 RBC Canadian Index Fund
 RBC O'Shaughnessy Canadian Equity Fund
 RBC O'Shaughnessy All-Canadian Equity Fund
 RBC Canadian Diversified Income Trust Fund
 RBC North American Dividend Fund
 RBC North American Value Fund
 RBC North American Growth Fund
 RBC U.S. Equity Fund
 RBC U.S. Equity Currency Neutral Fund
 RBC U.S. Index Fund
 RBC U.S. Index Currency Neutral Fund
 RBC O'Shaughnessy U.S. Value Fund
 RBC U.S. Mid-Cap Equity Fund
 RBC U.S. Mid-Cap Equity Currency Neutral Fund
 RBC O'Shaughnessy U.S. Growth Fund
 RBC O'Shaughnessy U.S. Growth Fund II
 RBC Life Science and Technology Fund
 RBC Private Canadian Mid Cap Equity Pool
 RBC Private U.S. Equity Pool
 RBC Private U.S. Value Equity Pool
 RBC Private O'Shaughnessy U.S. Value Equity Pool
 RBC Private U.S. Growth Equity Pool
 RBC Private O'Shaughnessy U.S. Growth Equity Pool
 RBC Private U.S. Mid Cap Equity Pool
 RBC Private U.S. Small Cap Equity Pool
 RBC Private International Equity Pool
 RBC Private EAFE Equity Pool
 RBC Private European Equity Pool
 RBC Private Asian Equity Pool
 RBC Private Global Dividend Growth Pool
 RBC Private World Equity Pool

E. BMO HARRIS INVESTMENT MANAGEMENT INC., BMO NESBITT BURNS INC., GUARDIAN GROUP OF FUNDS LTD., BMO INVESTMENTS INC., AND JONES HEWARD INVESTMENT COUNSEL INC.

BMO Harris Canadian Money Market Portfolio
 BMO Harris Canadian Bond Income Portfolio
 BMO Harris Canadian Total Return Bond Portfolio
 BMO Harris Canadian Corporate Bond Portfolio
 BMO Harris Income Opportunity Bond Portfolio
 BMO Harris Opportunity Bond Portfolio
 BMO Harris Diversified Yield Portfolio (formerly BMO Harris Diversified Trust Portfolio)
 BMO Harris Canadian Dividend Income Portfolio
 BMO Harris Canadian Income Equity Portfolio
 BMO Harris Canadian Conservative Equity Portfolio
 BMO Harris Canadian Growth Equity Portfolio
 BMO Harris Growth Opportunities Portfolio
 BMO Harris Canadian Special Growth Portfolio
 BMO Harris U.S. Equity Portfolio
 BMO Harris U.S. Growth Portfolio
 BMO Harris International Equity Portfolio
 BMO Harris International Special Equity Portfolio
 BMO Harris Emerging Markets Equity Portfolio
 BMO Nesbitt Burns Canadian Stock Selection Fund

BMO Nesbitt Burns U.S. Stock Selection Fund
BMO Nesbitt Burns Bond Fund
BMO Nesbitt Burns Balanced Fund
BMO Nesbitt Burns Balanced Portfolio Fund
BMO Nesbitt Burns Growth Portfolio Fund
BMO Nesbitt Burns All Equity Portfolio Fund
BMO T-Bill Fund
BMO Money Market Fund
BMO Precious Metals Fund
BMO Global Science & Technology Fund
BMO Emerging Markets Fund
BMO U.S. Dollar Money Market Fund
BMO U.S. Dollar Monthly Income Fund
BMO U.S. Dollar Equity Index Fund
BMO Short-Term Income Class
BMO Dividend Class
BMO Canadian Equity Class
BMO Global Dividend Class
BMO U.S. Equity Class
BMO Global Equity Class
BMO Greater China Class
BMO LifeStage Plus 2015 Fund
BMO LifeStage Plus 2020 Fund
BMO LifeStage Plus 2025 Fund
BMO LifeStage Plus 2030 Fund
BMO FundSelect™ Security Portfolio
BMO FundSelect™ Balanced Portfolio
BMO FundSelect™ Growth Portfolio
BMO FundSelect™ Aggressive Growth Portfolio
GGOF Canadian Bond Fund
GGOF Canadian Money Market Fund
GGOF Floating Rate Income Fund
GGOF Global Bond Fund
GGOF High Yield Bond Fund
GGOF Monthly Dividend Fund Ltd
GGOF Monthly High Income Fund
GGOF Monthly High Income Fund II
BMO AIR MILES®† Money Market Fund
BMO Premium Money Market Fund
BMO Mortgage and Short-Term Income Fund
BMO Bond Fund
BMO World Bond Fund
BMO Monthly Income Fund
BMO Diversified Income Fund
BMO Global Monthly Income Fund
BMO Global High Yield Bond Fund
BMO Income Trust Fund
BMO Asset Allocation Fund
BMO Dividend Fund
BMO Equity Index Fund
BMO Equity Fund
BMO U.S. Equity Index Fund
BMO U.S. Growth Fund
BMO U.S. Equity Fund
BMO International Index Fund
BMO International Equity Fund
BMO North American Dividend Fund
BMO European Fund
BMO Japanese Fund
BMO Special Equity Fund
BMO U.S. Special Equity Fund
BMO Resource Fund
GGOF U.S. Money Market Fund

GGOF American Equity Fund Ltd
GGOF Canadian Equity Fund Ltd (formerly GGOF Canadian Growth Fund Ltd.)
GGOF Canadian Large Cap Equity Fund
GGOF Dividend Growth Fund
GGOF Emerging Markets Fund
GGOF Enterprise Fund
GGOF European Equity Fund
GGOF Global Absolute Return Fund
GGOF Global Equity Fund
GGOF Global Small Cap Fund
GGOF Global Technology Fund
GGOF Japanese Equity Fund
GGOF Resource Fund
GGOF Asian Growth and Income Fund
GGOF Canadian Balanced Fund
GGOF Canadian Diversified Monthly Income Fund
GGOF Global Diversified Fund
GGOF Small Cap Growth and Income Fund
GGOF U.S. Diversified Monthly Income Fund
GGOF Income Solution
GGOF Conservative Solution
GGOF Balanced Solution
GGOF Growth Solution
GGOF Aggressive Growth Solution
GGOF Global Real Estate Fund
GGOF Global Dividend Growth Fund

**F. CIBC ASSET MANAGEMENT INC., CANADIAN
IMPERIAL BANK OF COMMERCE**

CIBC Asia Pacific Index Fund
CIBC Balanced Fund
CIBC Balanced Index Fund
CIBC Canadian Bond Fund
CIBC Canadian Bond Index Fund
CIBC Canadian Emerging Companies Fund
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Index Fund
CIBC Canadian Real Estate Fund
CIBC Canadian Resources Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Small Companies Fund
Renaissance Canadian Balanced Fund
Renaissance Canadian Balanced Value Fund
Renaissance Canadian Bond Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Dividend Income Fund
Renaissance Canadian Growth Fund
Renaissance Canadian High Yield Bond Fund
Renaissance Canadian Monthly Income Fund
Renaissance Canadian Real Return Bond Fund
Renaissance Canadian Small-Cap Fund
CIBC Canadian T-Bill Fund
CIBC Capital Appreciation Fund
CIBC Disciplined International Equity Fund
CIBC Disciplined U.S. Equity Fund
CIBC Diversified Income Fund
CIBC Dividend Fund
CIBC Emerging Economies Fund
CIBC Emerging Markets Index Fund
CIBC Energy Fund

CIBC European Equity Fund	Renaissance Global Multi Management Fund
CIBC European Index Fund	Renaissance Global Resource Fund
CIBC European Index RRSP Fund	Renaissance Global Science & Technology Fund
CIBC Far East Prosperity Fund	Renaissance Global Small-Cap Fund
CIBC Financial Companies Fund	Renaissance Canadian Income Fund
CIBC Global Bond Fund	Renaissance International Equity Fund
CIBC Global Bond Index Fund	Renaissance Millennium High Income Fund
CIBC Global Equity Fund	Renaissance Millennium Next Generation Fund
CIBC Global Monthly Income Fund	Imperial Canadian Income Trust Pool
CIBC Global Technology Fund	Imperial Emerging Economies Pool
CIBC High Yield Cash Fund	Imperial International Bond Pool
CIBC International Index Fund	Imperial International Equity Pool
CIBC International Index RRSP Fund	Imperial Money Market Pool
CIBC International Small Companies Fund	Imperial Overseas Equity Pool
CIBC Japanese Equity Fund	Imperial Registered International Equity Index Pool
CIBC Japanese Index RRSP Fund	Imperial Registered U.S. Equity Index Pool
CIBC Latin American Fund	Imperial Short-Term Bond Pool
CIBC Money Market Fund	Imperial U.S. Equity Pool
CIBC Monthly Income Fund	Renaissance Money Market Fund
CIBC Mortgage and Short-Term Income Fund	
CIBC Nasdaq Index Fund	
CIBC Nasdaq Index RRSP Fund	
CIBC North American Demographics Fund	
CIBC Precious Metals Fund	
CIBC Premium Canadian T-Bill Fund	
CIBC U.S. Dollar Money Market Fund	
CIBC U.S. Equity Index Fund	
CIBC U.S. Index RRSP Fund	
CIBC U.S. Small Companies Fund	
Frontiers Canadian Equity Pool	
Frontiers Canadian Fixed Income Pool	
Frontiers Canadian Monthly Income Pool	
Frontiers Canadian Short Term Income Pool	
Frontiers Emerging Markets Equity Pool	
Frontiers Global Bond Pool	
Frontiers International Equity Pool	
Frontiers U.S. Equity Pool	
Imperial Canadian Bond Pool	
Imperial Canadian Dividend Income Pool	
Imperial Canadian Dividend Pool	
Imperial Canadian Equity Pool	
Renaissance Canadian T-Bill Fund	
Renaissance Emerging Markets Fund	
Renaissance Diversified Income Fund	
Renaissance European Fund	
Renaissance Global Growth Fund	
Renaissance Global Infrastructure Fund	
Renaissance Global Focus Fund	
Renaissance Global Technology Fund	
Renaissance International Index Fund	
Renaissance U.S. Equity Growth Fund	
Renaissance U.S. Equity Value Fund	
Renaissance U.S. Index Fund	
Renaissance U.S. Money Market Fund	
Renaissance Asian Fund	
Renaissance Canadian Asset Allocation Fund	
Renaissance China Plus Fund	
Renaissance Dividend Fund	
Renaissance Global Asset Allocation Fund	
Renaissance Global Bond Fund	
Renaissance Global Value Fund	
Renaissance Global Health Care Fund	
Renaissance Global Markets Fund	

2.2 Orders

**2.2.1 Juniper Fund Management Corporation 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
THE JUNIPER FUND MANAGEMENT
CORPORATION, JUNIPER INCOME FUND,
JUNIPER EQUITY GROWTH FUND and
ROY BROWN (a.k.a. ROY BROWN-RODRIGUES)**

**ORDER
(Section 127 of the Securities Act)**

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

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

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

AND WHEREAS on March 23, 2006, the Commission ordered: (i) an extension of the Temporary Order to May 4, 2006; and (ii) an adjournment of the Hearing to May 4, 2006;

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

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

AND WHEREAS Staff have advised that on May 11, 2006 and June 30, 2006, the Ontario Superior Court of Justice (the "Superior Court") ordered that the two Directions dated May 4, 2006 freezing bank accounts of JFM, the Funds and Roy Brown be extended with the exception of the personal accounts and one JFM account as defined in the Superior Court orders dated May 11, 2006 and June 30, 2006;

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

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

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

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

AND WHEREAS on June 2, 2006, the Superior Court confirmed and extended the Receivership Order and approved the conduct of the Receiver and its counsel as set out in the First Report of the Receiver dated May 30, 2006;

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

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

AND WHEREAS on November 7, 2006, the Commission adjourned the Hearing and the Intervenor Motion to December 13, 2006 and extended the Temporary Order to December 13, 2006;

AND WHEREAS on November 17, 2006, the Superior Court ordered, *inter alia*, that: (i) the Receiver is authorized to call a meeting of unitholders of the Funds; and (ii) the conduct of the Receiver and its counsel, as described in the Second and Third Reports of the Receiver, is approved without prejudice to the right of NBFL and NBCN to dispute the Receiver's conclusion that NBFL and NBCN hold no units in the JEGF;

AND WHEREAS by letter dated December 6, 2006, counsel for NBCN and NBFL advised that they intended to withdraw the Intervenor Motion;

AND WHEREAS on December 13, 2006, the Commission ordered: (i) an extension of the Temporary

Order to March 2, 2007; and (ii) an adjournment of the Hearing to March 2, 2007;

AND WHEREAS on December 13, 2006, counsel for the Receiver advised that the Receiver will shortly be sending out an update letter to all unitholders explaining the steps taken by the Receiver and the status of the ongoing receivership;

AND WHEREAS on December 13, 2006 Staff advised that Staff's investigation and the investigation by the Receiver are both ongoing and there was a reasonable prospect that Staff's investigation would be completed by March 2007;

AND WHEREAS on December 13, 2006, counsel for the Receiver and Staff of the Commission consented to: (i) an adjournment of the Hearing to March 2, 2007; and (ii) an extension of the Temporary Order to March 2, 2007 and counsel for Roy Brown did not consent to the adjournment or the extension of the Temporary Order and requested the earliest possible return date;

AND WHEREAS on December 13, 2006, counsel for Roy Brown and Staff of the Commission scheduled a tentative pre-hearing conference with a Commissioner on February 27, 2007 at 11:00 a.m.;

AND WHEREAS on March 2, 2007, Staff advised that Staff's investigation and the investigation by the Receiver are both ongoing and that there is a reasonable prospect that Staff's investigation will be completed by April 2007;

AND WHEREAS on March 2, 2007, Staff advised that the tentative pre-hearing conference scheduled for February 27, 2007 did not proceed as Staff's investigation was ongoing;

AND WHEREAS on March 2, 2007, Staff advised that thirteen volumes of initial Staff disclosure were sent to counsel for Roy Brown on February 23, 2007;

AND WHEREAS on March 2, 2007, counsel for the Receiver provided an update of the ongoing receivership and advised that an update letter had been sent to all unitholders;

AND WHEREAS on March 2, 2007, Staff of the Commission requested and counsel for the Receiver consented to: (i) an adjournment of the Hearing to May 22, 2007; and (ii) an extension of the Temporary Order to May 22, 2007 and counsel for Roy Brown did not consent to the adjournment and extension of the Temporary Order;

AND WHEREAS on March 2, 2007, the Commission ordered: (i) an extension of the Temporary Order to May 22, 2007; and (ii) an adjournment of the Hearing to May 22, 2007;

AND WHEREAS the First, Second, Third and Fourth Reports of the Receiver have been filed with the Commission;

AND WHEREAS on May 22, 2007, based on Staff's submissions, the panel expected that Staff would conclude their investigation, amend their Statement of Allegations, provide additional disclosure to the Respondents and have attended at a pre-hearing conference in order to set a date for a hearing on the merits, all by mid-July 2007;

AND WHEREAS on May 22, 2007, Staff of the Commission requested and the Commission ordered: (i) an adjournment of the Hearing to July 17, 2007; and (ii) an extension of the Temporary Order to July 17, 2007, and whereas counsel for Roy Brown did not consent and counsel for the Receiver did consent to the adjournment and extension of the Temporary Order;

AND WHEREAS Staff of the Commission provided fifteen volumes of disclosure to counsel for Roy Brown on June 14 and 21, 2007 and the remaining five volumes of disclosure on July 9, 2007;

AND WHEREAS Staff of the Commission amended the Statement of Allegations on July 5, 2007;

AND WHEREAS a pre-hearing conference was held on July 20, 2007 and a second pre-hearing conference is scheduled for September 18, 2007;

AND WHEREAS on July 17, 2007, Staff of the Commission requested and counsel for the Receiver consented to and counsel for Roy Brown neither consented to nor opposed and the Commission ordered: (i) an adjournment of the Hearing to September 4, 2007; and (ii) an extension of the Temporary Order to September 4, 2007;

AND WHEREAS the parties were provided and agreed at the last pre-hearing conference to tentative hearing dates of April 7 to 11, 2008 and April 14 to 18, 2008;

AND WHEREAS on September 4, 2007, the Commission ordered: (i) the Hearing to commence on April 7, 2008 and continue for nine days; and (ii) an extension of the Temporary Order until the conclusion of the Hearing;

AND WHEREAS on November 14, 2007, the Superior Court ordered, *inter alia*, that : (i) the activities and conduct of the Receiver as described in the Fifth Report of the Receiver are hereby approved; (ii) the claims process defined in the Fifth Report of the Receiver is hereby approved; and (iii) the JEGF unitholder registry is amended as described in the Fifth Report of the Receiver;

AND WHEREAS on November 15, 2007, the Receiver held separate unitholder meetings for the Funds to obtain direction on how the receivership should proceed;

AND WHEREAS JEGF unitholders voted 99.65% in favour of liquidating the investments held by JEGF and completing a redemption of all JEGF units;

AND WHEREAS JIF unitholders voted 100% in favour of liquidating the investments held by JIF and completing a redemption of all JIF units;

AND WHEREAS on January 14, 2008, the Superior Court ordered, *inter alia*, that : (i) the distribution process to JEGF and JIF unitholders as proposed by the Receiver was approved; (ii) the JEGF unitholder registry as prepared by the Receiver was complete and final; and (iii) the JIF unitholder registry as prepared by the Receiver was complete and final (the "Distribution Approval Order");

AND WHEREAS on February 22, 2008, the Commission revoked the Temporary Order pursuant to section 144 of the Act to permit the Receiver to complete a distribution of redemption proceeds to JEGF unitholders and JIF unitholders, in accordance with the Distribution Approval Order;

AND WHEREAS on March 13, 2008, the Commission granted leave for the withdrawal of Brown's former counsel of record;

AND WHEREAS on March 26, 2008, Brown brought a motion to adjourn the Hearing on the basis that he is no longer represented by counsel and he needed additional time to prepare for the Hearing;

AND WHEREAS on March 31, 2008, Brown requested an adjournment and advised that: (1) he is no longer represented by counsel; (2) he has not yet seen Staff's disclosure volumes which were served on his former counsel; and (3) he requires additional time to prepare for the Hearing;

AND WHEREAS Staff opposed the adjournment request on the basis that the dates have been scheduled since September 4, 2007, witnesses have been summonsed and Staff are ready to proceed;

AND WHEREAS on March 31, 2008, the Commission ordered that: (i) the Hearing scheduled to commence on April 7, 2008 is adjourned; (ii) the Hearing will commence on June 16, 2008 peremptory, or such other date as is agreed by the parties and determined by the Office of the Secretary;

AND WHEREAS Staff are not available for the Hearing commencing on June 16, 2008;

AND WHEREAS Staff, Brown and counsel for the Receiver consent to the Hearing being adjourned to a date to be set by a pre-hearing conference commissioner or agreed to among the parties;

AND WHEREAS we are of the opinion that this Order is not prejudicial to the public interest;

IT IS ORDERED that the Hearing will commence on a date to be set by a pre-hearing conference commissioner or such other date as agreed to by the parties and confirmed by the Office of the Secretary.

DATED at Toronto this 6th day of June, 2008

"Suresh Thakrar"

"David Knight"

2.2.2 Revocation of the Assignment of Certain Powers and Duties of the Director to the IDA (s. 21.5(3) of the OSA) and Assignment of Certain Powers and Duties of the Director to the IIROC (ss. 21.5(2) of the OSA and s. 20(2) of the CFA)

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

AND

**THE COMMODITY FUTURES ACT,
R.S.O. 1990, c. 20, AS AMENDED
(the CFA)**

**IN THE MATTER OF
THE REVOCATION OF THE
ASSIGNMENT OF CERTAIN POWERS AND DUTIES OF
THE DIRECTOR TO THE
INVESTMENT DEALERS ASSOCIATION OF CANADA**

AND

**THE ASSIGNMENT OF
CERTAIN POWERS AND DUTIES OF THE DIRECTOR
TO THE INVESTMENT INDUSTRY REGULATORY
ORGANIZATION OF CANADA (IIROC)**

**REVOCATION
Section 21.5(3) OSA**

**ASSIGNMENT
Section 21.5(2) OSA
Section 20(2) CFA**

WHEREAS:

1. Section 21.5(2) of the OSA provides that the Executive Director may, with the approval of the Ontario Securities Commission (the **Commission**), assign to a recognized self-regulatory organization any of the powers and duties of the Director under Part XI of the OSA or the regulations related to that Part;
2. Section 20(2) of the CFA provides that the Executive Director may, with the approval of the Commission, assign to a recognized self-regulatory organization any of the powers and duties of the Director under Part VIII of the CFA or the regulations related to that Part;
3. Section 21.5(3) of the OSA provides that, with the approval of the Commission, the Executive Director may at any time revoke, in whole or in part, an assignment of powers and duties made under section 21.5 of the OSA;
4. On July 2, 1996, the Executive Director assigned to the Investment Dealers Association of Canada

(**IDA**), pursuant to section 21.5(2) of the OSA, certain powers and duties of the Director under Part XI of the OSA or the regulations related to that Part (the **Existing Assignment**);

5. A copy of the Existing Assignment is attached hereto as Schedule A;
6. The IDA has merged with Market Regulation Services Inc. to form the IIROC;
7. The IIROC is a recognized self-regulatory organization under section 21.1(1) of the OSA and section 16(1) of the CFA;
8. The Executive Director proposes to revoke the Existing Assignment and to assign to the IIROC certain powers and duties of the Director under Part XI of the OSA and the regulations related to that Part, and under Part VIII of the CFA; and
9. The Commission approves the revocation of the Existing Assignment and the assignment of certain powers and duties by the Executive Director to the IIROC.

NOW THEREFORE:

Under section 21.5(3) of the OSA, the Executive Director revokes the Existing Assignment, without prejudice to the effectiveness of any exercise prior to the date of this revocation of the powers and duties that were assigned by the Existing Assignment.

Under section 21.5(2) of the OSA and section 20(2) of the CFA, the Executive Director assigns to the IIROC:

- (1) with respect to applications for registration, applications for reinstatement of registration and applications for amendment of registration from individuals who are approved persons of members of the IIROC and individuals who are applying to become approved persons of members of the IIROC, the powers and duties vested in or imposed on the Director by:
 - (a) Section 26 of the OSA, with the exception of renewal of registration,
 - (b) Section 23 of the CFA, with the exception of renewal of registration,
 - (c) Sections 127(1) and 127(2)(b), (d), (e), (g), and (h) of R.R.O. 1990, Regulation 1015 made under the OSA, and
 - (d) Sections 37(7) and 38(2) of R.R.O. 1990, Regulation 90 made under the CFA, and

- (2) the powers and duties vested in or imposed on the Director by Parts 2 and 4 of OSC Rule 31-502 *Proficiency Requirements for Registrants*.

DATED this 1st day of June, 2008.

"Peggy Dowdall-Logie"
Executive Director

APPROVED this 1st day of June, 2008.

"Kevin Kelly"
Commissioner

"James E. A. Turner"
Commissioner

2.2.3 Rodney International 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
RODNEY INTERNATIONAL,
CHOEUN CHHEAN (ALSO KNOWN AS
PAULETTE C. CHHEAN)**

AND

**MICHAEL A. GITTENS (ALSO KNOWN AS
ALEXANDER M. GITTENS)**

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

WHEREAS it appears to the Ontario Securities Commission (the "Commission") that:

1. Rodney International ("Rodney") is a Sole Proprietorship registered under the *Business Names Act*;
3. Choeun Chhean (also known as Paulette C. Chhean) ("Chhean") is the Sole Proprietor of Rodney;
4. Michael A. Gittens (also known as Alexander M. Gittens) ("Gittens"), a resident of Windsor, Ontario, is the operating mind of Rodney;
5. Gittens, through Rodney, has been soliciting funds in Maryland, Pennsylvania and Texas in exchange for promissory notes that represent interests in a real estate development project in the Greater Toronto Area;
6. There is no record of Rodney having been registered under the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "*Act*"), nor is there a record of 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* apply to Rodney or securities issued by Rodney;
8. Staff of the Commission are conducting an investigation into the activities of Rodney and its agents or principals who 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. Agents or principals of Rodney may be trading in securities without the necessary registration under s. 25 of the *Act*;

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 Authorization Order made April 1, 2008, pursuant to subsection 3.5(3) of the *Act*, the Commission authorized each of W. David Wilson, James E. A. Turner, Lawrence E. Ritchie, Paul K. Bates and David L. Knight, acting alone, to exercise the powers of the Commission to make Orders under section 127 of the *Act*;

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

IT IS FURTHER ORDERED pursuant to clause 2 of subsection 127(1) of the *Act* that all trading by Rodney, Chhean and Gittens 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 Rodney, Chhean or Gittens;

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 4th day of June, 2008

"David Wilson"

2.2.4 Phillips, Hager & North Investment Management Ltd. et al. - s. 19.1 of NI 81-102 Mutual Funds

Headnote

Relief granted to permit applicant funds to purchase securities of related entity on secondary market and to continue principal trading portfolio debt securities with related dealers - Relief also granted to permit funds to purchase securities under private placements of reporting issuer underwritten by related dealers - Relief subject to conditions including IRC approval and pricing requirements.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(1), 4.1(2), 4.2, 19.1.

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

April 28, 2008

**IN THE MATTER OF
NATIONAL INSTRUMENT 81-102 - MUTUAL FUNDS
(NI 81-102)**

AND

**IN THE MATTER OF
PHILLIPS, HAGER & NORTH INVESTMENT
MANAGEMENT LTD.
(the Applicant)**

AND

**IN THE MATTER OF
THE MUTUAL FUNDS LISTED IN SCHEDULE A
(each, an Existing Fund and,
collectively, the Existing Funds)
AND ANY MUTUAL FUNDS SUBJECT TO
NATIONAL INSTRUMENT 81-102 – MUTUAL FUNDS
(NI 81-102) THAT MAY BE ADVISED BY THE FILER OR
ANY AFFILIATE OR ASSOCIATE OF THE FILER AND
MANAGED BY SHSC FINANCIAL INC. IN THE FUTURE
(each, a Future Fund and, collectively, the Future
Funds)**

**ORDER
(s. 19.1 of NI 81-102)**

Background

The Director of the Ontario Securities Commission has received an application (the **Application**) from the Applicant on behalf of each Existing Fund, and any Future Funds (each, a **Fund** and, collectively, the **Funds**) for an order under section 19.1 of NI 81-102 for relief in Ontario (the **Requested Relief**) from

- (a) the prohibition in section 4.1(1) of NI 81-102 (the **Section 4.1(1) Prohibition**) in order to permit a

Fund to purchase equity securities (**Securities**) of a reporting issuer during the period of distribution (the **Distribution**) of the issuer's Securities pursuant to a private placement (the **Private Placement**) and for the 60-day period (the **60-Day Period**) following completion of the Distribution (the Distribution and the 60-Day Period, together, the **Prohibition Period**), notwithstanding that an associate or an affiliate (a **Related Person**) of the dealer manager (the **Dealer Manager**) of the Fund acts or has acted as an underwriter in connection with the Distribution (each, a **Relevant Offering**);

- (b) from the prohibition in section 4.1(2) of NI 81-102 (the **Section 4.1(2) Prohibition**) in order to permit a Fund to invest in a class of securities of an issuer (a **Related Issuer**) of which a partner, director, officer or employee of the dealer manager of the Fund or a partner, director, officer or employee of an affiliate or associate of the dealer manager of the Fund, is a partner, director or officer, notwithstanding that the partner, director, officer or employee:
- (i) may participate in the formulation of investment decisions made on behalf of the dealer manager of the Fund;
 - (ii) may have access before implementation to information concerning investment decisions made on behalf of the dealer manager of the Fund; and
 - (iii) may influence, other than through research, statistical and other reports generally available to clients, the investment decisions made on behalf of the dealer manager of the Fund,

where such purchase occurs in the secondary market; and

- (c) from the prohibition in section 4.2(1) of NI 81-102 (the **Section 4.2(1) Prohibition**) in order to permit a Fund to purchase from or sell to a Related Person of the manager, portfolio adviser or trustee of the Fund that is a principal dealer (**Principal Dealer**) in the Canadian debt securities market debt securities of an issuer other than the federal or a provincial government (**Non-Government Debt Securities**) or debt securities issued or fully and unconditionally guaranteed by the federal or a provincial government (**Government Debt Securities**) in the secondary market.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions*, in NI 81-102, and in National Instrument 81-107 – *Independent Review Committee for Investment Funds (NI 81-107)* have the same meaning in this Order, unless they are otherwise defined in this Order;

Representations

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

1. The Applicant is a company organized under the laws of British Columbia.
2. The Applicant is registered under the *Securities Act* (Ontario) as an adviser in the categories of investment counsel and portfolio manager, and as a dealer in the category of mutual fund dealer.
3. Each of the Funds is, or will be, an open-end mutual fund trust or mutual fund corporation. The manager of the Funds is, or will be, SSHC Financial Inc. (the **Manager**). The head office of the Manager is located in Ontario.
4. The Applicant, or an affiliate or associate of the Applicant, is, or will be, a portfolio adviser, but not the manager, of each of the Existing Funds listed on Schedule A, and any Future Funds which may be advised (but not managed) by the Applicant or one of its affiliates or associates.
5. The securities of each of the Funds are, or will be, offered for sale pursuant to a prospectus filed in Ontario. Each of the Funds is, or will be, a reporting issuer in Ontario. None of the Existing Funds are reporting issuers in any other jurisdiction.
6. As a result of a share purchase transaction (the **Transaction**) with the shareholders of the Applicant and Royal Bank of Canada (**RBC**), each of the Funds may be, effective on and after the closing date (the **Closing Date**) of the Transaction, a dealer managed mutual fund (a **Dealer Managed Fund**) because the Applicant, or a Related Person of the Applicant, may be a dealer manager as defined in NI 81-102 (**Dealer Manager**). A Related Person of the Applicant may be, effective on and after the Closing Date, an underwriter in a Distribution which is a Relevant Offering or a Principal Dealer in the Canadian debt securities market and RBC, which is a significant issuer of both exchange traded and non-exchange traded securities, may be a Related Issuer in which a Fund is prohibited from investing, such that the Requested Relief is necessary.
7. The Existing Funds are, and the Future Funds will be, subject to the oversight of an independent review committee (**IRC**) in respect of the Funds in accordance with the requirements of NI 81-107.
8. A Fund would not be subject to the Section 4.1(1) Prohibition in connection with a Relevant Offering if, in accordance with section 4.1(4) of NI 81-102, certain conditions are met, including that a prospectus is filed in Ontario and the IRC of the

Fund has approved the investment in accordance with NI 81-107.

9. The investment strategies of a Fund that relies on the Requested Relief from the Section 4.1(2) Prohibition permit or will permit it to invest in the securities purchased, either as a principal strategy in achieving its investment objective or as a temporary strategy, pending the purchase of other securities.

10. The role played by a Principal Dealer which, as the result of the Transaction, will be a Related Person of the portfolio advisor or trustee of a Fund is such that the Fund needs the Requested Relief from the Section 4.2 Prohibition because:

(a) there is a limited supply of Non-Government Debt Securities and Government Debt Securities available; and

(b) frequently the only source of Non-Government Debt Securities and Government Debt Securities will be a Related Person.

12. The Applicant has the authority to bring the application on behalf of the Funds.

ORDER

The Director is satisfied that it would not be prejudicial to the public interest to grant the Requested Relief in respect of each Fund so long as the following conditions are satisfied:

A. Requested Relief from the Section 4.1(1) Prohibition

The Investment Decision

1. At the time of each purchase by a Dealer Managed Fund during a Prohibition Period for a Relevant Offering, the Dealer Managed Fund has an IRC that complies with NI 81-107 and the IRC of the Dealer Managed Fund will have approved the investment in accordance with each of subsection 4.1(4)(a) of NI 81-102 and NI 81-107. The Dealer Managed Fund will also comply with paragraphs (c)(ii) and (d) of subsection 4.1(4) of NI 81-102.

2. Each issuer of a Relevant Offering is a reporting issuer or equivalent under applicable securities legislation in a Canadian jurisdiction at the time of each purchase by a Dealer Managed Fund during the Prohibition Period for the Relevant Offering.

Transparency

3. (a) Prior to the first reliance on the decision, the internet website of the Dealer Managed Fund or Dealer Manager, as applicable, discloses, and

(b) on the date which is the earlier of (i) the date when an amendment to the simplified prospectus of the Dealer Managed Fund is filed for reasons other than this decision and (ii) the date on which the initial or renewal simplified prospectus is receipted, Part A of the simplified prospectus of the Dealer Managed Fund discloses,

that the Dealer Managed Fund may invest in Securities during the Prohibition Period pursuant to this decision, notwithstanding that a Related Person has acted as underwriter in the Relevant Offering of the same class of such Securities.

4. On the date which is the earlier of: (i) the date when an amendment to the annual information form of the Dealer Managed Fund is filed for reasons other than the decision; and (ii) the date on which the initial or renewal annual information form is receipted, the annual information form of the Dealer Managed Fund discloses the information referred to in paragraph 3 above and describes the policies or procedures and standing approvals, if any, that have been approved by the IRC as related to investments that can only be made pursuant to the decision.

B. Requested Relief from the Section 4.1(2) Prohibition:

At the time of each investment:

1. The purchase is consistent with, or is necessary to meet, the investment objective of the Fund.

2. The IRC has approved the transaction in accordance with Section 5.2(2) of NI 81-107.

3. The manager of the Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions.

4. If the security is an exchanged traded security, the purchase is made on an exchange on which the securities of the issuer are listed and traded.
5. If the security is not an exchange traded security,
 - (a) the price payable for the security is not more than the ask price of the security;
 - (b) the ask price of the security is determined as follows:
 - (i) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or
 - (ii) if the purchase does not occur on a marketplace,
 - (A) the Fund may pay the price for the security at which an independent, arm's length seller is willing to sell the security, or
 - (B) if the Fund does not purchase the security from an independent, arm's length seller, the Fund must obtain, immediately before the purchase, at least one quote from an independent, arm's length purchaser or seller and not pay more than that quote.
6. The transaction complies with any applicable "market integrity requirements" as defined in section 6.1(1)(b) of NI 81-107.

7. No later than the time the Fund files its annual financial statements, the manager of the Fund files with the securities regulatory authority or regulator the particulars of any investments made in reliance on this relief.

C. Requested Relief from the Section 4.2(1) Prohibition

1. The purchase or sale is consistent with, or is necessary to meet, the investment objective of the Fund.
2. The IRC of the Fund has approved the transaction in accordance with Section 5.2(2) of NI 81-107.
3. The manager of the Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions.
4. The bid and ask price of the security is readily available as provided in Commentary 7 to section 6.1 of NI 81-107.
5. A purchase is not executed at a price which is higher than the available ask price of the security and a sale is not executed at a price which is lower than the available bid price.
6. The purchase or sale is subject to market integrity requirements as defined in NI 81-107.
7. The Fund keeps the written records required by section 6.1(2)(g) of NI 81-107.

"Rhonda Goldberg"
 Manager – Investment Funds
 Ontario Securities Commission

SCHEDULE A

1. Social Housing Canadian Money Market Fund
2. Social Housing Canadian Short-Term Bond Fund
3. Social Housing Canadian Bond Fund
4. Social Housing Canadian Equity Fund

2.2.5 Phillips, Hager & North Investment Management Ltd. et al. - s. 19.1 of NI 81-102

Headnote

Relief granted on a transitional basis to permit applicant funds to purchase securities of related entity under primary offerings of related entity - Relief subject to conditions including termination at year end, IRC approval and pricing requirements.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, sections 4.1(2), 19.1.

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

April 30, 2008

**IN THE MATTER OF
NATIONAL INSTRUMENT 81-102 - MUTUAL FUNDS
(NI 81-102)**

AND

**IN THE MATTER OF
PHILLIPS, HAGER & NORTH INVESTMENT
MANAGEMENT LTD.
(the Applicant)**

AND

**IN THE MATTER OF
THE MUTUAL FUNDS LISTED IN SCHEDULE A
(each, a Fund and, collectively, the Funds)**

**ORDER
(s. 19.1 of NI 81-102)**

Background

The Director of the Ontario Securities Commission has received an application (the **Application**) from the Applicant on behalf of each Fund for an order under section 19.1 of NI 81-102 for relief in Ontario (the **Requested Relief**) from the prohibition in section 4.1(2) of NI 81-102 (the **Section 4.1(2) Prohibition**) in order to permit the Funds to purchase non-exchange traded debt securities in a primary distribution or treasury offering (a **Primary Offering**) by an issuer (a **Related Issuer**) in which a partner, director, officer or employee of the dealer manager of the Fund or a partner, director, officer or employee of an affiliate or associate of the dealer manager of the Fund, is a partner, director or officer, notwithstanding that the partner, director, officer or employee:

- (a) may participate in the formulation of investment decisions made on behalf of the dealer manager of the Fund;
- (b) may have access before implementation to information concerning investment decisions

made on behalf of the dealer manager of the Fund; and

- (c) may influence, other than through research, statistical and other reports generally available to clients, the investment decisions made on behalf of the dealer manager of the Fund.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions*, in NI 81-102, and in National Instrument 81-107 – *Independent Review Committee for Investment Funds (NI 81-107)* have the same meaning in this Order, unless they are otherwise defined in this Order.

Representations

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

- 1. The Applicant is a company organized under the laws of British Columbia having its head office located in Vancouver, British Columbia.
- 2. The Applicant is registered under the *Securities Act* (Ontario) as an adviser in the categories of investment counsel and portfolio manager, and as a dealer in the category of mutual fund dealer.
- 3. Each of the Funds is an open-end mutual fund trust or mutual fund corporation. The manager of the Funds is SSHC Financial Inc. (the **Manager**). The head office of the Manager is located in Ontario.
- 4. To the best of the knowledge of the Applicant, the Funds are not in default of securities legislation in Ontario.
- 5. The Applicant, or an affiliate or associate of the Applicant, is a portfolio adviser, but not the manager, of each of the Funds listed on Schedule A.
- 6. The securities of each of the Funds are offered for sale pursuant to a prospectus filed in Ontario. Each of the Funds is a reporting issuer in Ontario. None of the Funds are reporting issuers in any other jurisdiction.
- 7. As a result of a share purchase transaction (the **Transaction**) with the shareholders of the Applicant and Royal Bank of Canada (**RBC**), the Requested Relief will be required because effective on and after the closing date (the **Closing Date**) of the Transaction the Applicant or an affiliate or associate may wish to acquire and/or hold non-exchange traded debt securities of a Related Issuer issued in a Primary Offering for a Fund.

8. Following the closing of the Transaction, the Applicant and its existing affiliates and associates will continue to operate their respective businesses in a manner that is substantially similar to their present manner. In particular, the Applicant and its affiliates and associates intend to continue to manage the assets of all the Funds in the same manner as they are currently managed and do not intend to change the organizational structure of the Applicant as it relates to investment decisions affecting the Funds. While the Applicant and RBC Asset Management Inc. (RBC AM) will share a common chief investment officer, both entities will continue to operate independently from RBC and its other affiliates and associates with respect to their investment decisions.
9. The Funds are subject to the oversight of an independent review committee (IRC) in accordance with the requirements of NI 81-107.
10. Pursuant to section 6.2 of NI 81-107 and exemptive relief granted to the Applicant by order dated April 28, 2008, the Funds are, or will be, permitted to purchase, among other things, exchange traded debt securities of a Related Issuer and non-exchange traded debt securities of a Related Issuer in the secondary market subject to the terms and conditions set out therein.
11. Debt securities issued by a Related Issuer issued in a Primary Offering that are not listed and traded on an exchange may be appropriate securities for a Fund to purchase, sell or hold.
12. The Funds currently hold non-exchange traded debt securities issued by RBC and its affiliates and associates that were acquired in a Primary Offering. The Applicant considers that the Funds should continue to have access to such securities for a temporary period following the completion of the Transaction because there is currently and has been for several years a very limited supply of highly rated corporate debt and securities issued by RBC comprise a significant portion of the available supply.
13. In the absence of the Requested Relief, the Applicant and its affiliates and associates would be required, as of the Closing Date, to adjust the investment strategies and alter the holdings of the Funds to conform with the investment restrictions contained in the Legislation, in connection with the new relationship between RBC and its affiliates and associates and the Applicant and its affiliates and associates. Time is required to address the investment restrictions in the Legislation in a manner which will mitigate any negative impact the restrictions may have on the Funds.
14. The Applicant is seeking the Requested Relief from the Section 4.1(2) Prohibition to permit the

Funds to purchase and hold non-exchange-traded debt securities issued by a Related Issuer in a Primary Offering for a temporary period following the closing of the Transaction.

15. Each non-exchange traded debt security purchased by a Fund pursuant to the Requested Relief that is a security issued by a Related Issuer will have been given, and will continue to have, an approved credit rating by an approved credit rating organization.
16. Where a related underwriter acts as an underwriter in a Primary Offering, the related underwriter will be required to comply with the provisions of NI 33-105 Underwriting Conflicts.
17. The Applicant acknowledges that upon expiry of this decision, the Applicant and its affiliates and associates must ensure that the investment strategies of the Funds conform with investment restrictions contained in the Legislation, or seek new exemptive relief to permit the types of transactions described in this decision.
18. The Applicant has the authority to bring the application on behalf of the Funds.

ORDER

The Director is satisfied that it would not be prejudicial to the public interest to grant the Requested Relief in respect of each Fund so long as the following conditions are satisfied:

1. at the time of each investment, the purchase or holding is consistent with, or is necessary to meet, the investment objective of the Fund and represents the business judgment of the portfolio manager of the Fund uninfluenced by considerations other than the best interests of the Fund or in fact is in the best interests of the Fund;
2. at the time of each investment, the IRC of the Fund has approved the purchase in accordance with Section 5.2(2) of NI 81-107;
3. the manager of the Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the purchase;
4. not less than quarterly, the IRC completes the review and assessment required by section 4.2(1) of NI 81-107 in connection with all the purchases in that quarter, the related policies and procedures established by the manager,

- and any related standing instructions provided or conditions imposed by the IRC;
5. with respect to each purchase in a Primary Offering of debt securities with a term to maturity of 365 days or more,
- (i) at least two other investors at arm's length to the Fund, the Applicant and its affiliates and associates as at April 30, 2008 are purchasing the security in the same Primary Offering, and
 - (ii) the Fund, together with other Funds and the Applicant and its affiliates and associates as at April 30, 2008, do not purchase more than 20% of the securities issued under the Primary Offering;
6. with respect to each purchase in a Primary Offering of debt securities with a term to maturity of less than 365 days,
- (i) the Fund must not pay more than an independent, arm's length purchaser is willing to pay for a similar security,
 - (ii) the Fund must obtain quarterly certificates from the seller of the securities confirming that all transactions between the Fund and the seller in the quarter have satisfied the requirement in subparagraph (i),
 - (iii) in the event that such certificate cannot be obtained or contains material errors, the manager of the Fund must report such fact to the IRC of the Fund immediately, and
 - (iv) the Fund must not purchase debt securities in a Primary Offering if, immediately after the transaction, the purchase would result in more than 10% of the net assets of the Fund being comprised of securities of the Related Issuer; and
7. no later than the time the Fund files its annual financial statements, the manager of the Fund, files with the securities regulatory authority or regulator the particulars of any investments made in reliance on this relief.

The Director further orders that the Requested Relief terminates on December 31, 2008.

" Rhonda Goldberg"
Manager – Investment Funds
Ontario Securities Commission

SCHEDULE A

1. Social Housing Canadian Money Market Fund
2. Social Housing Canadian Short-Term Bond Fund
3. Social Housing Canadian Bond Fund
4. Social Housing Canadian Equity Fund

2.2.6 Anil Kumar Jain

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

AND

ANIL KUMAR JAIN

ORDER

WHEREAS on May 30, 2008, the Commission issued a Notice of Hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in respect of the actions of Anil Kumar Jain ("Jain");

AND WHEREAS on May 30, 2008, Staff of the Commission ("Staff") filed a Statement of Allegations;

AND WHEREAS on May 30, 2008, Jain entered into a Settlement Agreement dated May 30, 2008 (the "Settlement Agreement") in relation to the matters set out in the Statement of Allegations;

AND WHEREAS on May 30, 2008, the Commission issued a Notice of Hearing setting out that it proposed to consider the Settlement Agreement;

UPON reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations, and upon considering submissions from Jain and from Staff;

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

IT IS HEREBY ORDERED THAT:

1. the Settlement Agreement dated May 30, 2008 between Staff of the Commission and Jain is approved;
2. pursuant to paragraph 2 of section 127(1) of the Act, that the Respondent cease trading in securities for nine months;
3. pursuant to paragraph 2.1 of section 127(1) of the Act, that the Respondent be prohibited from acquiring any securities for nine months;
4. pursuant to paragraph 3 of subsection 127(1) of the Act, that any exemptions contained in Ontario securities law do not apply to the Respondent for nine months; and
5. pursuant to subsection 127.1 of the Act, that the Respondent pay costs of \$3,000 towards the cost of this hearing.

Dated at Toronto, Ontario this 9th day of June, 2008

“Wendell S. Wigle”

“Margot C. Howard”

2.2.7 The Bank of New York - ss. 46(4) of the OBCA

Headnote

Order pursuant to subsection 46(4) of the Business Corporations Act (Ontario) - trust indenture governed by the United States Trust Indenture Act of 1939, as amended - trustee filed with the Commission a submission to the non-exclusive jurisdiction of the courts and administrative tribunals of Ontario and appointment of an agent for service of process in Ontario - any pricing supplement or prospectus supplement under which the debt securities will be offered or sold in Ontario will include disclosure about the existence of this order and a statement regarding the risks associated with the purchase of the debt securities under the trust indenture by a holder in Ontario as a result of the absence of a local trustee appointed under the trust indenture - trust indenture exempted from the requirements of Part V of the Business Corporations Act (Ontario) in connection with a cross-border offering of debt securities.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am.,
ss. 46(2), 46(3), 46(4), Part V.
Securities Act, R.S.O. 1990, c. S.5, as am.

**IN THE MATTER OF
THE BUSINESS CORPORATIONS ACT,
R.S.O. 1990, CHAPTER B.16, AS AMENDED
(THE “OBCA”)**

AND

**IN THE MATTER OF
THE BANK OF NEW YORK
AND
BARRICK GOLD CORPORATION**

**ORDER
(Subsection 46(4) of the OBCA)**

UPON the application of The Bank of New York (the “Applicant”) to the Ontario Securities Commission (the “Commission”) for an order pursuant to subsection 46(4) of the OBCA exempting a trust indenture entered into between Barrick Gold Corporation (“Barrick”), certain affiliates of Barrick and the Applicant from the requirements of Part V of the OBCA;

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

AND UPON it being represented by Barrick and the Applicant to the Commission that:

1. The Applicant is a banking corporation organized under the laws of New York and is neither resident nor authorized to do business in Ontario and is the trustee under an indenture (the “Indenture”) entered into between Barrick, certain affiliates of Barrick and the Applicant.

2. Barrick has advised the Applicant that Barrick is a corporation existing under the laws of the province of Ontario and is a reporting issuer under the *Securities Act*, R.S.O. 1990, c.S. 5, as amended (the "Act") that is not in default of any of its obligations under the Act as a reporting issuer. Barrick's head office is located at Brookfield Place, TD Canada Trust Tower Suite 3700, 161 Bay Street, P.O. Box 212 Toronto, Ontario M5J 2S1.
3. Barrick proposes to sell debt securities (the "Debt Securities") in the province of Ontario under the Indenture.
4. A short form base shelf prospectus (the "Prospectus") will be filed by Barrick and its affiliates with the Commission pursuant to the applicable requirements of National Instrument 44-101 – *Short Form Prospectus Distributions* and National Instrument 44-102 – *Shelf Distributions* to qualify the distribution of the Debt Securities in the province of Ontario but not in any other province or territory of Canada. Accordingly, the Debt Securities may not be offered or sold in Canada (except in the province of Ontario) or to any resident of Canada (other than residents of Ontario) except pursuant to an exemption from the prospectus requirements of the applicable province or territory of Canada and otherwise in accordance with applicable securities laws.
5. Public offers and sales of the Debt Securities will be made, from time to time, in the United States pursuant to a shelf registration statement on Form F-9 and Form F-3 (the "Registration Statement") which has been filed by Barrick with the United States Securities and Exchange Commission (the "SEC"). The short form base shelf prospectus referred to in paragraph 4 above will form a part of the Registration Statement.
6. Because the Prospectus will be filed under the Act, Part V of the OBCA will apply to the Indenture by virtue of subsection 46(2) of the OBCA.
7. As a result of the filing of the Registration Statement with the SEC, the Indenture will be subject to and governed by the provisions of the United States *Trust Indenture Act of 1939* (the "TIA"). Upon the receipt of requested exemptions under the OBCA pursuant to the Order, the Indenture will continue to be subject to the TIA. The Indenture provides that there shall always be a trustee thereunder that satisfies the requirements of sections 310(a)(1), 310(a)(2) and 310(b) of the TIA and that the terms of such Indenture will be consistent with the requirements of the TIA.
8. Because the TIA regulates trustees and trust indentures of publicly offered debt securities in the United States in a manner that is consistent with Part V of the OBCA, holders of Debt Securities in

Ontario will not, subject to paragraph 9, derive any additional material benefit from having the Indenture be subject to Part V of the OBCA.

9. The Applicant has filed with the Commission a submission to the non-exclusive jurisdiction of the courts and administrative tribunals of Ontario and appointment of an agent for service of process in Ontario (a "Submission to Jurisdiction and Appointment of Agent for Service of Process").
10. Barrick has advised the Applicant that any pricing supplement or prospectus supplement under which Debt Securities will be offered or sold in Ontario will disclose the existence of the Order and state that the Applicant, its officers and directors, and the assets of the Applicant are located outside of Ontario and, as a result, it may be difficult for a holder of Debt Securities to enforce rights against the Applicant, its officers or directors, or the Applicant's assets and that the holder may have to enforce rights against the Applicant in the United States.

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

IT IS ORDERED, pursuant to subsection 46(4) of the OBCA, that the Indenture is exempt from Part V of the OBCA, provided that:

- (a) the Indenture is governed by and subject to the TIA; and
- (b) the Applicant, or any trustee that replaces the Applicant under the terms of the Indenture, has filed with the Commission a Submission to Jurisdiction and Appointment of Agent for Service of Process.

DATED at Toronto on this 10th day of June, 2008.

"David L. Knight"
Commissioner

"Mary Condon"
Commissioner

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Lawrence William Craig - s. 26(3)

IN THE MATTER OF
AN APPLICATION FOR REGISTRATION OF
LAWRENCE WILLIAM CRAIG

OPPORTUNITY TO BE HEARD BY THE DIRECTOR
UNDER SUBSECTION 26(3) OF THE SECURITIES ACT

Date: June 9, 2008

Director: David M. Gilkes
Manager, Registrant Regulation

Submissions: Rita Lo, Ontario Securities Commission
Lawrence William Craig

Overview

1. This decision relates to the recommendation of Ontario Securities Commission (**OSC**) staff to impose terms and conditions on the registration of Mr. Craig (also referred to as the **Registrant**). OSC staff made the recommendation based on an investigation conducted by the Mutual Fund Dealers Association of Canada (**MFDA**) that called into question the Registrant's continued suitability for registration in the securities industry.

Background

2. Mr. Craig was registered as salesperson in the category of mutual fund dealer under the *Securities Act* (the **Act**) on June 20, 1994. Mr. Craig has been sponsored by Ten Star Financial Inc. to act on its behalf as a limited market dealer salesperson and a mutual fund dealer salesperson (**Ten Star**) since August 31, 2004.
3. On December 11, 2007 the MFDA issued a warning letter to the registrant related to his conduct as a mutual fund salesperson. Based on this letter, OSC staff conducted a review of Mr. Craig's continued suitability for registration. On February 22, 2008, OSC staff advised Mr. Craig that it had recommended the Director impose supervisory terms and conditions on his registration. Mr. Craig exercised his right for an Opportunity to be Heard (**OTBH**) by the Director.
4. The OTBH was conducted through written submissions.

Staff Submissions

5. OSC staff recommended that the Director impose terms and conditions on the registration of Mr. Craig based on the findings of an investigation by the MFDA into the activities of the registrant.
6. During a branch compliance examination, staff of the MFDA noted that in 13 cases, different levels of investment knowledge were entered for a single client's account opening forms. For example, a client may have investment knowledge described as "good" in an RESP account and as "experienced" in a leveraged account. In some cases the accounts were opened on the same day. In other cases, the client's investment knowledge decreased after the client opened a leveraged account.
7. In an interview with the MFDA, the registrant admitted to advising clients that altering the know-your-client (**KYC**) information in the leveraged account opening forms would help ensure the approval of the accounts by Ten Star.
8. According to Ten Star's guidelines, leveraging is offered for clients that have good to experienced, or sophisticated investment knowledge. Leveraging is unsuitable for clients that have none/some, average or good investment

knowledge. However, the guidelines suggest that there could be situations where leveraging may be considered for clients that have good investment knowledge.

9. The compliance examination led to an investigation. The MFDA investigation resulted in warning letters being issued to Mr. Craig and to Ten Star.

Registrant Submissions

10. The Registrant believed that his client's were rated correctly with respect to investment knowledge. Mr. Craig did not recommend leveraging to all his clients. He only recommended leveraging for those clients where it was appropriate.
11. The Registrant supplied information and had discussions with clients about leveraging which raised their investment knowledge to a higher level. As a result, a client could have a different level of knowledge with respect to different programs or accounts.
12. Mr. Craig has learned that the MFDA and the OSC do not consider this practice as correct. There should only be one investment knowledge level per client.
13. There have never been any formal complaints lodged against Mr. Craig in his 13 year-tenure as a registrant. He has a significant client portfolio that he services.
14. Ten Star has placed Mr. Craig under voluntary supervision.

Suitability for Registration

15. A registrant is in a position to perform valuable services to the public, both in the form of direct services to individual investors and as part of the larger system that provides the public benefits of fair and efficient capital markets. A registrant also has a corresponding capacity to do material harm to individual investors and the public at large.
16. Determining whether an Registrant should be registered is an important component of the work undertaken by OSC staff to protect investors and foster confidence in the capital markets. The standard for suitability is based on three well established criteria that have been identified by the OSC:
- Integrity, including honesty and good faith, particularly in dealings with clients, and compliance with Ontario securities law,
 - Competency, including prescribed proficiency and knowledge of the requirements of Ontario securities law, and
 - financial soundness, an indicator of a firm's capacity to fulfill its obligations and of the risk that an individual will engage in self-interested activities at the expense of clients.
17. In this matter the question of the Registrant's suitability for registration surrounds the criteria of competency and to a lesser extent integrity. There is no issue relating to the Registrant's financial solvency.
18. The Registrant admits that he did not completely understand the application of KYC information. All registrants are expected to know how to apply KYC information. The Registrant's lack of understanding could have resulted in unsuitable leverage being recommended to a client. There is no evidence that this happened but the risk was present.
19. Ten Star bears some of the responsibility as it has an obligation to ensure that its salespersons are trained and understand the products and services they are selling. Ten Star's supervision should have found these irregularities in investment knowledge and corrected them. It was only as the result of the MFDA compliance review that the Registrant's practices came to light.

Decision and Reasons

20. The Director has the discretion to grant registration, refuse registration or impose terms and conditions on the registration. Terms and conditions are most useful in cases where remediation is possible. This point was discussed in the *Jaynes* decision that reads in part:

While terms and conditions restricting registration may be appropriate in a wide variety of circumstances, they should not be used to "shore up" a fundamentally objectionable registration. To

do so would be to create the very real risk that a client's interests cannot be effectively served due to the severity and extent of the restrictions imposed.

Re Jaynes (2000), 23 O.S.C.B. 1543

21. The submissions made by OSC staff and by the Registrant demonstrated a shortcoming in relation to the competency required of a mutual fund salesperson. The Registrant, however, believed he was acting in the best interests of his client.
22. In the situation presented, I believe the Registrant understands his past mistakes. I further believe that it is in the best interests of his clients that he remain registered. However, to ensure that there is no recurrence of past practices, close supervision will be required for a period of two years. Therefore, I impose the terms and conditions as set out in Exhibit A on the registration of Lawrence William Craig.

June 9, 2008

"David M. Gilkes"

Exhibit A

Terms and Conditions of Registration
for
Lawrence William Craig

Monthly Close Supervision Reports are to be completed on the registrant's sales activities and dealings with clients. The supervision reports are to be retained with the sponsoring firm and must be made available for review upon request. These terms and conditions are to continue for a period of two years commencing June 30, 2008.

Approved Officer for
Ten Star Financial Inc.

Lawrence William Craig

Print Name of Approved Officer

Date

Monthly Close Supervision Report*

I hereby certify that supervision has been conducted for the month ending _____ of the trading activities of Lawrence William Craig, by the undersigned. I further certify the following:

1. All orders from the salesperson were reviewed and approved by a compliance officer or branch manager of Ten Star Financial Inc.
2. There were no client complaints received during the preceding month. If there were complaints, a description of the complaint and follow-up action initiated by the company is attached.
3. All payments for the purchase of the investments were made payable to the dealer. There were no cash payments accepted.
4. The transactions of the salesperson were reviewed during the preceding month to ensure compliance with the policies and procedures of the dealer, including the suitability of investments for clients. If there were any violations, a description of the violation and follow-up action is attached.

Signature
Compliance Officer/Branch Manager
Ten Star Financial Inc.

Print Name

Date

* In the case of violations or client complaints, the regulator must be notified within five business days.

3.1.2 Anil Kumar Jain

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

AND

ANIL KUMAR JAIN

**SETTLEMENT AGREEMENT BETWEEN
ANIL KUMAR JAIN and
STAFF OF THE ONTARIO SECURITIES COMMISSION**

I. INTRODUCTION

1. By Notice of Hearing dated May 30, 2008, the Ontario Securities Commission (the "Commission") announced that it proposed to hold a hearing to consider whether, pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5 (the "*Act*"), it is in the public interest for the Commission to make an order approving the Settlement Agreement entered into between Staff of the Commission ("Staff") and the Respondent Anil Kumar Jain.

II. JOINT SETTLEMENT RECOMMENDATION

2. Staff recommend settlement with Anil Kumar Jain (referred to hereafter as the "Respondent") in accordance with the terms and conditions set out below. The Respondent agrees to this settlement and consents to the making of an Order in the Form attached as Schedule "A" on the basis of the facts set out in Part IV of this Agreement.

3. The terms of this Settlement Agreement, including the attached Schedule "A" will be released to the public only if and when the Settlement Agreement is approved by the Commission.

III. ACKNOWLEDGEMENT

4. Only for the purposes of this proceeding, and any other proceeding commenced by a securities regulatory agency, the Respondent agrees with the facts as set out in Part IV of this Settlement Agreement.

IV. AGREED FACTS

(a) Background

5. The Respondent, a former registrant, is an individual who resides in Oakville, Ontario and carries on the business of acting as an advisor as well as an accounting practice at 481 North Service Road, Oakville, Ontario.

(b) Unregistered Advising and Trading

6. Since May 23, 2003, the Respondent has been providing investment advisory services and has been trading securities while unregistered. Until March 30, 2008, he had an active website located at www.aniljain.com. The website described the investment services he offered which included preparing a financial plan, preparing periodic financial reports and rebalancing client accounts. The website also set out his fee schedule for providing advisory services.

(c) Particulars

(i) Registration History

7. The Respondent started his accounting practice in 1992. In the early days of his practice, he referred his clients to an investment advisor for their investment advice needs. On January 7, 1999, the Respondent became registered as a salesperson with IPC Investment Corporation.

8. The Respondent was employed, off and on, as a salesperson by various registrants until May 23, 2003 when his employment with Sterling Mutual Funds Inc. was terminated. He has not been registered with the Commission in any capacity since that date.

9. Between June 2003 and approximately December 2003 to June 2004, the Respondent had a relationship with Phillips, Hager & North Investment Funds Ltd. ("PHN"). He transacted trades through them on behalf of his clients. Based on his

understanding of what he was advised by PHN, he could have his clients' transactions processed through PHN as PHN assigned a registered representative to review the trades. During this time, the Respondent obtained Powers of Attorney from his clients. The Powers of Attorney enabled him to provide trading instructions to PHN. However, he confirmed his trading instructions with his clients before instructing trades on their behalf. As a result, he performed acts in furtherance of a trade while unregistered to trade securities. During this time, he held Powers of Attorney and trading authority over approximately 40 trading accounts. Some clients had multiple accounts, and the Respondent had, in total, approximately 15 clients with as much as \$4 million under management.

10. In early to mid 2004, the Respondent started a relationship with ASL Direct Inc. ("ASL"). He provided a completed Form 4 for registration as a Mutual Fund Representative to ASL. He was provided with a representative code by ASL to enable processing of trades. He transacted trades on behalf of his clients through ASL.

11. In the summer of 2005, the Respondent was advised that he was not registered with the Commission. He contacted ASL and requested that the registration issue be resolved. He pursued this issue with ASL until approximately September 2007.

12. On October 24, 2005, the Respondent contacted the Commission to determine why he was not registered.

13. On July 18, 2006, he again contacted the Commission inquiring about his registration status with ASL. In a letter to ASL dated September 11, 2006, the Respondent discussed with ASL his understanding that ASL was dealing with the Commission and the MFDA on his registration issue.

14. In August 2006, Staff informed ASL that the Respondent's application for registration was deficient.

15. The Respondent continued to conduct business and process trades through ASL until September 2007 when he was terminated by ASL.

16. In July 2007, the Respondent registered with WFG Securities of Canada Inc. ("WFG"). He was provided with a representative code.

17. In February 2008, the Respondent prepared an application for registration for WFG to file on his behalf. The Commission, however, has not received an application for registration for the Respondent from WFG.

18. At present, the Respondent investment practice consists of approximately 10 clients for a total of approximately \$3 million dollars under management.

V. VIOLATIONS OF THE ACT AND CONDUCT CONTRARY TO THE PUBLIC INTEREST

19. The Respondent's conduct included acting as advisor without being registered as an advisor and performing acts in furtherance of trades while unregistered to trade securities contrary to section 25(1) (a) and (c) of the *Act* and was contrary to the public interest.

VI. MITIGATING FACTORS

20. The Respondent cooperated with Staff's investigation.

21. The Respondent has removed all references to investment practice from his website effective March 30, 2008.

22. The Respondent has commenced transfer of his investment practice to a registered representative.

23. The Respondent has not engaged in any acts in furtherance of a trade since termination of his relationship with ASL in September 2007.

VII. TERMS OF SETTLEMENT

24. The Respondent agrees to the following terms of settlement, to be set out in an order by the Commission as follows:

- (a) pursuant to paragraph 2 of section 127(1) of the *Act*, that the Respondent cease trading in securities for nine months;
- (b) pursuant to paragraph 2.1 of section 127(1) of the *Act*, that the Respondent be prohibited from acquiring any securities for nine months;

- (c) pursuant to paragraph 3 of subsection 127(1) of the *Act*, that any exemptions contained in Ontario securities law do not apply to the Respondent for nine months; and
- (d) pursuant to subsection 127.1 of the *Act*, that the Respondent pay costs of \$3,000 toward the cost of this hearing.

VIII. STAFF COMMITMENT

25. If this Settlement Agreement is approved by the Commission, Staff will not initiate any proceeding under Ontario securities law in respect of any conduct or alleged conduct of the Respondent in relation to the facts set out in Part IV of this Settlement Agreement, subject to the provisions of paragraph 30 below.

IX. PROCEDURE FOR APPROVAL OF SETTLEMENT

26. Approval of this Settlement Agreement shall be sought at a hearing of the Commission on a date agreed to by Staff and the Respondent.

27. Staff and the Respondent may refer to any part, or all, of the Settlement Agreement at the Settlement Hearing. Staff and the Respondent also agree that if this Settlement Agreement is approved by the Commission, it will constitute the entirety of the evidence to be submitted respecting the Respondent in this matter, and the Respondent agrees to waive his rights to a full hearing, judicial review or appeal of the matter under the *Act*.

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

29. If this Settlement Agreement is approved by the Commission and, at any subsequent time, the Respondent fails to honour any of the Terms of Settlement set out in Part VII herein, Staff reserve the right to bring proceedings under Ontario securities law against the Respondent based on, but not limited to, the facts set out in Part IV of the Settlement Agreement, as well as the breach of the Settlement Agreement.

30. If, for any reason whatsoever, this Settlement Agreement is not approved by the Commission or an Order in the Form attached as Schedule "A" is not made by the Commission, each of Staff and the Respondent will be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Notice of Hearing and Statement of Allegations, unaffected by this Settlement Agreement or the settlement negotiations.

31. Whether or not this Settlement Agreement is approved by the Commission, the Respondent agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any allegation against the Commission of lack of jurisdiction, bias, appearance of bias, unfairness, or any other remedy or challenge that may otherwise be available.

X. DISCLOSURE OF AGREEMENT

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

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

XI. EXECUTION OF SETTLEMENT AGREEMENT

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

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

Dated this 30th day of May, 2008

"Brandi Czyz"
Witness

Dated this 30th day of May, 2008

"Anil Kumar Jain"
ANIL KUMAR JAIN

STAFF OF THE ONTARIO SECURITIES COMMISSION

"Michael Watson"
Michael Watson
Director, Enforcement Branch

Schedule "A"

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

AND

ANIL KUMAR JAIN

ORDER

WHEREAS on May 30, 2008, the Commission issued a Notice of Hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, C.S.5, as amended (the "*Act*") in respect of the actions of Anil Kumar Jain ("Jain");

AND WHEREAS on May 30, 2008, Staff of the Commission ("Staff") filed a Statement of Allegations;

AND WHEREAS on May 30, 2008, Jain entered into a Settlement Agreement dated May 30, 2008 (the "Settlement Agreement") in relation to the matters set out in the Statement of Allegations;

AND WHEREAS on May 30, 2008, the Commission issued a Notice of Hearing setting out that it proposed to consider the Settlement Agreement;

UPON reviewing the Settlement Agreement, the Notice of Hearing, the Statement of Allegations, and upon considering submissions from Jain and from Staff;

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

IT IS HEREBY ORDERED THAT:

1. the Settlement Agreement dated May 30, 2008 between Staff of the Commission and Jain is approved;
2. pursuant to paragraph 2 of section 127(1) of the *Act*, that the Respondent cease trading in securities for nine months;
3. pursuant to paragraph 2.1 of section 127(1) of the *Act*, that the Respondent be prohibited from acquiring any securities for nine months;
4. pursuant to paragraph 3 of subsection 127(1) of the *Act*, that any exemptions contained in Ontario securities law do not apply to the Respondent for nine months; and
5. pursuant to subsection 127.1 of the *Act*, that the Respondent pay costs of \$3,000 towards the cost of this hearing.

Dated at Toronto, Ontario this ____ day of June, 2008

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Geoglobal Resources Inc.	06 June 08	18 June 08		
Omnitech Consultant Group Inc.	28 May 08	09 June 08	09 June 08	
Shift Networks Inc.	28 May 08	09 June 08	09 June 08	
Equitech Corporation	06 June 08	18 June 08		06 June 08

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
Neotel International Inc.	05 June 08	18 June 08			
iScope Inc.	06 June 08	19 June 08			

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
Argus Corporation Limited	25 May 04	03 June 04	03 Jun 04		
CoolBrands International Inc.	30 Nov 06	13 Dec 06	13 Dec 06		
Fareport Capital Inc.	13 July 07	26 Jul7 07	26 July 07		
Hip Interactive Corp.	04 July 05	15 July 05	15 July 05		
SunOpta Inc.	20 Feb 08	04 Mar 08	04 Mar 08		
Warwick Communications Inc.	02 May 08	15 May 08	15 May 08		
Onepak, Inc.	05 May 08	16 May 08	16 May 08		
PharmEng International Inc.	07 May 08	20 May 08	20 May 08	10 June 08	
Onco Petroleum Inc.	09 May 08	22 May 08	22 May 08		
ESI Entertainment Systems Inc.	04 June 08	17 June 08			

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Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
07/23/2007 to 03/03/2008	43	1327181 Alberta Inc. - Common Shares	429,398.00	115,956.00
05/07/2008	8	6550568 Canada Inc. - Common Shares	531,882.00	18,277,716.00
04/14/2008	3	AIG Brazil Special Situations Fund II, L.P. - Limited Partnership Units	4,996,081.50	216,000,000.00
05/01/2008 to 05/09/2008	31	Alix Resources Corp. - Flow-Through Units	517,900.00	1,003,000.00
05/01/2008 to 05/09/2008	31	Alix Resources Corp. - Non-Flow Through Units	517,900.00	1,085,000.00
04/28/2008 to 05/06/2008	3	AMADOR GOLD CORP. - Common Shares	274,500.00	1,550,000.00
05/23/2008	17	Apogee Minerals Ltd. - Units	2,957,810.00	7,394,525.00
05/29/2008	67	Arian Silver Corporation - Units	3,023,000.00	12,092,000.00
05/22/2008	1	Baxter International Inc. - Notes	994,200.00	1,000,000.00
05/22/2008	8	BF Minerals Ltd. - Special Warrants	2,125,000.00	6,000,000.00
05/22/2008	1	Campbell Resources Inc. - Common Shares	600,000.00	6,000,000.00
05/22/2008	13	Campbell Resources Inc. - Flow-Through Shares	1,749,996.00	14,583,300.00
05/22/2008	1	Canadian Auto Receivables Enterprise Network Trust II - Notes	743,201,459.40	743,201,459.40
05/22/2008 to 05/28/2008	13	CareVest First Mortgage Investment Corporation - Preferred Shares	2,283,137.00	2,283,137.00
05/16/2008	7	Carfinco Income Fund - Debentures	1,400,000.00	1,400,000.00
05/30/2008	38	Celtic Minerals Ltd. - Flow-Through Shares	3,541,699.70	6,439,454.00
05/20/2008	1	Chesapeake Energy Corporation - Notes	297,900,000.00	3,000,000.00
04/30/2008	16	Citigroup Inc. - Common Shares	28,742,260.00	1,126,000.00
05/22/2008	69	Claude Resources Inc. - Units	16,344,000.00	16,344,000.00
05/26/2008 to 05/30/2008	8	Clear Vistas Community #1 Limited Partnership - Limited Partnership Units	363,000.00	0.00
05/13/2008	2	Colfax Corporation - Common Shares	396,198.00	18,750,000.00
05/21/2008	43	Cruiser Oil & Gas Ltd. - Special Warrants	6,300,000.00	57,142,859.00

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
05/21/2008	43	Cruiser Oil & Gas Ltd. - Special Warrants	6,300,000.00	32,857,141.00
05/22/2008	13	Deloro Resources Ltd. - Units	248,700.00	710,571.00
05/28/2008	1	EnerSys - Notes	1,997,200.00	2,000,000.00
05/16/2008	2	Equimor Mortgage Investment Corporation - Special Shares	26,180.50	26,180.00
03/21/2008	5	Eventus Capital Group Limited Partnership - Limited Partnership Interest	625,000.00	50,000.00
05/14/2008	27	Excellon Resources Inc. - Common Shares	10,010,000.00	7,700,000.00
05/22/2008	1	First Leaside Elite Limited Partnership - Limited Partnership Interest	39,642.21	40,201.00
05/22/2008	1	First Leaside Fund - Trust Units	150,000.00	150,000.00
05/27/2008	2	First Leaside Wealth Management Inc. - Notes	355,020.00	355,020.00
05/28/2008	11	GeoMonkey, Inc. - Common Shares	965,152.50	1,950,000.00
05/21/2008	12	Gold Point Energy Corp. - Units	216,000.00	2,700,000.00
05/27/2008	52	Grand Power Logistics Group Inc. - Common Shares	2,115,050.00	3,021,500.00
05/21/2008	14	Greentree Gas & Oil Ltd. - Units	86,400.00	720,000.00
05/08/2008	3	Hovananian Enterprises, Inc. - Common Shares	3,615,000.00	375,000.00
05/26/2008 to 05/30/2008	29	IGW Real Estate Investment Trust - Trust Units	1,495,160.00	1,380,758.00
05/20/2008	1	Kenrick-Eskay Mining Corp. - Common Shares	155,000.00	500,000.00
05/15/2008	3	Kingwest Avenue Portfolio - Units	23,927.74	782.47
05/15/2008 to 05/20/2008	3	Kodiak Exploration Limited - Common Shares	51,500.00	21,021.00
05/22/2008	1	Kraft Foods Inc. - Notes	994,200.00	1,000,000.00
05/22/2008	1	Kraft Foods Inc. - Notes	994,200.00	1,000,000.00
05/02/2008	1	Le Lis Blanc Deux Comercio e Confeccoes de Roupas S.A. - Common Shares	1,043,381.28	22,250,000.00
07/01/2007 to 04/28/2008	2	Legg Mason Canada Inc. - Units	1,170,174.64	135,017.21
05/26/2008	17	Maxim Resources Inc. - Units	1,118,100.00	6,211,666.00
05/27/2008	2	Melco China Resorts - Receipts	2,387,535.60	7,958,452.00
05/09/2008	8	Metcalfe & Mansfield Alternative Investments IV Corp. - Notes	114,075,879.00	114,075,879.00
06/01/2008	1	Millennium International Ltd. - Common Shares	1,501,950.00	1,501,950.00

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
04/25/2008	2	Morrison Lamothe Inc. - Debentures	550,000.00	550,000.00
05/25/2008 to 06/02/2008	30	Nelson Financial Group Ltd. - Notes	2,096,940.56	30.00
11/20/2007 to 01/31/2008	20	Neotel International Inc. - Common Shares	1,150,000.00	7,200,000.00
12/31/2007	18	Neotel International Inc. - Units	232,950.00	2,911,875.00
11/20/2007 to 01/31/2008	20	Neotel International Inc. - Units	1,150,000.00	3,125,000.00
05/22/2008	1	New Solutions Financial (II) Corporation - Debenture	400,000.00	1.00
06/01/2008	24	New World Lenders Corp. - Bonds	1,360,000.00	1,360.00
05/16/2008 to 05/21/2008	40	Newport Canadian Equity Fund - Units	423,700.00	2,709.46
05/22/2008	10	Newport Diversified Hedge Fund - Units	339,619.84	2,725,354.00
05/16/2008 to 05/22/2008	10	Newport Fixed Income Fund - Units	349,400.00	3,425.47
05/21/2008 to 05/22/2008	2	Newport Global Equity Fund - Units	95,000.00	1,235.50
05/16/2008 to 05/22/2008	36	Newport Yield Fund - Units	586,251.96	4,700.00
05/22/2008	1	Nuvo Research Inc. - Common Shares	213,691.19	1,761,675.00
05/23/2008	4	Oilsands Quest Inc. - Common Shares	53,864,718.16	12,976,761.00
12/03/2007	1	Pacific Panorama, SPC-Segregated Portfolio 4 - Units	19,121,010.00	19,100.00
05/28/2008	14	Paxton Corporation - Common Shares	20,760,000.00	6,920,000.00
05/14/2008	-1	Platmin Limited - Warrants	NA	300,000.00
04/23/2008	40	Prairie Hunter Energy Corporation - Common Shares	1,106,500.00	1,106,500.00
04/23/2008	10	Prairie Hunter Energy Corporation - Flow-Through Shares	295,362.00	246,135.00
04/01/2008	1	Premier Gold Mines Limited - Common Shares	230,000.00	100,000.00
09/30/2007	15	Prestigious Capital Four Ltd. - Bonds	480,000.00	4,800.00
01/31/2008	5	Prestigious Capital Four Ltd. - Bonds	205,000.00	2,050.00
06/03/2008	1	Process Capital Corporation - Common Share Purchase Warrant	1,000,000.00	20,000,000.00
06/03/2008	1	Process Capital Corporation - Common Shares	1,000,000.00	20,000,000.00
05/21/2008	6	Redbourne Realty Fund I Limited Partnership - Units	827,396.00	827,396.00

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
05/21/2008	6	Redbourne Realty Fund Inc. - Common Shares	2,107,261.00	2,107,261.00
05/26/2008 to 05/30/2008	5	Rockex Limited - Common Shares	12,084,000.00	20,240,000.00
05/22/2008	5	Rockport Mining Corp. - Common Shares	275,250.40	233,667.00
05/22/2008	5	Rockport Mining Corp. - Flow-Through Shares	275,250.40	117,647.00
05/14/2008	1	Rutter Inc. - Warrants	1.00	6,000,000.00
05/16/2008 to 05/22/2008	2	Rye Patch Gold Corp. - Common Shares	1,500,000.00	6,000,000.00
05/28/2008	1	Safeguard Real Estate Investment Fund VI Limited Partnership - Limited Partnership Unit	50,000.00	1.00
05/28/2008	1	Safeguard Real Estate Investment Fund VII Limited Partnership - Limited Partnership Units	50,000.00	2.00
05/09/2008	3	Sextant Strategic Opportunities Hedge Fund LP - Units	273,500.00	8,824.10
05/29/2008	2	Softrock Minerals Ltd. - Units	100,000.00	2,000,000.00
05/21/2008	3	Sonomax Hearing Healthcare Inc. - Common Share Purchase Warrant	1,149,999.90	7,666,666.00
05/21/2008	3	Sonomax Hearing Healthcare Inc. - Common Shares	1,149,999.90	7,666,666.00
05/27/2008	211	Spartan Exploration Ltd. - Common Shares	12,439,000.00	12,439,000.00
05/16/2008	44	Spry Energy Ltd. - Flow-Through Shares	1,993,735.80	316,466.00
05/27/2008	24	Suncor Energy St. Clair Inc. - Preferred Shares	12,500,000.00	125,000.00
03/07/2008	30	Telkwa Gold Corporation - Units	400,000.00	8,000,000.00
04/01/2005 to 03/01/2006	5	The Children's Investment Fund - Common Shares	71,632,019.00	518,236.00
03/05/2008	1	The Republic of Turkey - Notes	4,773,656.90	1,000,000,000.00
05/23/2008	1	Velocity Minerals Ltd. - Units	1,250,000.00	2,083,333.00
05/26/2008	6	Walton International Group Inc. - Notes	520,000.00	520,000.00
05/21/2008	4	Yale Resources Ltd. - Units	367,200.00	2,040,000.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Advanced Folio Fund
Aggressive Folio Fund
Balanced Folio Fund
GWLIM Canadian Growth Fund
London Capital Canadian Diversified Equity Fund
London Capital Canadian Dividend Fund
London Capital Global Real Estate Fund
London Capital Income Plus Fund
London Capital U.S. Value Fund
Mackenzie Focus Canada Fund
Mackenzie Maxxum Canadian Balanced Fund
Mackenzie Maxxum Canadian Equity Growth Fund
Mackenzie Maxxum Dividend Fund
Moderate Folio Fund
Quadrus Canadian Equity Corporate Class
Quadrus Eaton Vance U.S. Value Corporate Class
Quadrus Setanta Global Dividend Corporate Class
Quadrus Sionna Canadian Value Corporate Class
Quadrus Templeton International Equity Fund
Quadrus U.S. and International Equity Corporate Class
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated May 30, 2008
NP 11-202 Receipt dated June 4, 2008

Offering Price and Description:

Quadrus, H, N, D5 and D8 Series Securities

Underwriter(s) or Distributor(s):

Quadrus Investment Services Ltd.
Quadrus Investment Services Inc.

Promoter(s):

Mackenzie Financial Corporation
Project #1278899

Issuer Name:

Allied Properties Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated June 6, 2008
NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

\$60,562,500.00 - 2,850,000 Units Price: \$21.25 per Unit

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Market Inc.
Canaccord Capital Corporation
Genuity Capital Markets
National Bank Financial Inc.

Promoter(s):

-
Project #1280060

Issuer Name:

Big Bank Big Oil Split Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated June 3, 2008
NP 11-202 Receipt dated June 9, 2008

Offering Price and Description:

Rights to Subscribe for up to * Combined Units (each Combined Unit consisting of one Capital Share, one Preferred Share and one Warrant) Subscription Price - \$ * per Combined Unit (Upon the exercise of two Rights for one Unit)

Underwriter(s) or Distributor(s):

-

Promoter(s):

Claymore Investments, Inc.
Project #1280193

Issuer Name:

Broadway Credit Card Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Base Shelf Prospectus dated June 6, 2008
NP 11-202 Receipt dated June 9, 2008

Offering Price and Description:

Up to \$2,000,000,000 of Credit Card Receivables-Backed Notes

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1280067

Issuer Name:

Canadian Sub-Surface Energy Services Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated June 9, 2008
NP 11-202 Receipt dated June 9, 2008

Offering Price and Description:

\$13,000,000.00 - 4,000,000 Class A Voting Common Shares Price: \$3.25 per Class A Voting Common Shares

Underwriter(s) or Distributor(s):

Raymond James Ltd.
Thomas Weisel Partners Canada Inc.
Tristone Capital Inc.
BMO Nesbitt Burns Inc.
Macquarie Capital Markets Canada Ltd.

Promoter(s):

-

Project #1280507

Issuer Name:

Canadian Western Bank
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Base Shelf Prospectus dated June 10, 2008

NP 11-202 Receipt dated June 10, 2008

Offering Price and Description:

\$750,000,000.00 - Debt Securities (subordinated indebtedness) Preferred Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1280872

Issuer Name:

China Zirconium Limited
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Prospectus dated June 6, 2008

NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Canaccord Capital Corporation
Cormark Securities Inc.
Blackmont Capital Inc.

Promoter(s):

-

Project #1264876

Issuer Name:

China Zirconium Limited
Principal Regulator - Ontario

Type and Date:

Second Amended and Restated Preliminary Prospectus dated June 6, 2008

NP 11-202 Receipt dated June 10, 2008

Offering Price and Description:

\$ * - * Shares; Price - \$ * per Share

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Canaccord Capital Corporation
Cormark Securities Inc.
Blackmont Capital Inc.

Promoter(s):

-

Project #1264876

Issuer Name:

Consonus Technologies, Inc.
Principal Regulator - Ontario

Type and Date:

Fifth Amended and Restated Preliminary PREP Prospectus dated June 10, 2008

Mutual Reliance Review System Receipt dated June 10, 2008

Offering Price and Description:

3,000,000 Shares of Common Stock Price - \$ * per Share

Underwriter(s) or Distributor(s):

Blackmont Capital Inc.

Promoter(s):

-

Project #1096495

Issuer Name:

Corridor Resources Inc.
Principal Regulator - Nova Scotia

Type and Date:

Preliminary Short Form Prospectus dated June 6, 2008

NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

\$40,280,000.00 - 3,800,000 Common Shares;
\$14,950,000.00 - 1,150,000 Flow-Through Shares Price:
\$10.60 per Common Share \$13.00 per Flow-Through Share

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Jennings Capital Inc.
FirstEnergy Capital Corp.
D&D Securities Company
Beacon Securities Limited
Acadian Securities Incorporated

Promoter(s):

-

Project #1279982

Issuer Name:

Craig Wireless Systems Ltd
Principal Regulator - Manitoba

Type and Date:

Preliminary Prospectus dated June 9, 2008

NP 11-202 Receipt dated June 10, 2008

Offering Price and Description:

Up to \$ * - Up to * Subordinate Voting Shares Price - \$ *
per Subordinate Voting Share

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
Clarus Securities Inc.
CIBC World Markets Inc.
Cormark Securities Inc.
RBC Dominion Securities Inc.

Promoter(s):

-

Project #1280652

Issuer Name:

EnerVest FTS Limited Partnership 2008
Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated June 4, 2008
NP 11-202 Receipt dated June 5, 2008

Offering Price and Description:

Maximum 800,000 Limited Partnership Units - \$20,000,000
Minimum 160,000 Limited Partnership Units - \$4,000,000

Underwriter(s) or Distributor(s):

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

Promoter(s):

EnerVest 2008 General Partner Corp.
EnerVest Management Ltd.
Project #1279355

Issuer Name:

Enterra Energy Trust
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Base Shelf Prospectus dated June 6, 2008
NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

\$300,000,000.00:
Trust Units
Subscription Receipts
Warrants
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1280183

Issuer Name:

Oncolytics Biotech Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Base Shelf Prospectus dated June 6, 2008
NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

Cdn. \$150,000,000.00:
Common Shares
Subscription Receipts
Warrants
Debt Securities
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1279997

Issuer Name:

Pan Caribbean Minerals Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated June 9, 2008
NP 11-202 Receipt dated June 10, 2008

Offering Price and Description:

\$1,500,000.00 (3,750,000 Units) to \$2,000,000 (5,000,000 Units) Price: \$0.40 per Unit

Underwriter(s) or Distributor(s):

PI Financial Corp.

Promoter(s):

Andre Audet
Marc Carbonneau
Marc L'Heureux
Project #1280780

Issuer Name:

PAY LINX FINANCIAL CORPORATION
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated June 4, 2008
NP 11-202 Receipt dated June 5, 2008

Offering Price and Description:

\$2,000,000.00 to \$3,000,000.00 - * Units Price: \$ * per Unit

Underwriter(s) or Distributor(s):

Blackmont Capital Inc.

Promoter(s):

-

Project #1279464

Issuer Name:

RIOCAN REAL ESTATE INVESTMENT TRUST

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Base Shelf Prospectus dated June 4, 2008

NP 11-202 Receipt dated June 4, 2008

Offering Price and Description:

\$3,000,000,000.00:

Debt Securities

Trust Units

(Senior Unsecured)

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1279283

Issuer Name:

Tenexco Resources Inc.

Principal Regulator - Alberta

Type and Date:

Preliminary CPC Prospectus dated June 3, 2008

NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

\$200,000.00 - 2,000,000 Common Shares Price: \$0.10 per common share

Underwriter(s) or Distributor(s):

Blackmount Capital Inc.

Promoter(s):

Walter A. Dawson

Jeffrey J. Scott

David H.W. (Harry) Dobson

Ref J. Greenslade

Project #1279602

Issuer Name:

YPG Holdings Inc.

Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Base Shelf Prospectus dated June 5, 2008

NP 11-202 Receipt dated June 5, 2008

Offering Price and Description:

\$1,000,000,000.00 - Debt Securities and Medium Term Notes (Unsecured) Fully and Unconditionally guaranteed as to payment of principal, premium (if any) and interest by Yellow Pages Income Fund, YPG Trust, Yellow Pages Group Co. and Trader Corporation

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1279542

Issuer Name:

AIC Global Premium Dividend Income Fund

(formerly AIC Global Diversified Fund)

(Mutual Fund Units, Class F Units, Class T6 Units and Class F-T6 Units)

Principal Regulator - Ontario

Type and Date:

Amendment #1 dated June 2, 2008 to the Simplified Prospectus and Annual Information Form dated April 1, 2008

NP 11-202 Receipt dated June 4, 2008

Offering Price and Description:

Mutual Fund Shares and Series F Shares @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

AIC Limited

Project #1218448

Issuer Name:

American Capital Strategies, Ltd.

Type and Date:

Final MJDS Prospectus dated June 5, 2008

Received on June 6, 2008

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1251673

Issuer Name:

Black Diamond Income Fund

Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated June 4, 2008

NP 11-202 Receipt dated June 4, 2008

Offering Price and Description:

\$25,560,000.00 - 1,800,000 Trust Units \$14.20 per Trust Unit

Underwriter(s) or Distributor(s):

Raymond James Ltd.

BMO Nesbitt Burns Inc.

GMP Securities L.P.

Blackmont Capital Inc.

Acumen Capital Finance Partners Limited

Promoter(s):

Trevor Haynes

Steven Stein

Project #1272853

Issuer Name:

Cadman Resources Inc.
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated June 2, 2008
NP 11-202 Receipt dated June 5, 2008

Offering Price and Description:

\$240,000.00 - 2,400,000 Common Shares Price: \$0.10 per
Common Share

Underwriter(s) or Distributor(s):

Blackmont Capital Inc.

Promoter(s):

Derek Bartlett

Project #1231055

Issuer Name:

Enbridge Inc.
Principal Regulator - Alberta

Type and Date:

Final Short Form Base Shelf Prospectus dated June 6,
2008

NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

\$2,000,000,000.00 - MEDIUM TERM NOTES
(UNSECURED)

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #1268480

Issuer Name:

Faircourt Dividend Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated June 5, 2008
NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

Class A units, Class F units and Class I units
Series A shares, Series F shares and Series I shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1261869

Issuer Name:

ING DIRECT Streetwise Balanced Class
ING DIRECT Streetwise Balanced Growth Class
ING DIRECT Streetwise Balanced Income Class
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated May 30, 2008 to the Simplified
Prospectuses and Annual Information Forms dated
January 2, 2008

NP 11-202 Receipt dated June 4, 2008

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Ing Direct Funds Limited
ING Direct Funds Limited

Promoter(s):

Ing Asset Management Limited

Project #1170221

Issuer Name:

Series A, I and O Securities of :
Keystone AGF Equity Fund
Keystone Beutel Goodman Bond Fund
Keystone Bissett Canadian Equity Fund
Keystone Manulife High Income Fund
Keystone Manulife U.S. Value Fund
Series A, F, I and O Securities of :
Keystone Saxon Smaller Companies Fund
Series A, F, G, I, P, T6 and T8 Securities of:
Keystone Balanced Portfolio Fund
Keystone Balanced Growth Portfolio Fund
Keystone Growth Portfolio Fund
Series A, B, C, D, F, G, I, P, T6 and T83 Securities of:
Keystone Conservative Portfolio Fund
Series A, F, G and I Securities of :
Keystone Maximum Growth Portfolio Fund
Series A, I and O Securities of :
Keystone Dynamic Power Small -Cap Class
Keystone Templeton International Stock Class
of Mackenzie Financial Capital Corporation
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated May 30, 2008
NP 11-202 Receipt dated June 5, 2008

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

MacKenzie Financial Corporation

Project #1254269

Issuer Name:

Laja Capital Corporation
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated May 29, 2008
NP 11-202 Receipt dated June 4, 2008

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

Blackmont Capital Inc.

Promoter(s):

Eduardo Rodriquez

Project #1252570

Issuer Name:

Loblaw Companies Limited
Principal Regulator - Ontario

Type and Date:

Final Short Form Base Shelf Prospectus dated June 5,
2008

NP 11-202 Receipt dated June 6, 2008

Offering Price and Description:

\$1,000,000,000.00 - Debentures (unsecured) Second
Preferred Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1251930

Issuer Name:

Mavrix Multi Series Fund Ltd. - Canadian Equity Series
Principal Regulator - Ontario

Type and Date:

Amendment #2 dated May 30, 2008 to the Simplified
Prospectus and Annual Information Form dated June 29,
2007

NP 11-202 Receipt dated June 10, 2008

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

Mavrix Fund Management Inc.

Project #1107175

Issuer Name:

Northgate Minerals Corporation
Principal Regulator - British Columbia

Type and Date:

Final Short Form Base Shelf Prospectus dated June 5,
2008

NP 11-202 Receipt dated June 5, 2008

Offering Price and Description:

\$250,000,000.00:

Debt Securities

Common Shares

Warrants to Purchase Equity Securities

Warrants to Purchase Debt Securities

Share Purchase Contracts

Share Purchase or Equity Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1268526

Issuer Name:

Questerre Energy Corporation
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated June 4, 2008

NP 11-202 Receipt dated June 4, 2008

Offering Price and Description:

\$35,250,000.00 - 7,500,000 Common Shares Price: \$4.70
per Common Share

Underwriter(s) or Distributor(s):

Dundee Securities Corporation

Desjardins Securities Inc.

National Bank Financial Inc.

Fraser Mackenzie Limited

Wellington West Capital Markets Inc.

Maison Placements Canada Inc.

Canaccord Capital Corporation

Promoter(s):

-

Project #1272351

Issuer Name:

Saha Petroleum Ltd.

Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated June 9, 2008

NP 11-202 Receipt dated June 10, 2008

Offering Price and Description:

\$3,500,000.00 (Maximum); \$1,500,000.00 (Minimum) A

Combination of Units and Flow-Through Shares

Price: \$0.20 per Unit \$0.25 per Flow-Through Share

Underwriter(s) or Distributor(s):

Union Securities Ltd.

Promoter(s):

Wally Pollock

Stephen Johnston

Project #1270892

Issuer Name:

Scotia Cassels Canadian Corporate Bond Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated June 4, 2008 to the Simplified
Prospectus and Annual Information Forms dated
November 1, 2007

NP 11-202 Receipt dated June 9, 2008

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Scotia Securities Inc.

Promoter(s):

The Bank of Nova Scotia

Project #1164035

Issuer Name:

Sherritt International Corporation
Principal Regulator - Ontario

Type and Date:

Final Short Form Base Shelf Prospectus dated June 4,
2008

NP 11-202 Receipt dated June 5, 2008

Offering Price and Description:

\$500,000,000.00:

Debt Securities

Common Shares

Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1273929

Issuer Name:

The Toronto-Dominion Bank

Type and Date:

Final Short Form Base Shelf Prospectus dated June 5,
2008

Receipted on June 5, 2008

Offering Price and Description:

U.S. \$10,000,000,000.00 - Senior Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1273714

Issuer Name:

Blue Steel Chemicals Inc.
Principal Jurisdiction - Alberta

Type and Date:

Preliminary Prospectus dated January 16, 2008
Withdrawn on June 9, 2008

Offering Price and Description:

Minimum Offering \$4,000,000.00 (4,000,000 Common
Shares); Maximum Offering \$5,000,000.00 (5,000,000
Common Shares)

Price: \$1.00 per Common Share

Underwriter(s) or Distributor(s):

Research Capital Corporation

Promoter(s):

Sean Thomas

Nick Blackerman

William M. Blackerman

Dave Cutler

Keith Talbot

Paul Svoboda

Project #1207182

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Mellon Financial Markets, LLC To: BNY Mellon Capital Markets LLC	Limited Market Dealer	May 1, 2008
Name Change	From: Opensky Capital Inc. To: Algorithm Capital Inc.	Limited Market Dealer	May 15, 2008
Name Change	From: HSBC Investments (Canada) Limited To: HSBC Global Asset Management (Canada) Limited.	Limited Market Dealer, Investment Counsel & Portfolio Manager	June 2, 2008
New Registration	The Catalyst Capital Group Inc.	Investment Counsel and Portfolio Manager	June 4, 2008
Change of Category	Harris Investment Management, Inc.	From: International Adviser (Investment Counsel & Portfolio Manager), Commodity Trading Manager (Non-Resident) To: Non-Canadian Adviser (Investment Counsel & Portfolio Manager), International Adviser (Investment Counsel & Portfolio Manager), Commodity Trading Manager (Non-Resident)	June 5, 2008
New Registration	Belweather Capital Partners Inc.	Limited Market Dealer	June 5, 2008

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 Proposed Amendments to MFDA By-law No. 1, s. 25.4 (Other Instruments)

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

PROPOSED AMENDMENTS TO MFDA BY-LAW NO. 1, SECTION 25.4 (OTHER INSTRUMENTS)

I. OVERVIEW

A. Current By-law

Section 25.4 of MFDA By-law No. 1 provides that the MFDA may develop and issue to Members various guidelines, policies, bulletins and other regulatory instruments to assist in the interpretation, application and compliance with the MFDA By-laws, Rules and legislation relevant to a Member's business. All such instruments are defined as Policies pursuant to section 1 of By-law No. 1.

B. The Issues

MFDA By-law No. 1 does not specify the regulatory effect of MFDA Policies and whether they are binding on Members and can be enforced against Members. The provisions of By-law No. 1 that address the regulatory effect of Policies must be clarified to be consistent with the current practices of the MFDA regarding the treatment of Policies.

C. Objectives

The objective of the proposed amendments is to clarify the intended application of MFDA Policies.

D. Effect of Proposed Amendments

The proposed amendments will clarify the regulatory effect of MFDA Policy instruments, specifying that Policies may be binding on Members and Approved Persons according to their terms.

It is not expected that the proposed amendments will have other significant effects on Members, other market participants, market structure or competition. Compliance with the proposed amended By-law will not result in additional costs for Members.

II. DETAILED ANALYSIS

A. Relevant History

MFDA Members are expected to develop systems and specific policies and procedures that are sufficient to meet the objectives of MFDA Rules. In order to communicate expectations regarding minimum standards for compliance with the Rules, the MFDA develops Policies that set out basic requirements and provide guidance on interpretation of the Rules.

The prescriptive elements contained in the Policies have provided Members with a level of certainty as far the position MFDA staff will take in compliance reviews and enforcement actions and have also served to communicate basic service levels that investors can expect from mutual fund dealers.

B. Proposed Amendments

The amendments to sections 1 and 25.4 of By-law No. 1 will more clearly specify that Policies may be binding on Members and Approved Persons according to their terms. The amendments will also clarify the types of instruments that may be considered Policies. The amendments confirm the expectation and practices of the MFDA and are consistent with the approach taken by the Investment Dealers Association of Canada (the "IDA") and Market Regulation Services Inc. (the "RS") with respect to their corresponding regulatory instruments and as proposed by the Investment Industry Regulatory Organization of Canada ("IIROC").

Any MFDA Policies made under the proposed amended section 25.4 must be approved by the Board of Directors in order to be binding in respect of Members and Approved Persons and, under the Terms and Conditions of the MFDA's Recognition Orders,

any regulatory instrument with binding effect must be approved by the recognizing securities commissions. In addition, Policies which are binding on Members and Approved Persons will have had input in their development from the MFDA Policy Advisory Committee and will have been reviewed by the Regulatory Issues Committee of the MFDA Board of Directors.

C. Issues and Alternatives Considered

No other alternatives were considered.

D. Comparison with Similar Provisions

MFDA Policies are designed to function in much the same way as Policies developed pursuant to the IDA Rules and Market Integrity Notices issued by RS, both as proposed to be continued to the same effect by IIROC. The MFDA and IIROC, and historically the IDA and RS, each rely on such respective regulatory instruments to prescribe minimum standards regarding their principle-based requirements.

Under section 1 of the Universal Market Integrity Rules, RS defines "Rules" as meaning the Universal Market Integrity Rules and defines "Policy" as any policy statement adopted by RS in connection with the administration or application of the Universal Market Integrity Rules as such policy statement is amended, supplemented and in effect from time to time. The Recognition Order of the IDA from the Ontario Securities Commission defines "IDA rules" as including the Constitution, By-laws, Regulations, Policies and Forms of the IDA. As such, both IDA policies and policy statements from RS are treated as having a similar effect as the other forms of regulatory instruments. The amended, section 25.4 will clarify that this approach applies to MFDA Policies as well.

E. Systems Impact of Amendments

It is not anticipated that there will be any significant systems impact on Members as a result of the proposed amendments.

F. Best Interests of the Capital Markets

The Board has determined that the proposed amendments are in the best interests of the capital markets.

G. Public Interest Objective

The proposed amendments will provide clarity to Members and the public as to the intended effect of MFDA Policies. The proposed amendments clarify that the requirements set out in MFDA Policies are mandatory minimum standards and must be observed by all Members.

III. COMMENTARY

A. Filing in Other Jurisdictions

The proposed amendments will be filed for approval with the Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, and Ontario Securities Commissions and the Saskatchewan Financial Services Commission.

B. Effectiveness

The proposed amendments are simple and effective.

C. Process

The proposed amendments have been prepared in consultation with relevant departments within the MFDA. The MFDA Board of Directors approved the proposed amendments on May 22, 2008.

D. Effective Date

The proposed amendments will be effective on a date to be subsequently determined by the MFDA.

IV. SOURCES

MFDA By-law No. 1
Investment Dealers Association of Canada – Terms of Recognition
Market Regulation Services Inc. – Universal Market Integrity Rules

V. REQUIREMENT TO PUBLISH FOR COMMENT

The MFDA is required to publish for comment the proposed amendments so that the issues referred to above may be considered by the Recognizing Regulators.

The MFDA has determined that the entry into force of the proposed amendments would be in the public interest and is not detrimental to the capital markets. Comments are sought on the proposed amendments. Comments should be made in writing. One copy of each comment letter should be delivered within 30 days of the publication of this notice, addressed to the attention of the Corporate Secretary, Mutual Fund Dealers Association of Canada, 121 King St. West, Suite 1000, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of Sarah Corrigan-Brown, Senior Legal Counsel, British Columbia Securities Commission, 701 West Georgia Street, P.O. Box 10142, Pacific Centre, Vancouver, British Columbia, V7Y 1L2.

The MFDA will post all comments received during the comment period to the MFDA website at www.mfda.ca.

Questions may be referred to:

Paige Ward
Director of Policy and Regulatory Affairs
Mutual Fund Dealers Association of Canada
(416) 943-5838

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MFDA BY-LAW NO. 1

SECTION 25.4 (OTHER INSTRUMENTS)

On May 22, 2008, the Board of Directors of the Mutual Fund Dealers Association of Canada made the following amendments to MFDA By-law No. 1:

1. DEFINITIONS

"Policies" means the guidelines, instructions, policies, bulletins, notices, directions and other communications ~~developed and issued, amended and repealed~~ pursuant to Section 25.4;

25.4 ~~Other Instruments~~ Policies

The Corporation may ~~develop and make, issue, amend and repeal to Members such~~ Policies consisting of guidelines, policies, instructions, bulletins, notices, directions or ~~and~~ other communications ~~relevant to not inconsistent with the By-laws and Rules or the business and activities of to assist or direct Members, their Approved Persons or other employees or agents to~~ assist in the interpretation, application of and compliance with the By-laws, Rules and legislation relevant to ~~such~~ the respective business and activities of any such person. Any such Policies as have been approved by the Board of Directors shall be binding upon Members, Approved Persons or other employees or agents according to their terms. The Board of Directors, and a Regional Council, any committee thereof, a Hearing Panel or other body authorized under the By-laws may refer to such ~~instruments~~ Policies in the interpretation and application of the By-laws and Rules.

13.1.2 TSX Notice of Approval – Housekeeping Amendments to the TSX Company Manual

TORONTO STOCK EXCHANGE NOTICE OF APPROVAL HOUSEKEEPING AMENDMENTS TO THE TORONTO STOCK EXCHANGE COMPANY MANUAL

Introduction

In accordance with the Protocol for Commission Oversight of Toronto Stock Exchange Rule Proposals between the Ontario Securities Commission (the “OSC”) and Toronto Stock Exchange (“TSX”), TSX has adopted and the OSC has approved, various amendments (the “Amendments”) to the TSX Company Manual (the “Manual”). The Amendments are housekeeping in nature and therefore, are considered non-public interest amendments.

Reasons for the Amendments

Various Amendments are being made to correct references to the *Securities Act* (Ontario) (the “OSA”) in Part III and Part VI of the Manual, required as a result of changes to the OSA. Typographical corrections are also being made.

A change is being made to Appendix H: Form 11 – Notice of Private Placement, to clarify that blanket shareholder approvals are not permitted.

Changes are also being made to Appendix H: Form 12 - Notice of Intention to Make a Normal Course Issuer Bid. Form 12 was adopted effective June 1, 2007, concurrently with the amendments made to the TSX policy on normal course issuer bids and debt substantial issuer bids. After having used Form 12 for almost one year, adjustments have been made to clarify the questions and facilitate completion of the form by listed issuers.

Appendix A – Original Listing Application is being replaced with a streamlined application. There is no change to the substantive information TSX will receive and utilize as part of its review of a listing application, nor in the standards for listing as set out in the Manual. The primary goals of the changes are to reduce the amount of paper submitted since much of the information is publicly available, and to reduce the amount of duplicative time and effort for issuers making application to list on TSX since the bulk of the work has already been done in another format.

Summary of the Amendments

The non-public interest changes represent a number of housekeeping amendments, including:

- an amendment to Part III footnote 30 and footnote 33 of the Manual. As a result of amendments to National Instrument 51-101-Standards of Disclosure for Oil and Gas Activities, constant dollar reserves disclosure is no longer required, so we have removed that requirement and changed it to require forecast reserves disclosure. See Appendix “A”;
- amendments to update references to the OSA in Part VI, because of recent amendments to Part XX of the OSA and the change of Multilateral Instrument 45-102 to National Instrument 45-102, as well as to correct some typographical errors. See Appendix “B”.
- amendment to Question 7(b) in Appendix H: Form 11 Notice of Private Placement to clarify that blanket shareholder approval is not permitted. See Appendix “C”.
- amendments to Appendix H: Form 12 - Notice of Intention to Make a Normal Course Issuer Bid to clarify the information requirements. See Appendix “D”. and
- Repeal and replacement of the Listing Application at Appendix A of the Manual, removing obsolete requirements and providing for better use of publicly available information from SEDAR and of documents previously filed with TSX Venture Exchange for those TSX-V applicants seeking to graduate to a listing with TSX. See Appendix “E”.

Text of Amendments

The Amendments are attached as **Appendix A, B, C, D and E**.

Effective Date

The Amendments become effective on **June 16, 2008**.

NON-PUBLIC INTEREST AMENDMENTS TO THE TSX COMPANY MANUAL

APPENDIX A

PART III – ORIGINAL LISTING REQUIREMENTS

MINIMUM LISTING REQUIREMENTS FOR OIL AND GAS COMPANIES

Sec. 319. Requirements for Eligibility for Listing Subject to Section 501²⁸

- a) proved developed reserves²⁹ of \$3,000,000³⁰;
- b) a clearly defined programme, satisfactory to the Exchange, which can reasonably be expected to increase reserves;
- c) adequate funds to execute the programme and cover all other capital expenditures as well as general, administrative and debt service expenses, for a period of 18 months with an allowance for contingencies. A management- prepared 18-month projection (by quarter) of sources and uses of funds detailing all planned and required expenditures signed by the Chief Financial Officer must be submitted; and,
- d) an appropriate capital structure.

³⁰ The Company must submit a technical report prepared by an independent technical consultant that conforms to National Instrument 51-101 and be acceptable to the Exchange. Reports prepared in conformity with other reporting systems deemed by the Exchange to be equivalent of National Instrument 51-101 will normally be acceptable also. The value of reserves should be calculated as the net present value of future cash flows before income taxes, prepared on a ~~constant dollar~~ forecast basis, and discounted at a rate of 20%. The Exchange may, at its discretion, also require the provision of a price sensitivity analysis.

APPENDIX B

PART VI – CHANGES IN CAPITAL STRUCTURE OF LISTED ISSUERS

Sec. 614(g) The information that must be contained in a rights offering circular is prescribed in the rules and policies of the securities commissions. See National Instrument 45-101 and Form 45-101F. TSX may have additional requirements, depending on the circumstances.

Sec. 627. (b) The rules for take-over bids and issuer bids, and exemptions for same, are prescribed by securities legislation and, in some cases, corporate legislation. See, for example, Part XX of the OSA.

Any purchase through the facilities of TSX that is a take-over bid, as defined in applicable securities legislation of a Canadian jurisdiction, must be carried out in accordance with the terms of the exemption in ~~Clause 93(1)(b)~~ Section 100 of the OSA, regardless of the location of the seller.

Sec. 628 (c) For the purposes of ~~Section 93(3)(e)~~ 101.2(1) of the OSA, an issuer bid may only be completed as a normal course issuer bid in accordance with Sections 629 and 629.1. A debt substantial issuer bid may only be completed in accordance with Section 629.2.

Sec. 629(1)4. Sales from Control - Purchases pursuant to a normal course issuer bid shall not be made from a person or company effecting a sale from control block pursuant to Part 2 of ~~Multilateral~~ National Instrument 45-102 Resale of Securities and Sections 630-633 of this Manual. It is the responsibility of the broker acting as agent for the listed issuer to ensure that it is not bidding in the market for the normal course issuer bid at the same time as a broker is offering the same class of securities of the listed issuer under a sale from control.

Sec. 630. It is the responsibility of both the selling security holder and participating organization acting on their behalf to ensure compliance with TSX requirements and applicable securities laws. In particular, participating organization and selling security holders should familiarize themselves with the procedures and requirements set out in Part 2 of ~~Multilateral~~ National Instrument 45-102.

Sec. 631. If securities are to be sold from a control block pursuant to an order made under section 74 of the OSA or an exemption contained in subsection 72(1) of the OSA or Part 2 of OSC Rule 45-501, the securities acquired by the purchaser may be subject to a hold period in accordance with the provisions of the OSA or ~~Multilateral~~ National Instrument 45-102. Sales of securities subject to a hold period are special terms trades and will normally be permitted to take place on TSX without interference.

Sec. 632. Filing —The seller shall file Form 45-102F1 Notice of Intention to Distribute Securities under subsection 2.8 of ~~NI~~ 45-102, Resale of Securities with TSX at least seven calendar days prior to the first trade made to carry out the distribution.

APPENDIX C**APPENDIX H: FORM 11– NOTICE OF PRIVATE PLACEMENT****TORONTO STOCK EXCHANGE COMPANY MANUAL**EXPEDITED FILING (as provided for in Section 607(c)): ☐REGULAR FILING: ☐

FORM: 11 | Company Name: _____ Stock Symbol: _____

1. Date of notice: _____
2. Number of currently issued and outstanding securities of each class of securities of the issuer, excluding non-voting preferred securities: _____
3. Description of securities to be placed:
 - a) class: _____
 - b) number: _____
 - c) subscription price: _____
 - d) market price and if applicable, date from binding agreement used to calculate market price (as defined in Part I) [Please attach one copy of binding agreement]: _____
 - e) discount percentage to market price, if any: _____
 - f) voting rights: _____
 - g) if the securities are not of a listed class, summarize the provisions: _____
 - h) if convertible into another class of securities, the maximum number of securities issuable upon conversion: _____
 - i) description of any attached warrants (or options), including:
 - (i) number: _____
 - (ii) exercise price: _____
 - (ii) term to expiry: _____
 - (iv) other significant terms: _____
 - j) if the issuer is providing any financial assistance to any placee to facilitate the purchase, by way of loan, guaranty or otherwise, give particulars: _____
 - k) tax credits attached to the securities, if any: _____



TORONTO STOCK EXCHANGE COMPANY MANUAL

4. Are there any issuances to insiders under the private placement?

(For this purpose, "insider" has the same meaning as found in the *Securities Act* (Ontario) and also includes associates and affiliates of the insider; and "issuances to insiders" includes direct and indirect issuances to insiders, their associates and affiliated companies.)

5. If the answer to question 4 is yes:

a) total percentage of placement being issued to insiders: _____

b) for each insider placee, state: _____

(i) the placee's name: _____

(ii) current holdings of voting securities of the issuer (direct or indirect) in terms of number and percentage: _____

(iii) the number of securities to be purchased by the insider under the private placement in terms of number and percentage : _____

(iv) holdings of voting securities of the issuer (direct or indirect) after the placement in terms of number and percentage: _____

6. Has the issuer completed any other private placements within the past six months where securities were issued or made issuable to insiders (include private placements that have been conditionally approved and/or currently contemplated)?



TORONTO STOCK EXCHANGE COMPANY MANUAL

7. If the answer to 6 is yes, state:

a) (i) dates on which each private placement closed: _____

(ii) number and class of listed securities issued or issuable under each placement: _____

(iii) number and class of securities issued or issuable to insiders under each private placement: _____

b) whether securityholders approved any of the private placements (including a blanket advanced approval) and, if so, identify which private placements were so approved: _____

8. Will the issuer obtain securityholder approval for this private placement? If the issuer is relying on an exemption from securityholder approval, please provide details.

9. What will be the use of proceeds?

10. Could the placement potentially result in a material affect in control?

11. Any significant information regarding the proposed private placement not disclosed above:



TORONTO STOCK EXCHANGE COMPANY MANUAL

12. Is this private placement related to any other private placement completed in the last six months?

13. Was the subscription price (or formula within a binding agreement) determined at a time when material undisclosed information existed?

APPENDIX D

APPENDIX H: FORM 12– NOTICE OF INTENTION TO MAKE A NORMAL COURSE ISSUER BID

Form: 12 | ~~Company~~ Issuer Name: _____

Stock Symbol: _____

1. Securities Sought – State the following:

a) Class(es) of securities subject to the NCIB: _____

b) Total number of securities:

i) issued and outstanding: (as of _____): _____

ii) if applicable, in the total public float : (as of _____): _____

c) Percentage of securities that ~~the~~ may be purchased under the NCIB is for:

i) % of issued and outstanding (maximum 5%): _____

ii) % of the public float, as the case may be (maximum 10%): _____

d) Maximum number of securities that may be acquired under the NCIB: _____

e) ~~where the issuer has established a specific n~~ Number of securities the issuer intends to be acquired under the NCIB, ~~the number of securities sought:~~

f) Is the issuer an investment fund: _____

i) If the answer is NO, the average daily trading volume for six months prior to date hereof: _____

g) ~~If Does~~ the issuer ~~has have~~ a class of restricted securities: _____

If the answer is YES:

i) a description describe of the voting rights of all equity securities: _____

ii) if the issuer does not propose to make the same NCIB for all classes of voting and equity securities, the reasons for so limiting the NCIB: _____

h) Whether the securities are going to be cancelled. If such securities are not cancelled, state how such securities will be dealt with: _____

2. Duration – State the dates on which the NCIB will commence and terminate. The NCIB may not extend for a period of more than one year from the date on which purchases may commence. (ie. May 1, 2004 to April 30, 2005): _____

3. Method of Acquisition – State the following:

Form 12 – Notice of Intention to make a Normal Course Issuer Bid
(as at June 16, 2008)

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Form: 12 | **Company/Issuer Name:** _____

Stock Symbol: _____

- a) ~~that whether~~ purchases will be effected through the facilities of TSX and identify any other exchanges or market places on which purchases will be made: _____

- b) ~~that whether~~ purchase and payment for the securities will be made by the issuer in accordance with the requirements of TSX: _____

- c) ~~that whether~~ the price that the issuer will pay for any securities acquired by it will be the market price of the securities at the time of acquisition: _____

- d) whether purchases (other than by way of exempt offer) will be made other than by means of open market transactions during the period the NCIB is outstanding: _____

4. **Consideration Offered** – State whether there are any restrictions on the price the offeror is prepared to pay and any other restrictions relating to the NCIB, such as specific funds available, method of purchasing, etc.: _____

5. **Reasons for the NCIB** – State the purpose or business reasons for the NCIB: _____

6. **Valuation** – State whether there has been ~~include a summary of~~ any appraisal or valuation of the issuer to the best known knowledge of ~~to~~ the directors or officers of the issuer, after reasonable enquiry, regarding the issuer, its material assets or securities prepared within the two years preceding the date of the notice, together with a statement of a reasonable time and place at which such appraisal or valuation, or a copy thereof, may be inspected. For this purpose, the phrase appraisal or valuation means both an independent appraisal or valuation and a material non-independent appraisal or valuation. If there has been such an appraisal or valuation, include a summary of such appraisal or valuation:

Form 12 – Notice of Intention to make a Normal Course Issuer Bid
(as at June 16, 2008)

© 2007/2008, TSX Group Inc.

Form: 12 | ~~Company~~ Issuer Name: _____

Stock Symbol: _____

7. **Previous Purchases** – Where the issuer has purchased securities ~~which are the subject of the~~ under a NCIB bid within the past 12 months, state the following:

- a) method of acquisition: _____

- b) the number of securities purchased: _____
- c) the weighted average price paid per security: _____

8. **Persons Acting Jointly or In Concert with the Issuer** – Disclose the identity of any party acting jointly or in concert with the issuer: _____

9. **Acceptance by Insiders, Affiliates and Associates** –

- a) name of every director or senior officer of the issuer who intends to sell securities of the issuer during the course of the NCIB: _____

- b) where their intention is known after reasonable enquiry, the name of every associate of a director or senior officer of the issuer, person acting jointly or in concert with the issuer, or person holding 10% or more of any class of equity securities of the issuer, who intends to sell securities: _____

10. **Benefits from the NCIB** – State direct or indirect benefits to any of the persons or companies named in item 9 of selling or not selling securities of the issuer during the course of the NCIB. An answer to this item is not required where the benefits to such person or company of selling or not selling securities are the same as the benefits to any other securityholder who sells or does not sell: _____

Form: 12 | Company/Issuer Name:

Stock Symbol:

11. **Material Changes in the Affairs of the Issuer** – Disclose any previously undisclosed material changes or plans or proposals for material changes in the affairs of the issuer:

12. **Participating Organization Information** –

- a) Name of brokerage firm: _____
b) Name of registered representative: _____
c) Address of brokerage firm: _____
d) Fax number: _____
e) Telephone number: _____

13. **Disclose Any** any significant information regarding the NCIB not disclosed above, including any details regarding the use of put options or forward purchase contracts in conjunction with the NCIB: _____

14. **Certificate** – The undersigned, a director or senior officer of the issuer duly authorized by the issuer's board of directors, certifies that this notice is complete and accurate and in compliance with Section 629 and 629.1 of the TSX Company Manual-. This notice contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it is made.

NAME

TITLE

DATE

Form 12 – Notice of Intention to make a Normal Course Issuer Bid
(as at June 16, 2008)

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APPENDIX E

APPENDIX A: ORIGINAL LISTING APPLICATION

Instructions – Page 1

INSTRUCTIONS

Toronto Stock Exchange (**TSX**) has established separate requirements for three categories of issuers applying to list on TSX (**Applicants**): Industrial (general / technology / research & development), Mining, and Oil and Gas. Special purpose issuers such as exchange traded funds, split share corporations, income trusts, investment funds and limited partnerships are listed under the Industrial (General) category. These requirements are set out in Part III of the TSX Company Manual (the **Company Manual**).

The Listing Application is comprised of the following three principal components:

1. **Principal Listing Document** Applicants must file one of the following documents (a **Principal Listing Document**) with TSX:
 - a. Annual Information Form (using Form 51-102F2);
 - b. Prospectus (using Form 41-101F1);
 - c. Annual Report for U.S. Issuers (using Form 10K); or
 - d. Annual Report for Foreign Private Issuers (United States) (using Form 20-F).

Other documents and forms from other jurisdictions may also be acceptable to TSX insofar as they provide information that is similar to that of the forms mentioned above. The use of any other such form must be pre-cleared by TSX.

The Principal Listing Document filed in connection with the Listing Application should be for the most recently completed financial year. If the Principal Listing Document is a Prospectus, it must have been filed with the Canadian Securities Administrators within the last 12 months preceding the date at which the Applicant files its original listing application.

In an appendix to the Listing Application, Applicants must supplement the disclosure provided in the Principal Listing Document by attaching relevant subsequent continuous disclosure filings such as material change reports, business acquisition reports and press releases, and any other information required to ensure the disclosure provided to TSX is current.

Applicants who do not already have a Principal Listing Document available should provide material information on their business by completing and filing with TSX an Annual Information Form, using Form 51-102F2. In such instance, Applicants may present information as at the last day of their recently completed financial quarter or financial year and the Form 51-102F2 must specify the relevant date of the disclosure and include updated information in an appendix to the Listing Application, as required.

2. TSX Listing Application

The Listing Application should initially be submitted to TSX in draft form using the "Toronto Stock Exchange – Listing Application" attached to this Appendix A. Questions should not be omitted or left unanswered; nor should the sequence be altered. The executed listing application in final form should only be provided as part of the final listing materials.

3. Documents to be filed in support of the TSX Listing Application

Documents which must be filed in support of the listing application are enumerated in the "List of Documents to be Filed" (the **List of Documents**). Some documents must be filed concurrently with the draft Listing Application while others must be filed after the Applicant has been conditionally approved for listing but prior to listing on TSX, as provided in the List of Documents.

DOCUMENTS AND INFORMATION AVAILABLE ON TSX.COM

The following documents which may be helpful in preparing your listing application are available on tsx.com.

Document	Format	Link
TSX Listing Application (and Attachments)	Word	http://tsx.complinet.com/en/display/display_main.html?rbid=2072&element_id=561
Personal Information Form and Consent to Disclosure of Criminal Record Information Form	Word	http://tsx.complinet.com/en/display/display.html?rbid=2072&element_id=551
Statutory Declaration Form and Consent to Disclosure of Criminal Record Information Form	Word	http://tsx.complinet.com/en/display/display.html?rbid=2072&element_id=551
TSX Original Listing Requirements	HTLM	http://tsx.complinet.com/en/display/display.html?rbid=2072&element_id=9
TSX SecureFile Registration Form	Word	http://www.tsx.com/en/pdf/SecureFile_PrincipalContactRegistrationForm.doc http://www.tsx.com/en/pdf/SecureFile_KeyContactRegistrationForm.doc
TSX Listing Fee Schedule	PDF	http://www.tsx.com/en/pdf/TSXListingFeeSchedule.pdf

For more information on the completion of the listing application, the listing requirements, or the listing process, please call (416) 947-4533, or email listedissuers@tsx.com.

PRODUCTS AND SERVICES AVAILABLE TO LISTED ISSUERS

Once listed on TSX, issuers have access to a variety of products and services. A description of these products and services is available on tsx.com.

Product / Service	Link
TSX Connect ®	http://www.tsx.com/en/listings/products_services/tsx_connect/index.html
Thomson Reuters Services	http://www.tsx.com/en/listings/products_services/thomson_reuters/index.html
TSX SecureFile	http://www.tsx.com/en/listings/products_services/tsx_securefile/index.html
CNX Marketlink	http://www.tsx.com/en/listings/products_services/cnx_marketlink.html
TSX Enhanced Broker Summary	http://www.tsx.com/en/listings/products_services/enhanced_broker_summary.html
Historical Data Access	http://www.tsx.com/en/listings/products_services/historical_data_access.html
Listed Logo Program	http://www.tsx.com/en/listings/products_services/listed_logo_program/index.html
Site Services Program	http://www.tsx.com/en/listings/products_services/site_services_program.html
Events & Seminars	http://www.tsx.com/en/listings/products_services/events_toronto.html

For more information on TSX products and services, please call 1-888-788-2490 or e-mail issuersupport@tsx.com.

LIST OF DOCUMENTS TO BE FILED

The following documents must be filed concurrently with the Principal Listing Document and the TSX Listing Application in draft form.

Applicants that are listed on the TSX Venture Exchange may be exempted from filing certain documents as noted below. Please refer to the footnotes for complete details.

1. A Personal Information Form and Consent for Disclosure of Criminal Record Information Form (collectively, a **PIF**), to be completed by every individual who will, at the time of listing:
 - a. be an officer or director of the Applicant; or
 - b. beneficially own or control, directly or indirectly, securities carrying greater than 10 per cent of the voting rights attached to all outstanding voting securities of the Applicant.

Where an individual has submitted a PIF to TSX or to TSX Venture Exchange within the last 36 months and the information provided on such PIF has not changed, a Statutory Declaration Form and a Consent for Disclosure of Criminal Record Information Form may be completed and filed in lieu of a PIF.¹

Additional costs incurred to conduct searches on Individuals **residing outside of Canada, the United States of America, the United Kingdom and Australia** will be charged to and must be paid by the Applicant.

2. A cheque for the original listing application fee payable, as provided in the TSX Listing Fee Schedule.²
3. The following financial statements, as applicable, unless included in the Principal Listing Document or available on SEDAR:
 - a. Audited financial statements for the most recently completed financial year, signed by two directors of the Applicant on behalf of the Board;
 - b. Unaudited financial statements for the most recently completed financial quarter, signed by two directors of the Applicant on behalf of the Board;
 - c. If the Applicant has recently completed or proposes to complete a transaction such as a business acquisition or a significant disposition and such transaction would materially affect the financial position or operating results of the Applicant, pro forma financial statements that give effect to the transaction must be submitted.
4. **For Mining and Oil & Gas Applicants –**
 - a. Full and up-to-date reports on the significant properties of the Applicant, prepared in compliance with the National Instrument 43-101 (**NI 43-101**) for Mining Applicants and in compliance with National Instrument 51-101 (**NI 51-101**) for Oil & Gas Applicants. Reports prepared in conformity with other reporting systems deemed by TSX to be substantially equivalent to NI 43-101 and NI 51-101 will normally be acceptable also. Written consent from the author must be provided for the use of the reports in support of the Listing Application.
 - b. A certificate from the author of the reports confirming that he/she: i) has reviewed the disclosures in the Principal Listing Document regarding the properties covered by such reports; and ii) considers the disclosure to be accurate to the best of his/her knowledge.

¹ In the context of the listing of a special purpose issuer, where an individual has submitted a PIF to TSX within the last 12 months and the information provided on such PIF has not changed, such individual will be exempted from providing a PIF or a Statutory Declaration Form and a Consent for Disclosure of Criminal Record Information Form, as applicable.

² The original listing application fee is waived for Applicants listed on TSX Venture Exchange.

- c. Projected sources and uses of funds statement for a period of 18 months, including related assumptions, presented on a quarterly basis, prepared by management and signed by the Chief Financial Officer, unless the Applicant is applying for listing pursuant to Section 314.1 or 319.1 (Requirements for Eligibility for Listing Exempt from Section 501).
5. **Technology Applicants** – Projected sources and uses of funds statement, including related assumptions, for a period of 12 months, presented on a quarterly basis, prepared by management and signed by the Chief Financial Officer.
6. **Research and Development Applicants** – Projected sources and uses of funds statement, including related assumptions, for a period of 24 months, presented on a quarterly basis, prepared by management and signed by the Chief Financial Officer.
7. Certified copies of all charter documents, including Articles of Incorporation, Letters Patent, Articles of Amendment, Articles of Continuance, Articles of Amalgamation, partnership agreements, trust indentures, declarations of trust or equivalent documents.¹ **Applicants incorporated outside of Canada** may be required to provide a reconciliation of the corporate laws in their home jurisdiction to those of the *Canada Business Corporations Act*.
8. **Applicants with Restricted Voting Securities** – One copy of the take-over protection agreement (or coattail trust agreement) which meets, or will be amended to meet, the requirements of Section 624 (l) of the Company Manual.¹
9. One copy of every security-based compensation arrangement and any other similar agreement (a **Plan**) under which securities may be issued, together with a sample option agreement used for option grants if there is a Plan in place or all individual option agreements if the Applicant has no Plan. If securityholder approval was required for the Plan, include a copy of the approval.¹
10. Copies of any agreements under which securities are held in escrow, pooled, or under a similar arrangement.¹
11. Reports evidencing the number of freely tradeable securities and the number of securityholders in the form set out in Attachments 1 and 2 of the Listing Application for each class of securities to be listed including warrants and convertible debentures.
12. Sponsorship letter in draft form from TSX participating organization in compliance with the requirements set out in Section 326 of the Company Manual, unless exempted by TSX.²
13. Information required to update the Principal Listing Document, including continuous disclosure filings such as material change reports, business acquisition reports, press releases and any other information required to make the listing application current. In addition, such appendix should include an updated chart of the trading history of the securities of the Applicant up to the end of the month preceding the application to list on TSX, if applicable.

¹ If the Applicant has previously submitted these documents to TSX Venture Exchange in a form acceptable to TSX, then the Applicant may provide a consent and direction to TSX Venture Exchange to provide it to TSX.

² Applicants currently listed on TSX Venture Exchange should contact TSX to discuss providing a sponsorship letter. Generally, TSX Venture Exchange Applicants are not required to submit a sponsorship letter if they have: i) provided a sponsorship letter as a result of a major transaction pursuant to TSX Venture Exchange policy within the last 18 months; ii) cleared a prospectus in the past 12 months; iii) traded on the TSX Venture Exchange for a minimum period of 24 months, meet the original listing requirements detailed in Part III of the Company Manual and are in good standing with all TSX Venture Exchange regulatory requirements; or iv) completed an eligibility review as outlined in Sec. 305 of the Company Manual and the TSX has determined that the issuer meets the listing requirements and no sponsorship letter is required.

The following documents must be filed after the Applicant has been conditionally approved for listing on TSX, together with any additional documentation specified in the conditional approval letter.

1. TSX Listing Application duly completed in final form. The certificate and declaration accompanying the Listing Application must be signed by; i) the Chief Executive Officer (or President); and ii) the Corporate Secretary or the Chief Financial Officer of the Applicant, or, if not available, by another duly authorized senior officer of the Applicant. Declarations must be made before a Notary Public. If the declarations are made outside of Canada, appropriate adjustments should be made.
2. A letter from the trust company which acts as transfer agent and registrar in the City of Toronto stating that it has been duly appointed as transfer agent and registrar for the Applicant and is in a position to make transfers and make prompt delivery of security certificates. The letter must state what fee, if any, is charged for transfers.¹
3. Security certificates – One of the following, for each class of securities to be listed¹:
 - a. For applicants using engraved security certificates – A definitive specimen certificate which meets the requirements set out in Appendix D of the Company Manual, printed by a bank note company approved by the TSX.
 - b. For applicants using the book entry only system administered by CDS Clearing and Depository Services Inc. (CDS) – A copy of the global certificate.
 - c. For applicants using a generic certificate – A definitive specimen of the generic certificate and a letter from the issuing transfer agent confirming that the generic certificate is in compliance with all Securities Transfer Association of Canada requirements.
4. CUSIP confirmation – One of the following, for each class of securities to be listed¹:
 - a. For applicants incorporated in Canada – An unqualified letter from the CDS confirming the CUSIP number assigned to each class of securities to be listed on TSX.
 - b. For applicants incorporated outside of Canada – An unqualified letter from the entity which has the jurisdiction to assign CUSIPs confirming the CUSIP number assigned to each class of securities to be listed and a confirmation from CDS that the securities to be listed on TSX are eligible for clearing and settlement through CDS;
5. A letter from legal counsel setting out, in effect, that legal counsel has examined, or is familiar with, the records of the Applicant and is of the opinion that:
 - a. it is a valid and subsisting company (or other legal entity, as applicable);
 - b. all of the securities, which have been allotted and issued as set out in the listing application, have been legally created; and
 - c. all of the securities, which have been allotted and issued as set out in the listing application, are or will be validly issued as fully paid and non-assessable.
6. A copy of every material contract referred to in the listing application, if not already provided pursuant to a different requirement in this list and if not available in current form on SEDAR.¹
7. Duly completed registration form for TSX SecureFile which is available on tsx.com.

TSX reserves the right to require any additional document or information as it deems appropriate in order to assess the Applicant's eligibility to list on TSX.

¹ If the Applicant has previously submitted these documents to TSX Venture Exchange in a form acceptable to TSX, then the Applicant may provide a consent and direction to TSX Venture Exchange to provide them to TSX.

**A. Listing Category**

Indicate the category pursuant to which the listing is sought.

Industrial

- ☐ Profitable (309 a)
☐ Forecasting Profitability (309 b)
☐ Profitable Exempt (319.1)
☐ Technology (309 c)
☐ Research & Development (309 d)

Industrial

- ☐ Structured Products
☐ ETFs
☐ Other

Mining

- ☐ Producing (314 a)
☐ Exploration & Development (314 b)
☐ Producing Exempt (314.1)

Oil & Gas

- ☐ Non exempt (319)
☐ Exempt (319.1)

B. Contact Information

LEGAL NAME OF APPLICANT

ADDRESS

TELEPHONE

FACSIMILE

EMAIL

WEBSITE

C. Investor Relations Contacts

Provide information for all principal contact(s) for investor relations purposes

1.

NAME

TITLE

PHONE

EMAIL

2.

NAME

TITLE

PHONE

EMAIL

PART II – SECURITY-RELATED INFORMATION**A. Securities to be listed**

Security Class	CUSIP	Total number authorized	A	B	A + B
			Total number issued	Total authorized to be issued for a specific purpose ¹	Total to be listed

Appendix A – Original Listing Application
(as at June 16, 2008)

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¹ The number of securities authorized to be issued for a specific purpose should correspond to the number of securities reserved for issuance provided in section B of Part II of this Listing Application.

B. Securities authorized for issuance for a specific purpose¹

Security or Instrument Name	# of Securities Reserved	Exercise or Conversion Price (if applicable)	Expiry Date (dd/mm/yy)
TOTAL ²			

PART III – OTHER INFORMATION

1. If the Applicant has previously been denied its application to have its securities listed on any market, please provide all relevant information, including the name of the market, the date and reasons why application was denied or unsuccessful.

PART IV – ADDITIONAL INFORMATION FOR APPLICANTS INCORPORATED OUTSIDE OF CANADA

1. Name the jurisdictions in which the Applicant is a reporting issuer (or equivalent status).
2. Date of most recent annual meeting and date and type of most recent financial report to securityholders.
3. Describe any restrictions on the free tradeability of the securities to be listed. In the absence of restrictions, confirm that the securities will be freely tradeable in Canada.

¹ For example, include the number of securities which can be issued pursuant to outstanding warrants, convertible debentures, stock options plans, share purchase plans and conversion rights.

² The total number of securities reserved for issuance should correspond to the total number of securities authorized to be issued for a specific purpose provided in Section A of Part II of this Listing Application.

PART V– CERTIFICATE AND DECLARATION OF THE APPLICANT

After having received approval from its Board of Directors,

LEGAL NAME OF APPLICANT

applies to list the securities designated in this application on the Toronto Stock Exchange.

AUTHORIZATION AND CONSENT: THE APPLICANT HEREBY AUTHORIZES AND CONSENTS TO THE COLLECTION BY ANY OF TORONTO STOCK EXCHANGE, A DIVISION OF TSX INC., TSX VENTURE EXCHANGE INC. AND THEIR SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS OF ANY INFORMATION WHATSOEVER (WHICH MAY INCLUDE PERSONAL, CREDIT, OR OTHER INFORMATION) FROM ANY SOURCE, INCLUDING WITHOUT LIMITATION FROM AN INVESTIGATIVE AGENCY OR A RETAIL CREDIT AGENCY, AS PERMITTED BY LAW IN ANY JURISDICTION IN CANADA OR ELSEWHERE. THE APPLICANT ACKNOWLEDGES AND AGREES THAT SUCH INFORMATION MAY BE SHARED WITH AND RETAINED BY TORONTO STOCK EXCHANGE, A DIVISION OF TSX INC., TSX VENTURE EXCHANGE INC. AND THEIR SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS INDEFINITELY.

The two officers signing below solemnly declare that as of the date hereof they each: i) have been duly authorized by the Board of Directors (or similar body) of the Applicant to sign this certificate and declaration; ii) certify that all of the information in this Listing Application, any attachments, documents incorporated by reference and any other documentation filed in connection therewith, including documents obtained from SEDAR or from TSX Venture Exchange on consent and direction, is true and correct to the best of their knowledge, information and belief; and iii) make this solemn declaration conscientiously believing it to be true and knowing it is of the same force and effect as if made under oath and by virtue of the Canada *Evidence Act*.

DATE**POSITION WITH APPLICANT**

SIGNATURE OF AUTHORIZED OFFICER**PRINT NAME**

Declared before me in _____

CITY, PROVINCE, COUNTRY (as applicable)

on

DATE _____

A Commissioner, Notary Public, etc. _____

Notary's Seal



DATE**POSITION WITH APPLICANT**

SIGNATURE OF AUTHORIZED OFFICER**PRINT NAME**

Declared before me in _____

CITY, PROVINCE, COUNTRY (as applicable)

on

DATE _____

A Commissioner, Notary Public, etc. _____

Notary's Seal



Appendix A – Original Listing Application
(as at June 16, 2008)

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ATTACHMENT 1 – Statement from transfer agent relating to number of securityholders

We hereby confirm that that there are, as of [insert date], [insert #] holders of at least one board lot of [insert security name] of [insert Applicant name].

This statement is certified by:

Name of Authorized Individual

Position with Transfer Agent

Transfer Agent (company name)

Signature

Date

Instructions

This attachment to the Listing Application should be completed for each class of securities to be listed on TSX and should be certified by the transfer agent.

A “**board lot**” means 100 securities having a market value of \$1.00 per security or greater; 500 securities having a market value of less than \$1.00 and not less than \$0.10 per security; or 1,000 securities having a market value of less than \$0.10 per security.

ATTACHMENT 2 – Statement evidencing the number of freely tradeable securities

Applicant Name: _____

Security Class: _____

		<u># of Securities</u>	<u>% of O/S Securities</u>
	Number of securities issued and outstanding (A):		
Section 1.	Securities held by officers, directors of the Applicant and significant securityholder(s) ¹ :		
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	Total – Section 1 (B)		
Section 2.	Securities not freely tradeable in Canada:		
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	Total – Section 2 (C)		

Number of Freely Tradeable and Publicly-held Securities (A-B-C)

The above report is certified to be true and correct as at: _____

Date

This statement is certified by: _____

Name of Officer of Applicant _____

Position _____

Signature _____

Instructions:

This attachment to the Listing Application should be completed for each class of securities to be listed on TSX.

In Section 1 – Disclose the identity of each party who is the significant securityholder¹ with their respective security holdings and the percentage it represents relative to the total number of outstanding securities of that class. Securities held by officers and directors may be aggregated as a group, unless such individual also is a significant securityholder.

In Section 2 – Disclose the agreement or circumstances under which the resale of the securities came to be restricted (e.g. escrow agreement, pooling agreement, private placement, etc.). Include number of securities subject to such restriction under each such circumstance and the percentage it represents relative to the total number of outstanding securities of that class.

¹ A significant securityholder is an entity or individual who beneficially own or control, directly or indirectly, securities carrying greater than 10 per cent of the voting rights attached to all outstanding voting securities of the Applicant.

ATTACHMENT 3 – Consent and direction form for TSX Venture Exchange to provide documents to Toronto Stock Exchange

We hereby direct TSX Venture Exchange to provide to Toronto Stock Exchange the following documents, in connection with and for the purposes of the Applicant's listing on Toronto Stock Exchange:

- ☐ Certified copies of all charter and equivalent documents
Date filed (mm/yyyy): _____
- ☐ Copy of take-over protection agreement (or coattail trust agreement)
Date filed (mm/yyyy): _____
- ☐ Copy of every security-based compensation arrangement
Arrangement Name: _____ Date filed (mm/yyyy): _____
Arrangement Name: _____ Date filed (mm/yyyy): _____
- ☐ Copy of every agreement under which securities are escrowed or under a similar arrangement
Agreement Name: _____ Date filed (mm/yyyy): _____
Agreement Name: _____ Date filed (mm/yyyy): _____
- ☐ Securities certificate for each class of securities to be listed
Date filed (mm/yyyy): _____
- ☐ CUSIP confirmation issued by CDS or other relevant organisation
Security Name: _____ Date filed (mm/yyyy): _____
Security Name: _____ Date filed (mm/yyyy): _____

We consent to the disclosure and delivery by TSX Venture Exchange of any or all of the above documents to Toronto Stock Exchange and acknowledge that these documents form part of the Applicant's Listing Application to Toronto Stock Exchange and are subject to Part V– Certificate and Declaration of the Applicant therein.

This consent and direction is authorized by:

Name of Authorized Individual

Position with Applicant

Signature

Date

Instructions:

This attachment to the Listing Application may be completed by Applicants which are currently listed on TSX Venture Exchange and where such document has been submitted to TSX Venture Exchange in a form that would be acceptable to TSX. Indicate the date (mm/yyyy) when the most recent version of the document has been filed with TSX Venture Exchange.

If documents provided to TSX Venture Exchange are not current, it is the Applicant's responsibility to ensure it provides TSX with all current and updated information and documentation in accordance with the requirements of the Listing Application.

Toronto Stock Exchange Listing Agreement

In consideration of the listing on Toronto Stock Exchange, a division of TSX Inc. (hereinafter called the **Exchange**) of securities of the undersigned (hereinafter called the **Applicant**), the Applicant agrees with the Exchange as follows:

1. The Applicant will comply with all Exchange requirements applicable to listed issuers, including Exchange rules, policies, rulings and procedural requirements and any additions or amendments which may be made thereto from time to time which rules, policies, ruling and procedural requirements may be in addition to in lieu of the provisions of this agreement.
2. Without limiting the generality of paragraph 1 hereof, the Applicant shall:
 - a. not issue any securities (other than debt securities which are not convertible into equity securities) without the prior consent of the Exchange;
 - b. not undergo a material change in its business or affairs without the prior consent of the Exchange, unless the Applicant is exempted from this requirement by the Exchange;
 - c. maintain transfer and registration facilities in the City of Toronto where all listed securities shall be directly transferable and registerable, and no fee shall be charged for the transfer and registration of such securities (other than government stock transfer taxed) after the Exchange has exempted the Applicant from the requirements referred to in clause b) hereof;
 - d. notify the Exchange at least seven trading days in advance of each dividend record date;
 - e. forthwith file with the Exchange four copies of all financial statements (unless filed publicly through SEDAR) required to be published or filed for inspection by law, including the Applicants law of incorporation or applicable securities legislation, or by the Exchange;
 - f. file with the Exchange one copy of all notices, reports or other written correspondence sent by the Applicant to its holders of listed securities concurrently with the sending of such correspondence to the securityholders;
 - g. notify the Exchange on a monthly basis of any changes to the number of issued securities of any listed class (nil reports being required on a quarterly basis) using TSX SecureFile;
 - h. not change the provisions attaching to any warrants, convertible debentures, rights or other securities outstanding from time to time (other than debt securities which are not convertible into equity securities) without the prior consent of the Exchange;
 - i. pay, when due, any applicable fees or charges established by the Exchange from time to time; and
 - j. furnish to the Exchange, at any time upon demand, such information or documentation concerning the Applicant as the Exchange may reasonably require or request.
3. The Exchange shall have the right, at any time, to halt or suspend trading in any listed securities of the Applicant with or without notice and with or without giving any reason for such action, or to delist such securities, provided that the Exchange shall not delist securities of the Applicant without providing the Applicant with an opportunity to be heard.

DATE	POSITION WITH APPLICANT
SIGNATURE OF AUTHORIZED OFFICER	PRINT NAME
DATE	POSITION WITH APPLICANT
SIGNATURE OF AUTHORIZED OFFICER	PRINT NAME

13.1.3 Proposed Amendments to MFDA Rule 5.3 (Client Reporting) and MFDA Rule 2.8 (Client Communications)

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

**PROPOSED AMENDMENTS TO MFDA RULE 5.3 (CLIENT REPORTING)
AND MFDA RULE 2.8 (CLIENT COMMUNICATIONS)**

I. OVERVIEW

A. Current Rules

MFDA Rule 2.8.3 requires that where a client communication refers to a rate of return, the client must be advised as to the methodology employed in calculating the rate of return noted in the communication.

MFDA Rule 5.3 prescribes the minimum reporting requirements that Members must provide on client accounts. The Rule prescribes standards with respect to frequency for delivery and content of client statements.

B. The Issues

Since September 2004, staff of the MFDA, the Investment Dealers Association of Canada ("IDA") and the Canadian Securities Administrators ("CSA") have been working together to implement various aspects of the Client Relationship Model ("CRM") project. One of the principles CRM seeks to address is the gap in current regulatory requirements with respect to mandatory periodic reporting of account performance to clients. While some Members do provide performance reporting to clients, such reports are not currently required under MFDA Rules and Policies.

In addition, in the course of completing compliance reviews, the MFDA has noted inconsistencies and potentially misleading information in performance reports provided to clients directly by some Approved Persons. Some Members have adopted policies and procedures whereby the Member does not properly supervise performance reports generated by Approved Persons, but simply disclaims responsibility for the content of these reports. The MFDA is of the view that such policies are inconsistent with business conduct requirements under MFDA By-laws, Rules and Policies.

C. Objectives

The objective of the proposed amendments is to ensure that all clients are provided with a minimum level of information with respect to the performance of the investments in their accounts. The proposed amendments have been drafted to establish minimum standards, but also to allow for a degree of flexibility in meeting this basic objective.

The proposed amendments to Rule 2.8 are intended to clarify the supervisory obligations of Members in relation to performance reporting provided directly to clients by Approved Persons.

D. Effect of Proposed Amendments

The proposed amendments will require Members to provide annual reports to all clients that show either the holdings in the account and funds invested and withdrawn from the account or provide annualized percentage rates of returns on investments in the account. The proposed amendments will require changes to the reporting currently provided for client name accounts.

Other minor changes have been proposed with respect to Rule 5.3.1(a), 5.3.1(c) and 5.3.3(c) to clarify existing requirements or to address inconsistencies with other provisions.

Rule 2.8.3 will be amended to clarify the Member's supervisory requirements regarding client communications that disclose a rate of return. Members that allow Approved Persons to provide such information to clients may be required to make changes to existing supervisory procedures.

It is not expected that the proposed amendments will have other significant effects on Members, other market participants, market structure or competition. Compliance with the additional reporting requirements may result in additional costs for Members.

II. DETAILED ANALYSIS

A. Relevant History

In February, 2000, the Ontario Securities Commission ("OSC") established the Fair Dealing Model Committee. The findings of this committee were summarized in the OSC's Fair Dealing Model Concept Paper which was published in January, 2004. The

Fair Dealing Model Concept Paper also set forth a number of proposals for regulatory reform, touching on many aspects of the client/advisor relationship.

Certain issues raised in the Fair Dealing Model Concept Paper were carried forward under the CRM project, which, as noted above, involved staff of the MFDA, IDA and the CSA. The three core principles that the CRM project seeks to address are:

- clarity of the client/firm relationship;
- performance reporting; and
- cost, compensation and conflicts disclosure.

MFDA staff has conducted numerous consultations on various proposals to address the CRM project's objectives. These were conducted through the MFDA Member Regulation Forums, the MFDA Policy Advisory Committee and other ad hoc industry meetings and involved Members, other regulators and other industry participants. In the course of these consultations, many suggestions were brought forward and discussed with industry participants. The input received by staff has been factored into the proposed amendments that are now being published for comment.

The possibility of conducting a cost/benefit analysis of changes proposed in relation to the CRM project was also discussed. However, no agreement with potential participants was reached regarding the approach to be followed in conducting the analysis. Many of the proposed amendments, however, were developed in part to address regulatory concerns identified in the course of the MFDA's regular compliance and enforcement activities. Further, the proposed amendments have been developed with the intent of achieving the investor protection objectives of the CRM project while taking into account existing operational systems.

While there is some degree of overlap between each of the CRM issues, the core principles were to a large extent considered discreetly. For the purpose of clarity, the resulting proposed changes to the Rules and Policies that relate to each issue are being published for comment separately as well.

The MFDA has also received comments from Members requesting clarification of other issues regarding Rule 5. As these issues relate to similar concerns raised under the CRM project and involve the same Rules and Policies, proposed changes to address these additional issues are being brought forward with the amendments relating to the CRM project.

B. Proposed Amendments

Proposed amendments to Rule 5.3 will require that all clients be provided with account performance reporting on an annual basis covering at least a 12 month period. The proposed amendments provide that Members may satisfy this requirement by either providing:

- the total market value of the account as at the start of the period covered by the report;
- assets deposited/withdrawn during the period of the report;
- the total market value of the account as at the end of the period covered by the report.

or annualized percentage rate of return information presented in accordance with the requirements of Rule 2.8.3.

Other minor additional amendments have been made to clarify the current language and intent of Rule 5.3 in response to comments from Members.

The proposed amendments to Rule 5.3 are noted in Schedule "A" to this notice.

Rule 2.8.3 will be amended to clarify that where a client communication discloses a rate of return, the rate of return must be calculated in accordance with standard industry practices. Further, the amendments clarify the Member's supervisory obligations where such communications are issued by an Approved Person.

The proposed amendments to Rule 2.8 are noted in Schedule "B" to this notice.

C. Issues and Alternatives Considered

A number of alternative approaches to addressing the issue of performance reporting to clients were considered in developing the proposed amendments.

Consideration was given to mandating rates of return and prescribing the method to be used in calculating returns. The proposed amendments do not require that returns be reported, but do impose requirements where the Member or its Approved Persons opt to provide such information to clients. Members that choose to provide rates of return will be required to calculate returns in accordance with standard industry practices and the Member will be required to disclose the method used.

The objective of the CRM project is to develop basic fundamental regulatory requirements to ensure that clients receive core information on account performance. The proposed amendments have been drafted to provide some flexibility as to how this objective can be satisfied. Some Members currently provide performance information to clients, but may do so in different ways (ie. reporting on an annual or cumulative basis or reporting percentage rates of return). The proposed amendments set out the core objective for Members to provide information to clients on an annual basis with respect to account performance and set out minimum standards as to how this objective can be achieved. The MFDA recognizes that Members may adopt alternative measures that meet or exceed the minimum standards in the Rule. MFDA staff will be issuing a Member Regulation Notice to provide more guidance as to how the requirements under the proposed amendments may be satisfied.

As the proposed amendments will require Members to report client name holdings, the issue of disclosure regarding MFDA Investor Protection Corporation ("IPC") coverage was also considered in developing the proposed amendments. Issues have been noted in the past regarding the disclosure of investor protection plan coverage where securities are held in client name and, historically, this has not been allowed. However, the MFDA has been advised that the MFDA IPC will be reviewing the issue with a view to working with the MFDA to develop guidelines to be followed in providing such disclosure to clients.

D. Comparison with Similar Provisions

The Financial Services Authority (the "FSA") in the United Kingdom currently requires registered firms to provide all clients with a periodic report containing certain prescribed information. The report must be provided every six months, or every three months if the client so requests (New Conduct of Business Sourcebook – Section 16.3). The information to be provided includes market value of each security (or fair value if market value is not available), fees, portfolio performance and a comparison with the performance benchmark (if any) agreed to between the firm and the client.

E. Systems Impact of Amendments

Some Members currently provide some or all of the required information with respect to the proposed changes to the client reporting requirements and it is not anticipated that there will be a significant system impact on those Members as a result of the proposed amendments. The system impact will be greater for Members that do not presently have the ability to provide any of the required information to clients.

As system changes will be required for some Members, the MFDA will consider transition periods for the implementation of the amendments to Rule 5.3.5 to allow Members sufficient time to comply with the new requirements. **Comments and suggestions regarding reasonable transition periods would assist in this regard.**

F. Best Interests of the Capital Markets

The Board has determined that the proposed amendments are in the best interests of the capital markets.

G. Public Interest Objective

The proposed amendments will assist in the protection of investors by ensuring that all investors receive basic information as to the performance of securities in their accounts. The proposed amendments will also address issues identified with respect to the accuracy and reliability of performance information currently provided directly to clients by Approved Persons.

III. COMMENTARY

A. Filing in Other Jurisdictions

The proposed amendments will be filed for approval with the Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia and Ontario Securities Commissions and the Saskatchewan Financial Services Commission.

B. Effectiveness

The proposed amendments are simple and effective.

C. Process

The proposed amendments have been prepared in consultation with relevant departments within the MFDA. The MFDA Board of Directors approved the proposed amendments on May 22, 2008.

D. Effective Date

The proposed amendments will be effective on a date to be subsequently determined by the MFDA.

IV. SOURCES

MFDA Rule 2.8

MFDA Rule 5

FSA - New Conduct of Business Sourcebook – Section 16.3

V. REQUIREMENT TO PUBLISH FOR COMMENT

The MFDA is required to publish for comment the proposed amendments so that the issues referred to above may be considered by the Recognizing Regulators.

The MFDA has determined that the entry into force of the proposed amendments would be in the public interest and is not detrimental to the capital markets. Comments are sought on the proposed amendments. Comments should be made in writing. One copy of each comment letter should be delivered within 90 days of the publication of this notice, addressed to the attention of the Corporate Secretary, Mutual Fund Dealers Association of Canada, 121 King St. West, Suite 1000, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of Sarah Corrigan-Brown, Senior Legal Counsel, British Columbia Securities Commission, 701 West Georgia Street, P.O. Box 10142, Pacific Centre, Vancouver, British Columbia, V7Y 1L2.

Those submitting comment letters should be aware that a copy of their comment letter will be made publicly available on the MFDA website at www.mfda.ca.

Questions may be referred to:

Paige Ward
Director of Policy and Regulatory Affairs
Mutual Fund Dealers Association of Canada
(416) 943-5838

SCHEDULE A

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

CLIENT REPORTING (Rule 5.3)

On May 22, 2008, the Board of Directors of the Mutual Fund Dealers Association of Canada made the following amendments to MFDA Rule 5.3:

5.3 CLIENT REPORTING

5.3.1 Delivery of Account Statement

- (a) Each Member shall, in a timely manner send an account statement to each client in accordance with the following minimum standards:
 - (i) once every 12 months for a client name account;
 - (ii) once a month for nominee name accounts of clients where there is an entry during the month and a cash balance or security position; and
 - (iii) quarterly for nominee name accounts where no entry has occurred in the account and there is a cash balance or security position at the end of the quarter.
- (b) A Member may not rely on any other person (including an Approved Person) to send account statements as required by this Rule.
- (c) Notwithstanding the provisions of 5.3.1(b), a Member may rely on the trustee administering a self-directed registered plan to send the account statement required by paragraph (a)(i) where the following conditions are met:
 - (i) The Member does not act as agent for the trustee for the registered plans;
 - (ii) The trustee meets the definition of "Acceptable Institution" as defined in Form 1;
 - (iii) There is a services agreement in place between the Member and the trustee which complies with the requirements of MFDA Rule 1.1.3 and provides that the trustee is responsible for sending account statements to clients of the Member that comply with the requirements of MFDA Rule 5;
 - (iv) There is clear disclosure about which trades are placed by the Member;
 - (v) Clear disclosure must be provided on the account statement regarding which securities positions referred to on the statement are eligible for coverage by the MFDA Investor Protection Corporation and which are not (once the Corporation is offering coverage);
 - (vi) The Member's full legal name must appear on the account statement together with the name of the trustee; and
 - (vii) The Member must receive copies of the statements, or have other systems in place, to ensure that the information contained ~~therein~~ on the statements matches its own information regarding the transactions it executes.
- (d) Notwithstanding the provisions of Rule 5.3.1(b), where a Member is affiliated with a fund manager and in connection with a specific client account is selling only the mutual fund securities of an issuer managed by such affiliated fund manager for that client account, the Member may rely on the affiliated fund manager to send the account statement required by paragraph (a)(i) for that specific account.

5.3.2 Automatic Payment Plans. Notwithstanding the provisions of Rule 5.3.1(a)(ii), where a Member holds client assets in nominee name and the only entry in the client's account in a month relates to the client's participation in:

- (a) any automatic payment plan that provides for systematic trading in the securities of a mutual fund on a monthly or more frequent basis, or

- (b) other automatic entries such as dividends and reinvested distributions,

the Member shall send an account statement to the client quarterly.

5.3.3 Content of Account Statement. Each account statement must contain the following information:

- (a) for nominee name accounts or accounts where the Member acts as an agent for the trustee for the purposes of administering a self-directed registered retirement savings or similar plan:
 - (i) the opening balance;
 - (ii) all debits and credits;
 - (iii) the closing balance;
 - (iv) the quantity and description of each security purchased, sold or transferred and the dates of each transaction, and;
 - (v) the quantity, description and market value of each security position held for the account;
- (b) for client name accounts:
 - (i) all debits and credits;
 - (ii) the quantity and description of each security purchased, sold or transferred and the dates of each transaction; and
 - (iii) for automatic payment plan transactions, the date the plan was initiated, a description of the security and the initial payment amount made under the plan.
- (c) for all accounts:
 - (i) the type of account;
 - (ii) the account number;
 - ~~(iii) the date the statement was issued;~~
 - ~~(iv)~~(iii) the period covered by the statement;
 - ~~(v)~~(iv) the name of the Approved Person(s) servicing the account, if applicable; and
 - ~~(vi)~~(v) the name, address and telephone number of the Member.

5.3.4 Member Business Only. Only transactions executed by the Member may appear on the statement of account required pursuant to Rule 5.3.3.

5.3.5 Account Performance Reporting. The Member must provide information to clients on an annual basis with respect to the performance of the client's account at the Member.

- (a) Subject to paragraphs (b) and (c), the account performance reporting must include the following information for the annual period:
 - i) the total market value of the account as at the start of the period covered by the report;
 - ii) total assets deposited to the account during the period covered by the report;
 - iii) total assets withdrawn from the account during the period covered by the report;
 - iv) the total market value of the account as at the end of the period covered by the report.
- (b) Notwithstanding the provisions of paragraph (a), where market values cannot be readily and reliably determined by the Member in respect of security positions held in the account, such values shall not be

included in the report and the Member must disclose to the client in the report the security positions for which values have not been included and why the information has not been included in the report.

- (c) A Member need not send the information contained in paragraph (a) where the Member sends a client communication that contains an annualized percentage rate of return for the client's account in accordance with the requirements of Rule 2.8.3.

SCHEDULE B

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

CLIENT COMMUNICATIONS (Rule 2.8)

On May 22, 2008, the Board of Directors of the Mutual Fund Dealers Association of Canada made the following amendments to MFDA Rule 2.8:

2.8.3 Rates of Return

- (a) In addition to complying with the requirements in Rule 2.8.2, any client communication containing or referring to a rate of return regarding a specific account or group of accounts must: ~~be based on~~
 - (i) disclose an annualized rate of return calculated in accordance with standard industry practices; and
 - (ii) explain the methodology used to calculate such rate of return in sufficient detail and clarity to reasonably permit the client to understand the basis for the rate of return.
- (b) In addition to complying with the requirements in Rule 2.8.2 and Rule 2.8.3(a), any client communication containing or referring to a rate of return regarding a specific account or group of accounts that is provided by an Approved Person must be approved and supervised by the Member.
- ~~(b)(c)~~ Notwithstanding the provisions of paragraphs (a) and (b), where an account has been open for less than 12 months, the rate of return shown must be the total rate of return since account opening.

13.1.4 Proposed Amendments to MFDA Rule 2.2 (Client Accounts) and MFDA Policy No. 2 Minimum Standards for Account Supervision

MUTUAL FUND DEALERS ASSOCIATION OF CANADA
PROPOSED AMENDMENTS TO MFDA RULE 2.2 (CLIENT ACCOUNTS)
AND
MFDA POLICY NO. 2
MINIMUM STANDARDS FOR ACCOUNT SUPERVISION

I. OVERVIEW

A. Current Rules

MFDA Rule 2.2 addresses the basic business conduct and client record requirements that Members must satisfy with respect to client accounts maintained by the Member. The current Rule prescribes:

- the requirement to collect know-your-client ("KYC") information when an account is opened;
- the requirement to ensure that recommendations made for the client's account are suitable;
- the requirement to complete a new account application form for each account;
- the requirement that each account be approved by a designated individual; and
- the requirement to document material updates to KYC information.

MFDA Policy No. 2 establishes minimum industry standards for supervision of client accounts and expands upon the basic requirements contained in Rule 2. Policy No. 2 provides guidance with respect to account opening documentation to be maintained and supervisory procedures to be completed at the branch and head office levels.

B. The Issues

Since September 2004, staff of the MFDA, the Investment Dealers Association of Canada ("IDA") and the Canadian Securities Administrators ("CSA") have been involved in working groups focused on the implementation of various aspects of the Client Relationship Model ("CRM"). One of the core principles addressed in CRM focuses on the need for clear definition of the relationship between the client and the financial services provider and the roles and responsibilities that each party will assume when an investment account is opened. Clients must be provided with adequate information regarding the client/dealer relationship at the time the relationship is established in order to understand the basic obligations of their dealer and what to expect as far as service levels.

The working groups involved in the CRM project also examined the issue of dealer responsibilities in ensuring that a client's investments remain consistent with the client's needs and objectives. In light of the investor protection issues involved, the MFDA supports the position that a regulatory response to this issue is necessary.

While current MFDA Rules and Policies address some aspects of the regulatory objectives of the CRM project, amendments are required to more fully respond to the concerns that have been raised.

In addition, the MFDA has also become aware of a number of other issues with respect to procedures employed by some Members in discharging their supervisory duties in connection with their clients' accounts. As some of the changes to be implemented under CRM relate to issues of supervision and involve the same Rules and Policies, these changes are being brought forward with the CRM proposal.

C. Objectives

As noted above, one of the main objectives of the proposed amendments is to clarify for clients the nature of the client/advisor relationship and, in some respects, expand the disclosure to be provided to clients on account opening.

Proposed amendments to the existing suitability requirements are designed to help ensure that client accounts are reviewed at relevant times and remain consistent with the client's needs and objectives.

The proposed amendments are also intended to clarify procedures that Members and Approved Persons must follow in order to satisfy their obligations regarding the collection and maintenance of KYC information and their obligations with respect to investment suitability and account supervision.

D. Effect of Proposed Amendments

Amendments to Rule 2.2 have been proposed to require that investors be provided with certain fundamental information at the time that an account is opened. This will help to ensure that clients are aware of the role and responsibilities of the Member and what to expect as far as services and costs. While some Members may already provide such information to clients as part of their business processes, the proposed amendments would effectively set a new minimum standard of relationship disclosure for clients of all Members.

Amendments to Rule 2.2 have also been proposed to clarify the duty of Members and Approved Persons to assess the suitability of investments in each client account when various triggering events occur.

Amendments to Policy No. 2 have been proposed to clarify the responsibilities of Members and Approved Persons in discharging their suitability obligations. These changes address issues regarding the KYC information that must be collected for each client, the maintenance of information on file and minimum standards that must be observed with respect to account supervision procedures. Some Members may be required to amend their current procedures to meet the new requirements.

It is not expected that the proposed amendments will have other significant effects on Members, other market participants, market structure or competition. Some aspects of the proposed amendments will result in additional systems, operational and compliance costs for Members. The extent of these costs will depend on the existing systems in place at the particular Member.

II. DETAILED ANALYSIS

A. Relevant History

In February 2000, the Ontario Securities Commission ("OSC") established the Fair Dealing Model Committee. The findings of this committee were summarized in the OSC's Fair Dealing Model Concept Paper which was published in January, 2004. The Fair Dealing Model Concept Paper also set forth a number of proposals for regulatory reform, touching on many aspects of the client/advisor relationship.

Certain issues raised in the Fair Dealing Model Concept Paper were carried forward under the CRM project, which, as noted above, involved staff of the MFDA, IDA and the CSA. The three core principles that the CRM project seeks to address are:

- clarity of the client/firm relationship;
- performance reporting; and
- cost, compensation and conflicts disclosure.

MFDA staff has conducted numerous consultations on various proposals to address the CRM project's objectives. These were conducted through the MFDA Member Regulation Forums, the MFDA Policy Advisory Committee and other ad hoc industry meetings. Alternative viewpoints and suggestions from Members, regulators and other industry participants were discussed at length in these consultations and the input received by staff has been factored into the proposed amendments that are now being published for comment.

The possibility of conducting a cost/benefit analysis of changes proposed in relation to the CRM project was also discussed. However, no agreement with potential participants was reached regarding the approach to be followed in conducting the analysis. Many of the proposed amendments, however, were developed in part to address regulatory concerns that have been identified through the MFDA's compliance and enforcement activities. Further, the proposed amendments have been developed with the intent of achieving the investor protection objectives of the CRM project while taking into consideration existing operational systems.

While there is some degree of overlap between each of these issues, the core principles were to a large extent considered discreetly. For the purpose of clarity, the resulting proposed changes to the Rules and Policies that relate to each issue are being published for comment separately as well.

In the course of completing compliance reviews and in investigating enforcement cases, MFDA staff has identified certain investor protection concerns regarding suitability and account supervision issues. MFDA staff has also received comments from Members requesting clarification of other aspects of the supervisory requirements under MFDA Rule 2 and Policy No. 2. As

these issues relate to similar concerns raised under the CRM project and involve the same Rules and Policies, proposed changes to address these additional issues are being brought forward with the amendments relating to the CRM project.

B. Proposed Amendments

Proposed amendments to Rule 2 include new subsection 2.2.5 which will require that, on account opening, all clients are provided with certain core information about the nature of their relationship with the Member and its Approved Persons. The information will address fundamental questions and clarify certain key concepts that are at the root of many complaints MFDA staff has observed. The proposed changes are designed to:

- clarify the activities for which the Member is responsible;
- ensure that clients are aware of the suitability obligations of the Member and Approved Person;
- clarify the account reporting that clients will receive; and
- ensure that clients are provided with a general understanding of how the Member is compensated.

The proposed amendments also require that the suitability of the investments held in each client's account be assessed when certain triggering events occur. Amendments to Rule 2.2.1 will require that the suitability of investments in each client account be assessed whenever:

- the client transfers assets into an account at the Member; or
- the Member or Approved Person becomes aware of a material change to the client's KYC information.

Approved Persons will also be expected to review the suitability of investments in any account where the account has been re-assigned to the Approved Person from another registered salesperson within the Member firm.

Amendments have also been made to Rule 2.2.4 regarding the updating of client KYC information, providing greater detail as to the client authorization, verification and approval requirements for such changes.

Other minor amendments have been made to clarify the current language and intent of Rule 2.2 to ensure the amended Rule is consistent with other Rules and Policies to be amended.

The proposed amendments to MFDA Rule 2.2 are noted in Schedule "A" to this notice.

A number of amendments with respect to Policy No. 2 have been proposed, including amendments to:

- clarify proficiency requirements for individuals that perform delegated tasks;
- clarify the information that must be collected at the time an account is opened;
- clarify when new account application forms must be completed and approved;
- clarify requirements relating to the updating of client information and the approval of material changes;
- clarify standards to be followed regarding the assessment of investment suitability and suitability of leverage;
- prescribe minimum supervisory procedures and trade thresholds for daily account supervision at the branch and head office levels; and
- require Members to perform reviews to identify trends in trading activity and other issues.

As some of these changes may require system changes for Members, the MFDA seeks comments with respect to reasonable transition periods that would be required to develop and implement such systems changes.

Other minor additional amendments have been made to clarify the current language and intent of Policy No. 2.

The proposed amendments to MFDA Policy No. 2 are noted in Schedule "B" to this notice.

C. Issues and Alternatives Considered

As noted above, several alternative approaches to address the issue of relationship disclosure were examined and discussed by the CRM project working group. In addition, a number of practical considerations were brought to the attention of MFDA staff through the consultation sessions with industry participants. For example, previous draft proposals contained a number of additional prescribed disclosure requirements. However, a number of commenters raised concerns that the prescribed disclosure was duplicative of existing requirements under securities legislation, other MFDA Rules or other ongoing regulatory initiatives. The MFDA responded to industry concerns by streamlining the proposal and adopting a more principle-based approach, so that the regulatory objectives can be achieved while still maintaining some degree of flexibility for compliance. Some of the duplicative content requirements that have been eliminated include:

- the requirement to disclose conflicts of interest;
- the requirement to provide a list of account documents to be provided on account opening;
- the requirement to disclose service fees; and
- the requirement to disclose contact information, the existence of dispute resolution services and the requirement to provide complaint handling information.

Rather than require that a specific relationship disclosure document be provided to clients, as considered in previous draft proposals, the amendments currently proposed by the MFDA allow for disclosure to be provided to clients in one document or several, as long as the information is provided at account opening.

Changes to the current suitability requirements were proposed as a solution to a perceived regulatory gap in investment risk reporting identified by CSA staff. Suggestions were made that the risk level of investments held in each client's account should be reported on a regular basis to allow investors the opportunity to review this information in light of their risk tolerance. The underlying investor protection issue to be addressed through risk disclosure centres on the potential disparity between portfolio risk versus client risk tolerance. The proposed amendments address this issue, but avoid the costs and uncertainties that would have been introduced under a mandatory risk reporting regime.

The issue of risk and fee disclosure was also considered in light of the Joint Forum of Financial Market Regulators proposed Framework 81-406 (the "Point of Sale Project"). As the Point of Sale Project will require dealers to provide clients with standardized disclosure addressing the issues of risk and fees at the time of each transaction, when information on these points is most relevant, general disclosure relating to risks and costs on account opening is sufficient and appropriate.

With respect to the trade threshold criteria contained in the amendments to Policy No. 2, MFDA staff reviewed the policies and procedures currently in place at Member firms before setting the minimum thresholds proposed under the Policy. Based on information obtained from compliance examinations completed to date, more than 80% of Members have policies and procedures in place that are in compliance with either the proposed branch trade review thresholds or the proposed head office trade review thresholds.

D. Comparison with Similar Provisions

The Financial Services Authority (the "FSA") in the United Kingdom currently requires registered firms to provide all clients with information regarding the firm and the services it provides before any such services are provided to the client (New Conduct of Business Sourcebook – Section 2.2). The disclosure addresses products and services that may be offered, costs, complaint information and coverage under the UK Financial Services Compensation Scheme. The FSA has produced template forms for firms to follow in providing this disclosure.

IDA Policy 2 was reviewed as part of the process followed in making the proposed changes to MFDA Policy No. 2. Many of the amendments have been proposed to reflect the current provisions of the IDA Policy or more recent changes that are awaiting approval. Different approaches have been taken where warranted due to differences between the business operations of investment dealers and mutual fund dealers.

E. Systems Impact of Amendments

Because system changes may be required to comply with some of the proposed amendments, the MFDA will consider transition periods for the implementation of the amendments to Rule 2 and Policy No. 2 to ensure that Members are provided with sufficient time to comply with the new requirements. Members will also be expected to create processes to ensure that existing accounts comply with the new requirements. **Comments and suggestions are sought to assist in determining reasonable transition periods to allow for revisions to existing documentation and systems changes.**

F. Best Interests of the Capital Markets

The Board has determined that the proposed amendments are in the best interests of the capital markets.

G. Public Interest Objective

The proposed amendments will assist in the protection of investors by ensuring that investors receive an adequate level of information regarding the relationship they enter into with the Member when opening an account and ensuring that client accounts are properly supervised on an ongoing basis.

III. COMMENTARY

A. Filing in Other Jurisdictions

The proposed amendments will be filed for approval with the Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia and Ontario Securities Commissions and the Saskatchewan Financial Services Commission.

B. Effectiveness

The proposed amendments are simple and effective.

C. Process

The proposed amendments have been prepared in consultation with relevant departments within the MFDA. The MFDA Board of Directors approved the proposed amendments on May 22, 2008.

D. Effective Date

The proposed amendments will be effective on a date to be subsequently determined by the MFDA.

IV. SOURCES

MFDA Rule 2.2
MFDA Policy No. 2
IDA Policy 2
FSA – New Conduct of Business Sourcebook – Section 2.2

V. REQUIREMENT TO PUBLISH FOR COMMENT

The MFDA is required to publish for comment the proposed amendments so that the issues referred to above may be considered by the Recognizing Regulators.

The MFDA has determined that the entry into force of the proposed amendments would be in the public interest and is not detrimental to the capital markets. Comments are sought on the proposed amendments. Comments should be made in writing. One copy of each comment letter should be delivered within 90 days of the publication of this notice, addressed to the attention of the Corporate Secretary, Mutual Fund Dealers Association of Canada, 121 King St. West, Suite 1000, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of Sarah Corrigan-Brown, Senior Legal Counsel, British Columbia Securities Commission, 701 West Georgia Street, P.O. Box 10142, Pacific Centre, Vancouver, British Columbia, V7Y 1L2.

Those submitting comment letters should be aware that a copy of their comment letter will be made publicly available on the MFDA website at www.mfda.ca.

Questions may be referred to:

Paige Ward
Director of Policy and Regulatory Affairs
Mutual Fund Dealers Association of Canada
(416) 943-5838

SCHEDULE A

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

CLIENT ACCOUNTS (Rule 2.2)

On May 22, 2008, the Board of Directors of the Mutual Fund Dealers Association of Canada made the following amendments to MFDA Rule 2.2:

2.2 CLIENT ACCOUNTS

2.2.1 **"Know-Your-Client"**. Each Member and Approved Person shall use due diligence:

- (a) to learn the essential facts, as may be prescribed by the Corporation from time to time, relative to each client and to each order or account accepted;
- (b) to ensure that the acceptance of any order for any account is within the bounds of good business practice; ~~and~~
- (c) to ensure that each order accepted or recommendation made for any account of a client is suitable for the client ~~and in keeping with the client's investment objectives; and~~ based on the essential facts relative to the client and any investments within the account;
- (d) to ensure that, notwithstanding the provisions of paragraph (c), where a transaction proposed by a client is not suitable for the client based on the essential facts relative to the client and the investments in the account, ~~and in keeping with the client's investment objectives~~, the Member or Approved Person has so advised the client before execution thereof; ~~and the Member or Approved Person has maintained evidence of such advice;~~
- (e) to ensure that the suitability of the investments within each client's account is assessed:
 - (i) whenever the client transfers assets into an account at the Member;
 - (ii) whenever the Member or Approved Person becomes aware of a material change in client information, as defined in Rule 2.2.4; or
 - (iii) by the Approved Person where there has been a change in the Approved Person responsible for the client's account at the Member; and
- (f) to ensure that, where investments in a client's account are determined to be unsuitable, the Member or Approved Person so advises the client and makes recommendations to address any inconsistencies between investments in the account and the essential facts relative to the client and the Member or Approved Person maintains evidence of such advice and recommendations.

2.2.2 **New Accounts Application Form.**

- (a) Each new account for a client must be opened by the Member within a reasonable time of the client's instruction to do so. Account numbers must not be assigned unless they are accompanied by the proper name and address for the client.
- (b) A New Account Application Form must be completed for each new account of a client. If the New Account Application Form does not include know-your-client information, this must be documented on a separate Know-Your-Client form. Such form or forms shall be duly completed to conform with the requirements of Rule 2.2.1 and shall be signed by the client and dated. Account numbers must not be assigned unless they are accompanied by the proper name and address for the client and such name and address must be supported by the New Account Application Form.

2.2.3 **New Account Approval.** Each Member shall designate a trading partner, director or officer or, in the case of a branch office, a branch manager reporting directly to the designated partner, director or officer, who shall be responsible for approval of the opening of new accounts and the supervision of account activity. The designated person shall ~~promptly after the completion of any initial transaction specifically~~ approve the opening of such account in writing and a record of such approval shall be maintained in accordance with Rule 5.

2.2.4 **Updating ~~Know-Your-Client~~ Information**

- (a) **Definition.** In this Rule, "**material change in client information**" means any information that could reasonably result in changes to the stated risk tolerance, time horizon or investment objectives of the client or would have a significant impact on the net worth or income of the client.
- ~~(a)(b)~~ The Form documenting know-your-client information must be updated to include any material change in client information whenever a Member or Approved Person or other employee or agent becomes aware of such change including pursuant to Rule 2.2.4~~(b)~~.
- ~~(c)~~ Subject to paragraph (d), the Member must maintain evidence of client instructions regarding any material changes in client information and all such changes must be approved by the individual designated in accordance with Rule 2.2.3 as responsible for the approval of the opening of new accounts.
- ~~(d)~~ A client signature must be obtained to evidence any change in client name, client address or client banking information.
- ~~(b)(e)~~ Without reducing the responsibility of Members in Rule 2.2.1, all Members must at least annually, in writing, request each client to notify the Member if there has been any material change in ~~know-your-client~~ information previously provided to the Member or the client's circumstances have materially changed. The date of such request and the date upon which any such client information is received and recorded or amended must be retained.
- ~~(e)~~ Written authorization must be obtained from the client for any change in a client name.

2.2.5 **Relationship Disclosure.** For each new account opened, the Member shall provide written disclosure to the client:

- ~~(a)~~ describing the nature of the advisory relationship;
- ~~(b)~~ describing the products and services offered by the Member;
- ~~(c)~~ describing the Member's procedures regarding the receipt and handling of client cash and cheques. In the case of a Level 2 dealer, the disclosure must include an explanation that all client cheques shall be payable to the issuer or carrying dealer, as applicable;
- ~~(d)~~ describing the Member's obligation to ensure that each order accepted or recommendation made for any account of a client is suitable for the client and advising when the Member will assess the suitability of the investments in the client's account;
- ~~(e)~~ defining the various terms with respect to the know-your-client information collected by the Member and describing how this information will be used in assessing investments in the account;
- ~~(f)~~ describing the content and frequency of reporting for the account; and
- ~~(g)~~ describing the nature of the compensation that may be paid to the Member and referring the client to other sources for more specific information.

SCHEDULE B

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MINIMUM STANDARDS FOR ACCOUNT SUPERVISION (Policy No. 2)

On May 22, 2008, the Board of Directors of the Mutual Fund Dealers Association of Canada made the following amendments to MFDA Policy No. 2:

MFDA POLICY NO. 2

MINIMUM STANDARDS FOR ACCOUNT SUPERVISION

Introduction

This Policy establishes minimum industry standards for account supervision. These standards represent the minimum requirements necessary to ensure that a Member has procedures in place to properly supervise account activity. This Policy does not:

- (a) relieve Members from complying with specific MFDA By-laws, Rules and Policies and securities legislation applicable to particular trades or accounts; or
- (b) preclude Members from establishing a higher standard of supervision, and in certain situations a higher standard may be necessary to ensure proper supervision.

To ensure that a Member has met all applicable standards, Members are required to know and comply with MFDA By-laws, Rules and Policies as well as applicable securities legislation which may apply in any given circumstance. The following principles have been used to develop these minimum standards:

- (a) The term "review" in this Policy has been used to mean a preliminary screening designed to detect items for further investigation or an examination of unusual trading activity or both. It does not mean that every trade must be reviewed. The reviewer must use reasonable judgement in selecting the items for further investigation.
- (b) It has been assumed that Members have or will provide the necessary resources and qualified supervisors to meet these standards.
- (c) The initial compliance with the know-your-client rule and suitability of investment requirements is primarily the responsibility of the registered salesperson. The supervisory standards in this Policy relating to know-your-client and suitability are intended to provide supervisors with a checklist against which to monitor the handling of these responsibilities by the registered salesperson.

Members that seek to adopt policies and procedures relating to branch and head office supervision or the allocation of supervisory activities that differ from those contained in this Policy must demonstrate that all of the principles and objectives and minimum standards set out in this Policy have been properly satisfied. Further, any such alternative policies and procedures must adequately address the risk management issues of the Member and must be pre-approved by MFDA staff before implementation.

I. ESTABLISHING AND MAINTAINING PROCEDURES

Effective self-regulation begins with the Member establishing and maintaining a supervisory environment which both fosters the business objectives of the Member and maintains the self-regulatory process. To that end a Member must establish and maintain procedures which are supervised by qualified individuals. A major aspect of self-regulation is the ongoing education of staff in all areas of sales compliance.

Establishing Procedures

- 1. Members must appoint designated individuals who have the necessary knowledge of industry regulations and Member policies to properly perform the duties.
- 2. Written policies must be established to document supervision requirements.

3. Written instructions must be supplied to all supervisors and alternates to advise them on what is expected of them.
4. All policies established or amended should have senior management approval.

Maintaining Procedures

1. Evidence of supervisory reviews must be maintained. Evidence of the review, such as inquiries made, replies received, date of completion etc. must be maintained for seven years and on-site for one year.
2. An on-going review of sales compliance procedures and practices must be undertaken both at head office and at branch offices.

Delegation of Procedures

1. Tasks and procedures may be delegated to a knowledgeable and qualified individual but not responsibility.
2. The Member must advise supervisors of those specific functions which cannot be delegated, such as approval of new accounts.
3. The supervisor delegating the task must ensure that these tasks are being performed adequately and that exceptions are brought to his/her attention.
4. Those who are delegated tasks must have the qualifications and required proficiency to perform them ~~tasks~~ and should be advised in writing of their duties. The general expectation is that tasks be delegated only to individuals with the same proficiency as the delegating supervisor. In certain limited circumstances, it may be acceptable to delegate specialized tasks to an individual that has not satisfied the proficiency requirements provided that the individual has equivalent training, education or experience related to the function being performed. The Member must consider the responsibilities and functions to be performed in relation to the delegated tasks and make a determination as to appropriate equivalent qualifications and proficiency. The Member must be able to demonstrate to MFDA staff that the equivalency standard has been met. Tasks related to trade supervision can only be delegated to individuals that possess the proficiency of a branch manager or compliance officer.

Education

1. The Member's current policies and procedures manual must be made available to all sales and supervisory personnel.
2. Introductory training and continuing education should be provided for all registered salespersons. For training and enhanced supervisory requirements for newly registered salespersons, please refer to the MFDA Policy No.1 entitled "New Registrant Training and Supervision Policy."
3. Relevant information contained in compliance-related bulletins from the MFDA Member Regulation Notices and Bulletins and compliance-related notices from other applicable regulatory bodies must be communicated to all registered salespersons and relevant employees. Procedures relating to the method and timing of distribution of compliance-related bulletins information must be clearly detailed in the Member's written procedures. Members should ensure that they maintain evidence of compliance with such procedures.

II. OPENING NEW ACCOUNTS

To comply with the "Know-Your-Client" and suitability requirements set out in ~~Section 2 of the~~ MFDA Rules 2, each Member must establish procedures to maintain accurate and complete information on each client. The first step towards compliance with this rule is completing proper documentation when opening new accounts. Accurate completion of the documentation when opening a new account allows both the registered salesperson and the supervisory staff to conduct the necessary reviews to ensure that recommendations made for any account are appropriate for the client and in keeping with investment objectives. Maintaining accurate and current documentation will allow the registered salesperson and the supervisory staff to ensure that all recommendations made for any account are and continue to be appropriate for a client's investment objectives.

Documentation of Client Account Information

1. ~~A New Account Application Form ("NAAF") must be completed for each new account. A sample NAAF is attached as Schedule "I". If the NAAF does not include know your client ("KYC") information, this must be documented on a separate KYC form. Such form or forms shall be duly completed to conform with the KYC rule.~~

- ~~2. The new account or KYC information must be approved in writing by the branch manager or the designated director, partner or officer, prior to the initial trade or promptly thereafter (in any event, by no later than one business day after the date of the initial trade).~~
- ~~3. A complete set of documentation must be maintained by the Member. The registered salesperson must also maintain a copy of the NAAF. In the case of a Level 1 Introducing Dealer and corresponding Carrying Dealer, both Members must maintain a copy of each client's NAAF.~~
- ~~4. The registered salesperson or Member must update the form documenting KYC information whenever they become aware of a material change in client information. Notwithstanding the foregoing, Members must, on an annual basis, request in writing that clients notify them if the KYC information previously provided, or the client's circumstances, have materially changed.~~
- ~~5. The last date upon which the form documenting KYC information has been updated must be indicated in the client's file.~~
- ~~6. When there is a change of registered salesperson, the new registered salesperson must verify the information on the NAAF and any separate KYC form to ensure it is current and record the date of such verification on the form or forms.~~
- ~~7. Account numbers must not be assigned unless they are accompanied by the proper name and address of the client and such name and address must be supported by a properly completed NAAF no later than the following day.~~
- ~~8. New NAAF's should be prepared and completed for all new clients, including existing clients of a registered salesperson transferring to the Member.~~
1. A New Account Application Form ("NAAF") must be completed for each new account.
2. A complete set of documentation relating to each client's account must be maintained by the Member. The registered salesperson must also maintain a copy of the NAAF. In the case of a Level 1 Introducing Dealer and corresponding Carrying Dealer, both Members must maintain a copy of each client's NAAF.
3. For each account of a client that is a natural person, the Member must obtain information sufficient to allow for the operation of the account and sufficient to determine the essential facts relative to each client (the "know-your-client" or "KYC" information), which would include, at a minimum, the following information:
 - (a) name;
 - (b) type of account;
 - (c) residential address and contact information;
 - (d) date of birth;
 - (e) employment information;
 - (f) number of dependants;
 - (g) other persons with trading authorization on the account;
 - (h) other persons with a financial interest in the account;
 - (i) investment knowledge;
 - (j) risk tolerance;
 - (k) investment objectives;
 - (l) time horizon;
 - (m) income;
 - (n) calculation of net worth (including details of liquid assets, fixed assets and liabilities);
 - (o) information required for relevant tax reporting;

(p) information required for compliance with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations*, as amended from time to time;

(q) authorization to provide personal information to the MFDA under applicable privacy legislation.

The preceding provides a list of minimum requirements. The Member may require clients to provide any additional information that it considers relevant. In the case of accounts jointly owned by two or more persons, the minimum information noted above should be collected with respect to each owner, with the exception of the information required under subparagraphs (b), (h), (i), (k), (l) and (m).

3. For each account of a client that is a corporation, trust or other type of legal entity, the Member must obtain information sufficient to allow for the operation of the account and sufficient to determine the essential facts relative to the client, which would include, at a minimum, the following information:

(a) legal name;

(b) head office address and contact information;

(c) type of legal entity (i.e. corporation, trust, etc.);

(d) form and details regarding the organization of the legal entity (i.e. articles of incorporation, trust deed, or other constating documents)

(e) nature of business;

(f) persons authorized to provide instructions on the account and details of any restrictions on their authority;

(g) investment knowledge of the persons to provide instructions on the account;

(h) risk tolerance;

(i) investment objectives;

(j) time horizon;

(k) income;

(l) calculation of net worth (including details of liquid assets, fixed assets and liabilities);

(m) information required for relevant tax reporting;

(n) information required for compliance with the *Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations*, as amended from time to time;

(o) authorization to provide personal information to the MFDA under applicable privacy legislation.

The preceding provides a list of minimum requirements. The Member may require clients to provide any additional information that it considers relevant.

5. For supervisory purposes, registered accounts, leveraged accounts and accounts of any registered salesperson's family member operating under a limited trading authorization or operating under a power of attorney in favour of the registered salesperson must be readily identifiable.

6. If the NAAF does not include KYC information, this must be documented on a separate KYC form(s). Such form(s) must be signed by the client and dated. A copy of the completed NAAF and KYC form, if separate from the NAAF, must be provided to the client.

7. The Member must have internal controls and policies and procedures in place with respect to the entry of KYC information on their back office systems. Such controls should provide an effective means to detect and prevent inconsistencies between the KYC information used for account supervision with that provided by the client.

8. Except as noted in the following paragraph, NAAF's must be prepared and completed for all new clients prior to the opening of new client accounts. The new account or KYC information must be approved by the individual designated as

responsible for the opening of new accounts under Rule 2.2.3 no later than one business day after the date that the account is opened. Records of all such approvals must be maintained in accordance with Rule 5.

9. Notwithstanding the preceding paragraph, NAAF's for clients of a registered salesperson transferring to the Member must be prepared and completed within a reasonable time (but in any event no later than the time of the first trade). The new accounts or KYC information for clients of the transferring salesperson must be approved by the individual designated as responsible for the opening of new accounts under Rule 2.2.3 no later than one business day after the date that the NAAF is completed. Records of all such approvals must be maintained in accordance with Rule 5.
10. In the event that a NAAF is not completed prior to or within a reasonable time after opening an account, as required by this Policy, the Member must have policies and procedures to restrict transactions on such accounts to liquidating trades until a fully completed NAAF is received.
11. When there is a change of registered salesperson responsible for a client's account at a Member, the new registered salesperson must review the information on the NAAF and any separate KYC form to ensure it is current and record the date of such review on the form or forms.

Changes to Know-Your-Client Information

1. The registered salesperson or Member must update the KYC information whenever they become aware of a material change in client information as defined in Rule 2.2.4.
2. On account opening, the Member should advise the client to promptly notify the Member of any material changes in the client information previously provided to the Member and provide examples of the types of information that should be regularly updated.
3. In accordance with Rule 2.2.4(e), Members must also, on an annual basis, request in writing that clients notify them if there has been any material change in client information previously provided, or if the client's circumstances have materially changed.
4. Access to amend KYC information must be controlled and instructions to make any such amendments must be properly documented.
5. A client signature, which may include an electronic signature, must be obtained to evidence any change in client name, client address or client banking information.
6. Other material changes to client information may be evidenced by a client signature, which may include an electronic signature or, alternatively, such changes may be evidenced by maintaining notes in the client file detailing the client's instructions to change the information and verified by providing written confirmation to the client with details of the instructions and providing an opportunity for the client to make corrections to any changes that have been made.
7. All material changes in client information must be approved by the individual designated as responsible for the opening of new accounts under Rule 2.2.3 no later than one business day after the date on which notice of the change in information is received from the client. Records of all such approvals must be maintained in accordance with Rule 5.
8. Where any material changes have been made to the information contained in the NAAF or KYC form(s), the client must promptly be provided with a document or documents specifying all KYC information that applies to the client's account.
9. The last date upon which the KYC information has been updated or confirmed must be indicated in the client's file and on the Member's back office system.

Pending/Supporting Documents

1. Members must have procedures in place to ensure supporting documents are received within a reasonable period of time of opening the account.
2. Supporting documentation that is not received or is incomplete must be noted, filed in a pending documentation file and reviewed on a periodic basis.
3. Failure to obtain required documentation within 25 days of the opening of the account must result in positive actions being taken.

Client Communications Master Files

- ~~1. Entering and amending client master files must be controlled and accompanied by proper documentation.~~
- ~~2.1. All hold mail must be authorized by the client in writing and be controlled, reviewed on a regular basis and maintained by the responsible supervisor. Hold mail should never be permitted to occur over a prolonged period of time (i.e. in excess of 6 months).~~
- ~~3.2. Returned mail is to be promptly investigated and controlled.~~
- ~~4. For supervisory purposes, registered accounts, leveraged accounts and accounts operating under a limited trading authorization must be readily identifiable.~~

III. ASSESSING SUITABILITY OF INVESTMENTS AND LEVERAGING STRATEGIES

1. In accordance with Rule 2.2.1, Members and registered salespersons are responsible for the suitability of each recommendation made for an account of a client and must assess the suitability of the investments in each client's account under the circumstances described in Rule 2.2.1(e).
2. Members must have policies and procedures with respect to their suitability obligations, including criteria for the purpose of assessing the suitability of a client's use of leveraging and describing appropriate client circumstances for recommending the use of leverage.
3. The Member's policies and procedures must describe the information required to be maintained in the client file to facilitate proper Member supervision. Whenever the Member or registered salesperson recommends or becomes aware that a client is using a leverage strategy, the Member or registered salesperson must either maintain copies of the lending documents or make sufficient inquiries to obtain details of the loan, including interest rate, terms for repayment and the outstanding loan value. Where the Member or registered salesperson assists the client in completing the loan application, the Member must maintain copies of lending documents in the file, including copies of the loan application.
4. The Member's criteria for selecting trades for review, the inquiry and resolution process, supervisory documentation requirements, and the escalation and disciplinary process must be documented and clearly communicated to all registered salespersons and all relevant employees. Registered salespersons must be advised of the criteria the Member uses in assessing suitability, actions the Member will take when a trade has been flagged for review and appropriate options for resolution.
5. Registered salespersons must assess the suitability of investments in each client account within a reasonable time, but in any event no later than the time of the next trade, whenever:
 - the client transfers to the Member or transfers assets into an account at the Member;
 - the Member or registered salesperson becomes aware of a material change in the client's KYC information; and
 - the client account has been re-assigned to the registered salesperson from another registrant at the Member.

The determination of "reasonable time" in a particular instance will depend on the circumstances surrounding the event that gives rise to the requirement to perform the suitability assessment. For example, with respect to client transfers, the volume of accounts to be reviewed may be a relevant factor in determining reasonable time.

6. Should a registered salesperson identify unsuitable investments in a client's account, the registered salesperson must advise the client and take appropriate steps to determine if there has been any change to client circumstances that would warrant altering the KYC information. It is inappropriate to alter the KYC information in order to match the investments in the client's account. If there is no change to the KYC information, or if investments in the account continue to be unsuitable after the KYC information has been amended, the registered salesperson should discuss any inconsistencies with the client and provide recommendations as to rebalancing investments in the account. Transactions in the account must only be made in accordance with client instructions and any recommendations made with respect to the rebalancing of the account must be properly recorded.
7. Registered salespersons must maintain evidence of completion of all suitability assessments performed and any follow up action taken with respect to such assessments.

III.V. BRANCH OFFICE ACCOUNT SUPERVISION

Each branch manager must undertake certain activities within the branch for purposes of assessing compliance with the Member's policies and procedures and regulatory requirements. These activities should be designed to identify failures to adhere to required policies and procedures and provide a means of revealing and addressing undesirable account activity.

Daily Activity

1. All new account applications and updates to client information must be reviewed and approved in accordance with this Policy, no later than the next business day after the account is opened.
2. The branch manager (or alternate) must review the previous day's trading for unsuitable trades and any other unusual trading activity using any convenient means. This review must ~~should~~ include, at a minimum, all: ~~trades in exempt securities (excluding guaranteed investment certificates) where permitted by securities law, and a sample of:~~
 - initial trades;
 - trades in exempt securities;
 - leveraged trades/leverage recommendations for open accounts;
 - trades over \$1,000 in moderate-high or high risk investments; ~~in volatile or speculative funds; and~~
 - trades in accounts of family members of registered salespersons operating under a power of attorney in favour of the registered salesperson; and limited trading authorizations.
 - trades and redemptions over \$5,000 for all other investments.

For the purposes of this section, "trades" does not include redemptions except where specifically referenced.

3. When reviewing redemptions, branch managers should seek to identify and assess:
 - the suitability of the redemption with regard to the composition of the remaining portfolio;
 - the impact and appropriateness of any redemption charges;
 - possible outside business activity where money may be leaving the Member for reinvestment into other potentially inappropriate or unauthorized investments; and
 - potential churning, including situations where redemption proceeds are being held on a temporary basis pending reinvestment.
4. The branch manager (or alternate) is responsible for following up on unusual trades identified by head office.
5. The branch manager must assess the suitability of investments in each client account where the Member becomes aware of a material change in the client's KYC information. The suitability assessment must be performed no later than one business day after the date on which notice of the change in information is received from the client.
- 3-6. In addition to transactional activity, branch managers must also keep themselves informed as to other client-related compliance matters such as complaints.

IV. HEAD OFFICE ACCOUNT SUPERVISION

A two-tier structure is required to adequately supervise client account activity. While the head office or regional area level of supervision by its nature cannot be in the same depth as branch level supervision, it should cover the same elements. Head office review should be focused on unusual activity or reviews that cannot be carried out at the branch level. Head office reviews must include procedures to effectively detect unsuitable investments and excessive trading in client accounts.

Daily Reviews

1. In addition to the trading review criteria for branch managers, head office must conduct daily reviews of account activity which ~~must~~ should include, at a minimum, all: ~~criteria to detect the following:~~
 - ~~— lack of suitability;~~
 - ~~— excessive trading or switching between funds indicating possible unauthorized trading or lack of suitability;~~
 - ~~— excessive switches between no load funds and deferred sales charge or front load funds;~~
 - ~~— excessive switches between deferred sales charge funds and front load funds;~~
 - ~~— excessive forced settlements;~~
 - ~~— quality downgrading of client holdings;~~
 - ~~a. account number changes where the Member uses nominee name accounts.~~
 - ~~— trades over \$5,000 in exempt securities, moderate-high or high risk investments, or leveraged trades/recommendations in open accounts;~~
 - ~~— trades over \$10,000 for other investments (excluding money market funds); and~~
 - ~~— redemptions greater than \$10,000.~~

For the purposes of this section, “trades” does not include redemptions except where specifically referenced.

2. There must be closer supervision of trading by registered salespersons who have had a history of questionable conduct. Questionable conduct may include trading activity that frequently raises questions in account reviews, frequent or serious complaints, regulatory investigations or failure to take remedial action on account problems identified.
3. Daily reviews should be completed within one business day unless precluded by unusual circumstances.
4. Daily reviews should be conducted of client accounts of producing branch managers.
5. On a sample basis, the Member must review the suitability of investments in accounts where clients have transferred assets into an account or where there has been a material change in client information. The Member must have policies and procedures regarding sample size and selection, which should be based on the risk level associated with the account, focusing on accounts that hold higher risk investments, exempt securities or products not normally sold by the Member, accounts that are operated under a power of attorney in favour of a registered salesperson and accounts employing a leverage strategy. The Member's reviews must be completed within a reasonable time.

Client Statement Reviews

1. ~~A sample of client account statements must be reviewed as frequently as they are required to be produced according to MFDA Rule 5.3.1 and such review should encompass areas of concern as discussed in the daily activity review.~~
2. ~~Reviews should be completed within 21 days of the period covered by the statement unless precluded by unusual circumstances.~~
3. ~~Evidence of all reviews should be kept including date of completion, actions and responses and must be maintained for at least two years.~~

VI. IDENTIFICATION OF TRENDS IN TRADING ACTIVITY

1. In addition to performing daily reviews, Members must establish policies and procedures to identify trends or patterns that may be of concern including:
 - ~~— excessive trading or switching between funds indicating possible unauthorized trading, lack of suitability or possible issues of churning (for example, redemptions made within 3 months of a purchase, DSC purchases made within 3 months of a DSC redemption or accounts where there are more than 5 trades per month);~~

- excessive switches between no load funds and deferred sales charge or front load funds;
- excessive switches between deferred sales charge funds and front load funds; and
- excessive switches where a switch fee is charged.

2. Head office supervisory review procedures must include, at a minimum, the following criteria:

- a review of all accounts generating commissions greater than \$1,500 within the month;
- a quarterly review of reports on assets under administration ("AUA") comparing current AUA to AUA at the same time the prior year;
- a quarterly review of commission reports for the previous 12 month period comparing commissions received in the current year to commissions received for the same period in the prior year.

Significant increases in commissions or AUA beyond those caused by market fluctuations may indicate issues with churning or leveraging strategies. Significant decreases may indicate potential inappropriate outside business activity.

3. Reviews should be completed within 21 days of the last day of the period being reviewed unless precluded by unusual circumstances.

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8. Client Signature: _____ Date: _____
Salesperson Signature: _____ Date: _____
Designated Officer, Director, or _____ Date of
Branch Manager Approval: _____ Approval: _____

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