The Ontario Securities Commission

OSC Bulletin

May 29, 2009

Volume 32, Issue 22

(2009), 32 OSCB

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

Published under the authority of the Commission by:
Carswell, a Thomson Reuters business
One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

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

Contact Centre - Inquiries, Complaints:	Fax: 416-593-8122
Market Regulation Branch:	Fax: 416-595-8940
Compliance and Registrant Regulation Branch	
- Compliance:	Fax: 416-593-8240
- Registrant Regulation:	Fax: 416-593-8283
Corporate Finance Branch	
- Team 1:	Fax: 416-593-8244
- Team 2:	Fax: 416-593-3683
- Team 3:	Fax: 416-593-8252
- Insider Reporting:	Fax: 416-593-3666
- Mergers and Acquisitions:	Fax: 416-593-8177
Enforcement Branch:	Fax: 416-593-8321
Executive Offices:	Fax: 416-593-8241
General Counsel's Office:	Fax: 416-593-3681
Office of the Secretary:	Fax: 416-593-2318

THOMSON REUTERS

The OSC Bulletin is published weekly by Carswell, a Thomson Reuters business, under the authority of the Ontario Securities Commission.

Subscriptions are available from Carswell at the price of $649 per year.

Subscription prices include first class postage to Canadian addresses. Outside Canada, these airmail postage charges apply on a current subscription:

U.S.	$175
Outside North America	$400

Single issues of the printed Bulletin are available at $20 per copy as long as supplies are available.

Carswell also offers every issue of the Bulletin, from 1994 onwards, fully searchable on S*ecuritiesSource*™, Canada's pre-eminent web-based securities resource. *SecuritiesSource*™ also features comprehensive securities legislation, expert analysis, precedents and a weekly Newsletter. For more information on *SecuritiesSource*™, as well as ordering information, please go to:

http://www.westlawecarswell.com/SecuritiesSource/News/default.htm

or call Carswell Customer Relations at 1-800-387-5164 (416-609-3800 Toronto & Outside of Canada).

Claims from *bona fide* subscribers for missing issues will be honoured by Carswell up to one month from publication date.

Space is available in the Ontario Securities Commission Bulletin for advertisements. The publisher will accept advertising aimed at the securities industry or financial community in Canada. Advertisements are limited to tombstone announcements and professional business card announcements by members of, and suppliers to, the financial services industry.

ISSN 0226-9325
Except Chapter 7 ©CDS INC.

THOMSON REUTERS

One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

Customer Relations
Toronto 1-416-609-3800
Elsewhere in Canada/U.S. 1-800-387-5164
Fax 1-416-298-5082
www.carswell.com
Email www.carswell.com/email

Table of Contents

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

MAY 29, 2009

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

The Harry S. Bray Hearing Room
Ontario Securities Commission
Cadillac Fairview Tower
Suite 1700, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

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

CDS **TDX 76**

Late Mail depository on the 19th Floor until 6:00 p.m.

- -

THE COMMISSIONERS

W. David Wilson, Chair	—	WDW
James E. A. Turner, Vice Chair	—	JEAT
Lawrence E. Ritchie, Vice Chair	—	LER
Paul K. Bates	—	PKB
Mary G. Condon	—	MGC
Margot C. Howard	—	MCH
Kevin J. Kelly	—	KJK
Paulette L. Kennedy	—	PLK
David L. Knight, FCA	—	DLK
Patrick J. LeSage	—	PJL
Carol S. Perry	—	CSP
Suresh Thakrar, FIBC	—	ST

SCHEDULED OSC HEARINGS

June 1-2, 2009 10:00 a.m.	**Global Partners Capital, Asia Pacific Energy Inc., 1666475 Ontario Inc. operating as "Asian Pacific Energy", Alex Pidgeon, Kit Ching Pan also known as Christine Pan, Hau Wai Cheung, also known as Peter Cheung, Tony Cheung, Mike Davidson, or Peter McDonald, Gurdip Singh Gahunia also known as Michael Gahunia or Shawn Miller, Basis Marcellinius Toussaint also known as Peter Beckford, and Rafique Jiwani also known as Ralph Jay** s. 127 M. Boswell in attendance for Staff Panel: ST/PLK
June 1-3, 2009 10:00 a.m.	**Robert Kasner** s. 127 H. Craig in attendance for Staff Panel: PJL/MCH
June 3, 2009 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 in attendance for Staff Panel: LER/MCH
June 4, 2009 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: DLK/CSP/PLK

June 4, 2009
11:00 a.m.

Abel Da Silva

s. 127

M. Boswell in attendance for Staff

Panel: LER

June 5, 2009
10:00 a.m.

Andrew Keith Lech

s. 127(10)

J. Feasby in attendance for Staff

Panel: TBA

June 5, 2009
10:00 a.m.

Mutual Fund Dealers Association of Canada By-Law No. 1 between Independent Financial Brokers of Canada and Staff of the Ontario Securities Commission and Staff of the Mutual Fund Dealers Association

s. 21.7 and 144

A. Sonnen in attendance for Staff

Panel: MGC/DLK/PLK

June 10, 2009
10:00 a.m.

Global Energy Group, Ltd. and New Gold Limited Partnerships

s. 127

H. Craig in attendance for Staff

Panel: TBA

June 10, 2009
10:00 a.m.
June 11-12, 2009
2:00 p.m.
June 22, 2009
10:00 a.m.
June 26, 2009
10:00 a.m.

MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric

s. 127 and 127(1)

D. Ferris in attendance for Staff

Panel: PJL/CSP

June 15, 2009

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 16, 2009
10:00 a.m.

Sextant Capital Management Inc., Sextant Capital GP Inc., Sextant Strategic Opportunities Hedge Fund L.P., Otto Spork, Robert Levack and Natalie Spork

s. 127

S. Kushneryk in attendance for Staff

Panel: LER

June 16, 2009
10:00 a.m.
June17-19, 2009
9:30 a.m.

Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony

s. 127 and 127.1

J. Feasby in attendance for Staff

Panel: MGC/MCH

June 16, 2009
2:00 p.m.

Nest Acquisitions and Mergers and Caroline Frayssignes

s 127(1) and 127(8)

C. Price in attendance for Staff

Panel: LER

June 22, 24-26, 2009
10:00 a.m.
June 23, 2009
2:30 p.m.

Biovail Corporation, Eugene N. Melnyk, Brian H. Crombie, John R. Miszuk and Kenneth G. Howling

s. 127(1) and 127.1

J. Superina, A. Clark in attendance for Staff

Panel: JEAT/DLK/PLK

June 25, 2009 2:00 p.m.	**Gold-Quest International, Health and Harmoney, Iain Buchanan and Lisa Buchanan** s. 127 H. Craig in attendance for Staff Panel: TBA
June 25, 2009 2:00 p.m.	**Gold-Quest International, 1725587 Ontario Inc. carrying on business as Health and Harmoney, Harmoney Club Inc., Donald Iain Buchanan, Lisa Buchanan and Sandra Gale** s. 127 H. Craig in attendance for Staff Panel: TBA
June 25, 2009 2:00 p.m.	**Paul Iannicca** s. 127 H. Craig in attendance for Staff Panel: TBA
June 29, 2009 10:00 a.m.	**Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance** s. 127 J. Feasby in attendance for Staff Panel: JEAT
June 29, 2009 11:00 a.m.	**M P Global Financial Ltd., and Joe Feng Deng** s. 127 (1) M. Britton in attendance for Staff Panel: JEAT
June 30, 2009 10:00 a.m.	**FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun** s. 127 A. Sonnen in attendance for Staff Panel: LER
July 6, 2009 10:00 a.m.	**Lyndz Pharmaceuticals Inc., Lyndz Pharma Ltd., James Marketing Ltd., Michael Eatch and Rickey McKenzie** s.127(1) & (5) J. Feasby in attendance for Staff Panel: JEAT
July 9, 2009 10:00 a.m.	**Berkshire Capital Limited, GP Berkshire Capital Limited, Panama Opportunity Fund and Ernest Anderson** s.127 E. Cole in attendance for Staff Panel: TBA
July 10, 2009 9:30 a.m.	**Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boultbee and Peter Y. Atkinson** s.127 J. Superina in attendance for Staff Panel: JEAT
July 10, 2009 10:00 a.m.	**Uranium308 Resources Inc., Uranium308 Resources PLC., Michael Friedman, George Schwartz, Peter Robinson, Alan Marsh Shuman and Innovative Gifting Inc.** s. 127 M. Boswell in attendance for Staff Panel: LER

July 23, 2009 10:00 a.m.	**W.J.N. Holdings Inc., MSI Canada Inc., 360 Degree Financial Services Inc., Dominion Investments Club Inc., Leveragepro Inc., Prosporex Investment Club Inc., Prosporex Investments Inc., Prosporex ltd., Prosporex Inc., Networth Financial Group Inc., Networth Marketing Solutions, Dominion Royal Credit Union, Dominion Royal Financial Inc., Wilton John Neale, Ezra Douse, Albert James, Elnonieth "Noni" James, David Whitely, Carlton Ivanhoe Lewis, Mark Anthony Scott, Sedwick Hill, Trudy Huynh, Dorlan Francis, Vincent Arthur, Christian Yeboah, Azucena Garcia and Angela Curry** s. 127 H. Daley in attendance for Staff Panel: LER
July 27-31; August 5-14, 2009 10:00 a.m.	**Shane Suman and Monie Rahman** s. 127 and 127(1) C. Price in attendance for Staff Panel: TBA
August 10-17; 19-21, 2009 10:00 a.m.	**New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 Ontario Ltd., L. Jeffrey Pogachar, Paola Lombardi and Alan S. Price** s. 127 S. Kushneryk in attendance for Staff Panel: TBA
September 3, 2009 10:00 a.m.	**Brilliante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York** s. 127 S. Horgan in attendance for Staff Panel: TBA
September 9, 2009 10:00 a.m.	**Oversea Chinese Fund Limited Partnership, Weizhen Tang and Associates Inc., Weizhen Tang Corp., and Weizhen Tang** s. 127 and 127.1 M. Britton in attendance for Staff Panel: LER
September 21-25, 2009 10:00 a.m.	**Swift Trade Inc. and Peter Beck** s. 127 S. Horgan in attendance for Staff Panel: TBA
September 30 – October 23, 2009 10:00a.m.	**Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited** s. 127 M. Britton in attendance for Staff Panel: TBA
October 19 – November 10; November 12-13, 2009 10:00 a.m.	**Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjiaints Select American Transfer Co., Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., Nutrione Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group** s. 127 and 127.1 H. Craig in attendance for Staff Panel: TBA

October 20, 2009 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: TBA
November 16, 2009 10:00 a.m.	**Maple Leaf Investment Fund Corp. and Joe Henry Chau** s. 127 A. Sonnen in attendance for Staff Panel: TBA
November 16-December 11, 2009 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 and 127.1 M. Britton in attendance for Staff Panel: TBA
January 11, 2010 10:00 a.m.	**Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton** s. 127 H. Craig in attendance for Staff Panel: TBA
TBA	**Yama Abdullah Yaqeen** s. 8(2) J. Superina in attendance for Staff Panel: TBA
TBA	**Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell** s. 127 J. Waechter in attendance for Staff Panel: TBA
TBA	**Frank Dunn, Douglas Beatty, Michael Gollogly** s.127 K. Daniels in attendance for Staff Panel: TBA
TBA	**Peter Sabourin, W. Jeffrey Haver, Greg Irwin, Patrick Keaveney, Shane Smith, Andrew Lloyd, Sandra Delahaye, Sabourin and Sun Inc., Sabourin and Sun (BVI) Inc., Sabourin and Sun Group of Companies Inc., Camdeton Trading Ltd. and Camdeton Trading S.A.** s. 127 and 127.1 Y. Chisholm in attendance for Staff Panel: JEAT/DLK/CSP
TBA	**Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)** s.127 and 127.1 D. Ferris in attendance for Staff Panel: TBA
TBA	**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: JEAT/MC/ST

TBA **Gregory Galanis**

s. 127

P. Foy in attendance for Staff

Panel: TBA

TBA **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**

s. 127

C. Price in attendance for Staff

Panel: PJL/ST

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

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

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

Global Petroleum Strategies, LLC, Petroleum Unlimited, LLC, Aurora Escrow Services, LLC, John Andrew, Vincent Cataldi, Charlotte Chambers, Carl Dylan, James Eulo, Richard Garcia, Troy Gray, Jim Kaufman, Timothy Kaufman, Chris Harris, Morgan Kimmel, Roger A. Kimmel, Jr., Erik Luna, Mitch Malizio, Adam Mills, Jenna Pelusio, Rosemary Salveggi, Stephen J. Shore and Chris Spinler

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

1.1.2 Ministerial Approval – Revocation and Replacement of OSC Rule 13-502 Fees and OSC Rule 13-503 (Commodity Futures Act) Fees

MINISTERIAL APPROVAL

REVOCATION AND REPLACEMENT OF OSC RULE 13-502 FEES AND OSC RULE 13-503 (COMMODITY FUTURES ACT) FEES

On May 7, 2009, the Minister of Finance approved the revocation and replacement of OSC Rule 13-502 *Fees* and OSC Rule 13-503 (*Commodity Futures Act*) *Fees* (the Rules). The Rules were previously approved by the Commission on March 10, 2009. On March 10, 2009, the Commission also adopted Companion Policy 13-502CP *Fees* and 13-503CP (*Commodity Futures Act*) *Fees*.

The Rules and Policies were previously published in the Bulletin on March 13, 2009. The Rules and Policies will come into force in Ontario on June 1, 2009.

The text of the Rules and Policies can be found in Chapter 5 of today's Bulletin and on the OSC website at **www.osc.gov.on.ca**.

1.1.3 egX Canada Inc. – Notice of Revocation Order

EGX CANADA INC.

NOTICE OF REVOCATION ORDER

On May 21, 2009, the Commission revoked an exemption order (Exemption Order) issued on October 14, 2008 to egX Canada Inc. (egX). The Exemption Order exempted egX from the requirement to be recognized as an exchange pursuant to section 147 of the *Securities Act* (Ontario). egX notified the Commission that it has effectively ceased developing its exchange business and requested the revocation of the Exemption Order.

A copy of the revocation order is published in Chapter 2 of this Bulletin.

1.3 News Releases

1.3.1 Freeze Order Continued in the Matter of Nest Acquisitions and Mergers

FOR IMMEDIATE RELEASE
May 20, 2009

FREEZE ORDER CONTINUED IN THE MATTER OF NEST ACQUISITIONS AND MERGERS

TORONTO – As a result of an application initiated by the Ontario Securities Commission (OSC), the Superior Court of Justice today continued an Order freezing all funds held in a bank account in the name of Nest Acquisitions and Mergers until June 19, 2009.

Today's Order by the Superior Court of Justice continues the original Commission direction made on April 8, 2009 under section 126(1) of the *Securities Act* for the interim preservation of property.

In an affidavit filed in Superior Court, OSC Staff allege that representatives of Nest Acquisitions and Mergers ("Nest") contacted residents of the United Kingdom by telephone with offers to purchase, often at a significant premium, certain securities held by the U.K. residents. It is further alleged that, in order for the transactions to be completed, representatives of Nest would advise the U.K. resident that an "advance fee" had to be paid to the Nest bank account in Ontario before the transaction could proceed. OSC Staff also allege that the residents of the United Kingdom who provided these "advance fees" to Nest did not subsequently receive what they had been promised by the representatives of Nest.

Staff's investigation in respect of Nest Acquisitions and Mergers is ongoing. Those persons interested in reviewing the application and supporting affidavit in this matter should access through the Superior Court of Justice 330 University Avenue, 7th floor, Toronto, Ontario, and reference Court File Number CV-09-8133-00CL.

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

1.4 Notices from the Office of the Secretary

1.4.1 Hollinger Inc. et al.

FOR IMMEDIATE RELEASE
May 20, 2009

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

AND

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

TORONTO – The Commission issued an Order today which provides that (1) the hearing of this matter, currently scheduled for May 21, 2009, is adjourned; and (2) the hearing is scheduled for July 10, 2009 at 9:30 a.m., or such other date as may be agreed to by the parties and fixed by the Secretary to the Commission, for the purpose of addressing the scheduling of this proceeding.

A copy of the Order dated May 20, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

1.4.2 HudBay Minerals Inc.

FOR IMMEDIATE RELEASE
May 21, 2009

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

AND

IN THE MATTER OF
HUDBAY MINERALS INC.

AND

IN THE MATTER OF
A DECISION OF THE
TORONTO STOCK EXCHANGE

TORONTO – Today, the Commission issued its Reasons for Decision Regarding Confidentiality in the above matter.

A copy of the Reasons for Decision Regarding Confidentiality dated May 21, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

1.4.3 Nest Acquisitions and Mergers and Caroline Frayssignes

FOR IMMEDIATE RELEASE
May 21, 2009

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

AND

IN THE MATTER OF
NEST ACQUISITIONS AND MERGERS AND
CAROLINE FRAYSSIGNES

TORONTO – Today, the Commission issued an Order in the above named matter which provides that (1) pursuant to subsection 127(8) of the Act that the Temporary Order is extended until June 17, 2009; and (2) the hearing is adjourned to June 16, 2009 at 2:00 p.m.

A copy of the Order dated May 21, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

1.4.4 Research In Motion Limited et al.

FOR IMMEDIATE RELEASE
May 22, 2009

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

AND

IN THE MATTER OF
RESEARCH IN MOTION LIMITED,
JAMES BALSILLIE, MIKE LAZARIDIS,
DENNIS KAVELMAN, ANGELO LOBERTO,
KENDALL CORK, DOUGLAS WRIGHT,
JAMES ESTILL AND DOUGLAS FREGIN

TORONTO – The Commission issued its Oral Ruling and Reasons in the above matter.

A copy of the Oral Ruling and Reasons dated May 21, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

1.4.5 M P Global Financial Ltd. and Joe Feng Deng

FOR IMMEDIATE RELEASE
May 26, 2009

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

AND

IN THE MATTER OF
M P GLOBAL FINANCIAL LTD. AND
JOE FENG DENG

TORONTO – The Commission issued an Order which provides that this matter is adjourned to June 29, 2009 at 11:00 a.m. for a hearing to determine whether to further extend the Temporary Order and the Temporary Order be extended to the completion of the hearing on June 29, 2009.

A copy of the Order dated May 25, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

1.4.6 HudBay Minerals Inc.

FOR IMMEDIATE RELEASE
May 27, 2009

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

AND

IN THE MATTER OF
HUDBAY MINERALS INC.

AND

IN THE MATTER OF
A DECISION OF THE
TORONTO STOCK EXCHANGE

TORONTO – Yesterday, the Commission issued its Order regarding confidentiality in the above matter.

A copy of the Order dated May 26, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
416-595-8913

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

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 BMO Nesbitt Burns Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Coordinated Review – Registered investment dealer exempted from section 228 of the Regulations made under the Securities Act (Ontario) for recommendations in respect of securities of its parent bank, subject to conditions – Decision permits the registrant to make recommendations in the circumstances contemplated by subsection 228(2) of the Regulation, but without having to comply with the requirement for (comparative) information, similar to that set forth in respect of the bank, for a substantial number of other persons or companies that are in the industry or business of the bank.

Applicable Legislative Provisions

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

May 20, 2009

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, NOVA SCOTIA 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
BMO NESBITT BURNS INC.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the provisions (the **Recommendation Prohibition**) in the Legislation which provide that no registrant shall, in any medium of communication, recommend, or cooperate with any person or company in the making of any recommendation, that the securities of the registrant, or a related issuer of the registrant, or, in the course of a distribution, the securities of a connected issuer of the registrant, be purchased, sold or held, shall not, in certain circumstances, apply to the Filer, in respect of securities of its parent bank, Bank of Montreal (the **Bank**);

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) this decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

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

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

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

4. The Filer is registered under the Legislation of each of the Jurisdictions as a dealer in the category of "investment dealer".

5. The Filer acts as a full-service investment dealer.

6. The Filer provides equity research report coverage on a very large number of issuers, including the Bank, and all of the other banks currently named in Schedule I of the Bank Act (Canada).

7. As a member of the Investment Industry Regulatory Organization of Canada (**IIROC**), the Filer is obliged to comply with Rule 3400 – *Research Restrictions and Disclosure Requirements* (**Rule 3400**) of the IIROC Dealer Member Rules.

8. Guideline No. 3 of Rule 3400 states:

   Members should adopt standards of research coverage that include, at a minimum, the obligation to maintain and publish current financial estimates and recommendations on securities followed, and to revisit such estimates and recommendations within a reasonable time following the release of material information by an issuer or the occurrence of other relevant events.

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

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

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

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

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

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

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

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

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

previously published financial estimates or recommendation issued by the Filer in respect of any securities issued by the Bank,

unless, at the relevant time, the Filer has been able to ascertain, and is able to include in the Report, Comparative Information for a substantial number of Competitors of the Bank, and also satisfy the requirements of the Statutory Exemption relating to space and prominence of information, referred to in paragraph 9(c), above.

11. The Filer submits that meeting the requirement to include Comparative Information is disadvantageous to its clients because the time consuming tasks associated with compiling the Comparative Information delay the timely dissemination of its research.

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 Makers under the Legislation is that the Recommendation Prohibition shall not apply to Recommendations of the Filer in respect of securities of the Bank that are made by the Filer in a Report, in response to:

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

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

provided that:

(a) the Recommendation is made by the Filer in a Report that:

(i) is published or distributed by the Filer regularly in the ordinary course of the Filer's business; and

(ii) includes in a conspicuous position and large type, a complete statement of the relationship or connections between the Filer and the Bank; and

(b) this Decision, as it relates to the jurisdiction of a Decision Maker, will terminate:

(i) upon the coming into force of Proposed National Instrument 31-103 Registration Requirements (the **"Proposed Rule"**) containing a rule or provision that replaces the Statutory Exemption as contemplated in section 6.5 of the Proposed Rule published on February 29, 2008;

(ii) 90 days after the Decision Maker publishes in its Bulletin a notice or a statement to the effect that it does not propose to make the Proposed Rule; or

(iii) 90 days after the coming into force of the Proposed Rule if the Proposed Rule does not contain a rule or provision that replaces the Statutory Exemption which is substantially the same as contemplated in section 6.5 of the Proposed Rule.

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

"Paul K. Bates"
Commissioner
Ontario Securities Commission

2.1.2 Mackenzie Financial Corporation et al.

Headnote

NP 11-203 – Coordinated Review – Lapse date of mutual fund prospectus extended until merger of funds – Extension of lapse date will not affect the currency or accuracy of the information contained in the prospectus – Securities Act (Ontario).

Applicable Legislative Provisions

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

May 19, 2009

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

AND

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

AND

IN THE MATTER OF
MACKENZIE FINANCIAL CORPORATION
(the Filer)

AND

KEYSTONE AGF EQUITY FUND
KEYSTONE BISSETT CANADIAN EQUITY FUND
KEYSTONE BEUTEL GOODMAN BOND FUND
KEYSTONE MANULIFE HIGH INCOME FUND
KEYSTONE MANULIFE U.S. VALUE FUND
KEYSTONE SAXON SMALLER COMPANIES FUND
KEYSTONE BALANCED PORTFOLIO FUND
KEYSTONE BALANCED GROWTH PORTFOLIO FUND
KEYSTONE GROWTH PORTFOLIO FUND
KEYSTONE CONSERVATIVE PORTFOLIO FUND
KEYSTONE MAXIMUM GROWTH PORTFOLIO FUND
KEYSTONE DYNAMIC POWER SMALL-CAP CLASS
KEYSTONE TEMPLETON INTERNATIONAL STOCK CLASS
(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 prospectus dated May 30, 2008, as amended (the **Prospectus**) be extended to permit the continued distribution of securities of the Funds until June 30, 2009 (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. The Filer is a corporation amalgamated under the laws of Ontario. The Filer is the manager, portfolio advisor and/or trustee to the Funds. Each of the Funds, other than Keystone Dynamic Power Small-Cap Class and Keystone Templeton International Stock Class, is an open-ended mutual fund trust established under the laws of Ontario pursuant to a declaration of trust. Keystone Dynamic Power Small-Cap Class and Keystone Templeton International Stock Class are separate classes of shares of Mackenzie Financial Capital Corporation, a mutual fund corporation incorporated under the laws of Ontario.

2. The Funds are reporting issuers under the Legislation and are not in default of any of the requirements of the Legislation.

3. The Funds are currently qualified for distribution in all the Jurisdictions under the Prospectus.

4. Pursuant to the Legislation, the lapse date (the **Lapse Date**) for the distribution of securities of the Funds is May 30, 2009.

5. Pursuant to the Legislation, provided a pro forma simplified prospectus is filed 30 days prior to May 30, 2009, a final version is filed by June 9, 2009, and a receipt for the simplified prospectus is issued by the securities regulatory authorities by June 19, 2009, the securities of the Funds may be distributed without interruption during the prospectus renewal period.

6. Subject to investor and any other required approvals, the Filer intends to merge the Keystone Bissett Canadian Equity Fund and Keystone Saxon Smaller Companies Fund (the **Terminating Funds**) into other mutual funds managed by the Filer in June 2009, and by no later than June 30, 2009 (the **Mergers**). All other Funds will continue to be offered by way of a simplified prospectus that will be filed after the Mergers are effected.

7. The Mergers would be effected in accordance with the applicable requirements of National Instrument 81-102 *Mutual Funds*, National Instrument 81-106 *Investment Fund Continuous Disclosure* and National Instrument 81-107 *Independent Review Committee for Investment Funds*, including: review of the Mergers by the independent review committee of the Funds; filing a press release, material change report and amendment to the Prospectus; and seeking the approval of the Mergers by a majority of votes cast by investors of the Terminating Funds at special meetings to be held on June 1, 2009.

8. The Filer wishes to permit Terminating Fund investors to continue to purchase the Terminating Funds up to the June 2009 merger date. An extension of the Lapse Date is therefore requested until June 30, 2009.

9. The purchases the Filer expects to see of the Terminating Funds' securities after the Lapse Date are principally those made pursuant to pre-authorized purchases (**"PAPs"**) from existing investors. These scheduled PAPs will continue until the effective date of the Mergers.

10. If the Exemption Sought is not granted, a pro forma simplified prospectus and a final simplified prospectus for the Funds would need to be filed by April 30, 2009 and June 9, 2009 respectively in accordance with the existing time limits for the renewal of the Prospectus, notwithstanding that the Terminating Funds are likely to be terminated by June 30, 2009. The cost and time involved in preparing, filing and printing a prospectus for the Terminating Funds for the one month period prior to the Mergers would be unduly costly. It may also cause confusion among investors who may assume that the Terminating Funds continue to be available for purchase after the effective date of the Mergers.

11. Since May 30, 2008, the date of the Prospectus, no material change has occurred that has not been disclosed by way of an amendment to the Prospectus. Accordingly, the Prospectus presents up-to-date information regarding the Funds. The Exemption Sought will not affect the currency or accuracy of the information contained in the Prospectus, 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.

"James E.A. Turner"
Vice-Chair
Ontario Securities Commission

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

2.1.3 IA Clarington Investments Inc. and Sarbit US Equity Trust

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund merger – approval required because merger does not meet the criteria for pre-approval – merger not a "qualifying exchange" or a tax-deferred transaction under the Income Tax Act – current simplified prospectus and financial statements of continuing fund not required to be sent to unitholders of the terminating fund in connection with the merger provided a tailored simplified prospectus is sent and the information circular sent for unitholder meeting clearly discloses the various ways unitholders can access the financial statements.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(b), 5.6.

May 19, 2009

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
IA CLARINGTON INVESTMENTS INC.
(IA Clarington)

AND

SARBIT US EQUITY TRUST
(the Terminating Fund)

DECISION

Background

The principal regulator has received an application from IA Clarington for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for approval under subsection 5.5(1)(b) of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) of the merger (the **Merger**) of the Terminating Fund into IA Clarington Navellier U.S. All Cap Fund (the **Approval 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) IA Clarington 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, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, the Yukon Territory and Nunavut Territory, where applicable.

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. The following additional terms shall have the following meanings:

Current Simplified Prospectus means the simplified prospectus dated July 4, 2008, as amended, that qualifies IA Clarington Navellier U.S. All Cap Fund, among others, for sale;

Fund or **Funds** means, individually or collectively, the Terminating Fund and IA Clarington Navellier U.S. All Cap Fund;

IRC means the independent review committee for the Funds;

NI 81-107 means National Instrument 81-107 *Independent Review Committee for Investment Funds*; and

Tax Act means the *Income Tax Act* (Canada).

Representations

This decision is based on the following facts represented by IA Clarington:

1. IA Clarington is a corporation amalgamated under the laws of Canada. IA Clarington is a wholly-owned subsidiary of Industrial Alliance Insurance and Financial Services Inc., a public company listed on the Toronto Stock Exchange.

2. IA Clarington is the manager and trustee of each of the Funds. The head office of IA Clarington is located in Québec City, Québec. A significant portion of IA Clarington's operations is located in Toronto, Ontario. IA Clarington's principal business office and most of its officers and employees are located in Ontario. Its marketing, finance, transfer agency, compliance and legal functions are primarily conducted in Ontario and its sales operations are directed from Ontario.

3. Sarbit US Equity Trust is an open-end mutual fund trust established under the laws of Manitoba by a master trust agreement.

4. Securities of Sarbit US Equity Trust are currently qualified for sale in each province and territory of Canada other than Québec by a simplified prospectus and annual information form dated September 12, 2008, as amended. Securities of IA Clarington Navellier U.S. All Cap Fund are currently qualified for sale in each province and territory of Canada by a simplified prospectus and annual information form dated July 4, 2008, as amended.

5. None of the Funds or IA Clarington are in default of securities legislation in any province or territory of Canada.

6. Other than circumstances in which the securities regulatory authority of a province or territory of Canada has expressly exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices established by the applicable securities regulatory authorities.

7. The net asset value for each series of the Funds is calculated on a daily basis on each day that the Toronto Stock Exchange is open for trading.

8. IA Clarington intends to merge the Terminating Fund into IA Clarington Navellier U.S. All Cap Fund. Should IA Clarington obtain the requisite approvals for the Merger, IA Clarington also proposes to change the investment objective of IA Clarington Navellier U.S. All Cap Fund at the time of the Merger, so that it will be almost identical to the current investment objective of the Terminating Fund. If the investment objective of IA Clarington Navellier U.S. All Cap Fund is changed, the sub-advisor of the Fund will also change from Navellier & Associates, Inc. to Sarbit Advisory Services Inc.

9. The Merger of the Terminating Fund into IA Clarington Navellier U.S. All Cap Fund will be a material change for IA Clarington Navellier U.S. All Cap Fund, as the net asset value of IA Clarington Navellier U.S. All Cap Fund is smaller than the net asset value of the Terminating Fund.

10. An amendment to each of the simplified prospectuses and annual information forms of the Funds, a press release and a material change report with respect to the proposed Merger were filed via SEDAR on March 25, 2009 and March 26, 2009.

11. Unitholders of the Terminating Fund and of IA Clarington Navellier U.S. All Cap Fund will be asked to approve the Merger at meetings to be held on May 29, 2009. Unitholders of IA Clarington Navellier U.S. All Cap Fund will also be asked to approve the change to the Fund's investment objective at the meeting.

12. In accordance with NI 81-107, IA Clarington referred the proposed Merger to the IRC. The IRC reviewed the proposed Merger and determined that the proposed Merger, if implemented, would achieve a fair and reasonable result for each of the Funds.

13. In connection with the Merger, Mutual Fund units, Class F units and Class I units of the Terminating Fund will be exchanged for Series A units, Series F units and Series I units of IA Clarington Navellier U.S. All Cap Fund, respectively.

14. No sales charges will be payable in connection with the acquisition by IA Clarington Navellier U.S. All Cap Fund of the investment portfolio of the Terminating Fund.

15. Units of IA Clarington Navellier U.S. All Cap Fund received by the Terminating Fund will be distributed to unitholders of the Terminating Fund on a dollar-for-dollar basis, with holders of Mutual Fund units, Class F units and Class I units of the Terminating Fund receiving Series A units, Series F units and Series I units of IA Clarington Navellier U.S. All Cap Fund, respectively.

16. The portfolio and other assets of the Terminating Fund to be acquired by IA Clarington Navellier U.S. All Cap Fund arising from the Merger are currently, or will be, acceptable, on or prior to the effective date of the Merger, to the portfolio advisor of IA Clarington Navellier U.S. All Cap Fund and are or will be consistent with the investment objectives of IA Clarington Navellier U.S. All Cap Fund.

17. IA Clarington Navellier U.S. All Cap Fund will not assume the liabilities of the Terminating Fund, and the Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the date of the Merger.

18. The Terminating Fund will merge into IA Clarington Navellier U.S. All Cap Fund on or about the close of business on June 5, 2009. The Terminating Fund will be wound up as soon as reasonably possible following the Merger, and IA Clarington Navellier U.S. All Cap Fund will continue as a publicly offered open-end mutual fund governed by the laws of Ontario.

19. Unitholders of the Terminating Fund will continue to have the right to redeem units of the Terminating Fund for cash at any time up to the close of business on the effective date of the Merger. Consistent with the disclosure in the simplified prospectus of the Terminating Fund when units were purchased, any redemption fees payable in connection with units purchased under

the deferred sales charge option and the low load deferred sales charge option when unitholders redeem units of the Terminating Fund will apply. Any switch fees or short-term trading charges in connection with a switch or redemption of units of the Terminating Fund will also apply.

20. IA Clarington will pay for the costs of the Merger. These costs consist mainly of brokerage charges associated with the merger-related trades that occur both before and after the date of the Merger and legal, proxy solicitation, printing, mailing and regulatory fees.

21. Approval of the Merger is required because the Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102 in the following ways:

    (a) the Merger will not be a "qualifying exchange" within the meaning of section 132.2 of the Tax Act or a tax-deferred transaction under subsection 85(1), 85.1(1), 86(1) or 87(1) of the Tax Act;

    (b) the Current Simplified Prospectus will not be sent to unitholders of the Terminating Fund; and

    (c) the most recent annual and interim financial statements for IA Clarington Navellier U.S. All Cap Fund will not be sent to the unitholders of the Terminating Fund but, instead, IA Clarington will prominently disclose in the information circular sent to unitholders of the Terminating Fund that they can obtain the most recent interim and annual financial statements of IA Clarington Navellier U.S. All Cap Fund by accessing the SEDAR website at www.sedar.com, by accessing the IA Clarington website, by calling a toll-free number or by faxing a request to IA Clarington.

22. IA Clarington will, except as noted in paragraph 21, comply with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

23. A notice of meeting, a management information circular and a proxy in connection with meetings of unitholders (collectively, the **Meeting Materials**) were mailed to unitholders of the Terminating Fund and unitholders of IA Clarington Navellier U.S. All Cap Fund, on or about May 4, 2009 and were filed via SEDAR.

24. The proposed changes to the investment objective and sub-advisor in connection with the Merger for IA Clarington Navellier U.S. All Cap Fund are described in the Meeting Materials, so that the unitholders of the Funds may consider this information before voting on the Merger.

25. The tax implications of the Merger are described in the Meeting Materials, so that the unitholders of the Terminating Fund may consider this information before voting on the Merger.

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 Approval Sought is granted provided that:

(a) the information circular sent to unitholders in connection with the Merger provides sufficient information about the Merger to permit unitholders to make an informed decision about the Merger;

(b) the information circular sent to unitholders in connection with the Merger prominently discloses that unitholders can obtain the most recent interim and annual financial statements of IA Clarington Navellier U.S. All Cap Fund by accessing the SEDAR website at www.sedar.com, by accessing the IA Clarington website, by calling IA Clarington's toll-free telephone number or by faxing a request to IA Clarington;

(c) upon request by a unitholder for financial statements, IA Clarington will make best efforts to provide the unitholder with financial statements of IA Clarington Navellier U.S. All Cap Fund in a timely manner so that the unitholder can make an informed decision regarding the Merger;

(d) the Terminating Fund and IA Clarington Navellier U.S. All Cap Fund have an unqualified audit report in respect of their last completed financial period; and

(e) the material sent to unitholders of the Terminating Fund in respect of the Merger includes a tailored simplified prospectus consisting of:

    (i) the Part A of the Current Simplified Prospectus; and

    (ii) the Part B of the Current Simplified Prospectus of IA Clarington Navellier U.S. All Cap Fund.

"Vera Nunes"
Assistant Manager, Investment Funds
Ontario Securities Commission

2.1.4 IA Clarington Investments Inc. et al.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund mergers – approval required because mergers do not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – continuing funds have different investment objectives than terminating funds, mergers not a "qualifying exchange" or a tax-deferred transaction under Income Tax Act, tailored document will be sent to unitholders instead of complete current prospectus and financial statements will be sent upon request – unitholders of terminating funds provided with timely and adequate disclosure regarding the mergers.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(b), 5.6.

May 19, 2009

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

AND

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

AND

IN THE MATTER OF
IA CLARINGTON INVESTMENTS INC.
(IA Clarington)

AND

IA CLARINGTON CANADIAN GROWTH FUND, IA CLARINGTON CANADIAN OPPORTUNITIES FUND, IA CLARINGTON CANADIAN VALUE FUND, IA CLARINGTON U.S. DIVIDEND FUND, IA CLARINGTON CORE PORTFOLIO, IA CLARINGTON DIVERSIFIED BALANCED FUND, IA CLARINGTON CANADIAN GROWTH & INCOME FUND, IA CLARINGTON CANADIAN INCOME FUND II. IA CLARINGTON TACTICAL INCOME FUND
(each, a Terminating Fund and collectively, the Terminating Funds)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from IA Clarington for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for approval under subsection 5.5(1)(b) of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) of the mergers (the **Mergers**) of the Terminating Funds into the applicable Continuing Funds as set out in paragraph 8 below (the **Approval Sought**).

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

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

(b) IA Clarington 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, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, the Yukon Territory and Nunavut Territory, where applicable; and

(c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

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. The following additional terms shall have the following meanings:

Continuing Funds means IA Clarington Canadian Leaders Fund, IA Clarington Canadian Small Cap Fund, IA Clarington Dividend Growth Fund, IA Clarington Navellier U.S. All Cap Fund, IA Clarington Canadian Equity Fund, IA Clarington Monthly Income Balanced Fund and IA Clarington Diversified Income Fund;

Current Simplified Prospectus means the simplified prospectus dated July 4, 2008, as amended, that qualifies the Continuing Funds, among others, for sale;

Fund or **Funds** means, individually or collectively, the Terminating Funds and the Continuing Funds;

IRC means the independent review committee for the Funds;

Materially Changed Continuing Funds means IA Clarington Navellier U.S. All Cap Fund, IA Clarington Monthly Income Balanced Fund and IA Clarington Diversified Income Fund;

NI 81-107 means National Instrument 81-107 *Independent Review Committee for Investment Funds*; and

Tax Act means the *Income Tax Act* (Canada).

Representations

This decision is based on the following facts represented by IA Clarington:

1. IA Clarington is a corporation amalgamated under the laws of Canada. IA Clarington is a wholly-owned subsidiary of Industrial Alliance Insurance and Financial Services Inc., a public company listed on the Toronto Stock Exchange.

2. IA Clarington is the manager and trustee of each of the Funds. The head office of IA Clarington is located in Québec City, Québec.

3. Each of the Funds is an open-end mutual fund trust established under the laws of Ontario by a master declaration of trust.

4. Securities of the Funds are currently qualified for sale in each province and territory of Canada by a simplified prospectus and annual information form dated July 4, 2008, as amended.

5. None of the Funds or IA Clarington are in default of securities legislation in any province or territory of Canada.

6. Other than circumstances in which the securities regulatory authority of a province or territory of Canada has expressly exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices established by the Decision Makers.

7. The net asset value for each series of the Funds is calculated on a daily basis on each day that the Toronto Stock Exchange is open for trading.

8. IA Clarington intends to reorganize the Funds as follows:

   (a) IA Clarington Canadian Growth Fund into IA Clarington Canadian Leaders Fund (sometimes referred to as the **Leaders Fund Merger**);

   (b) IA Clarington Canadian Opportunities Fund into IA Clarington Canadian Small Cap Fund (sometimes referred to as the **Small Cap Fund Merger**);

   (c) IA Clarington Canadian Value Fund into IA Clarington Dividend Growth Fund (sometimes referred to as the **Growth Fund Merger**);

   (d) IA Clarington U.S. Dividend Fund into IA Clarington Navellier U.S. All Cap Fund (sometimes referred to as the **Navellier Fund Merger**);

   (e) IA Clarington Core Portfolio into IA Clarington Canadian Equity Fund (sometimes referred to as the **Equity Fund Merger**);

   (f) IA Clarington Diversified Balanced Fund, IA Clarington Canadian Growth & Income Fund and IA Clarington Canadian Income Fund II into IA Clarington Monthly Income Balanced Fund (sometimes referred to as the **Balanced Fund Mergers**); and

   (g) IA Clarington Tactical Income Fund into IA Clarington Diversified Income Fund (sometimes referred to as the **Income Fund Merger**).

9. IA Clarington also intends to merge Sarbit US Equity Trust into IA Clarington Navellier U.S. All Cap Fund, subject to the requisite approvals.

10. In addition, IA Clarington proposes to merge Clarington Diversified Income + Growth Fund and Focused 40 Income Fund, two closed-end funds managed by IA Clarington, into IA Clarington Diversified Income Fund on or about June 30, 2009, subject to the approval of unitholders of these two closed-end funds.

11. Should IA Clarington obtain the requisite approvals for the merger of Sarbit US Equity Trust into IA Clarington Navellier U.S. All Cap Fund, IA Clarington proposes to change the investment objective of IA Clarington Navellier U.S. All Cap Fund at the time of the merger, so that it will be almost identical to the current investment objective of Sarbit US Equity Trust. If the investment objective of IA Clarington Navellier U.S. All Cap Fund is changed, the sub-advisor of the Fund will also change from Navellier & Associates, Inc. to Sarbit Advisory Services Inc.

12. Should IA Clarington obtain the requisite approvals for the Income Fund Merger, IA Clarington proposes to change the investment objective of IA Clarington Diversified Income Fund at the time of the Merger, so that it will be identical to the current investment objective of IA Clarington Tactical Income Fund. If the investment objective of IA Clarington Diversified Income Fund is changed, IA Clarington will appoint Catapult Financial Management Inc. to be the sub-advisor of the Fund.

13. The Merger of:

   (a) IA Clarington U.S. Dividend Fund into IA Clarington Navellier U.S. All Cap Fund;

   (b) IA Clarington Diversified Balanced Fund, IA Clarington Canadian Growth & Income Fund and IA Clarington Canadian

Income Fund II into IA Clarington Monthly Income Balanced Fund; and

(c) IA Clarington Tactical Income Fund, Clarington Diversified Income + Growth Fund and Focused 40 Income Fund into IA Clarington Diversified Income Fund

will be a material change for the Continuing Funds, as the net asset value of each Continuing Fund is smaller than the net asset value of the investment funds merging into it.

14. An amendment to the simplified prospectus and annual information form of the Funds, a material change report and a press release with respect to the proposed Mergers were filed via SEDAR on March 25, 2009 and March 26, 2009.

15. Unitholders of the Terminating Funds and of the Materially Changed Continuing Funds will be asked to approve the Mergers at meetings to be held on May 29, 2009. Unitholders of each of IA Clarington Navellier U.S. All Cap Fund and IA Clarington Diversified Income Fund will also be asked to approve the change to the Funds' investment objectives at the meetings.

16. In accordance with NI 81-107, IA Clarington referred the proposed Mergers to the IRC. The IRC reviewed the proposed Mergers and determined that the proposed Mergers, if implemented, would achieve a fair and reasonable result for each of the Funds.

17. Units of the Terminating Fund will be exchanged for the same series of units of the applicable Continuing Fund in the following Mergers:

(a) the Leaders Fund Merger;

(b) the Navellier Fund Merger;

(c) the Equity Fund Merger;

(d) the Merger of IA Clarington Canadian Income Fund II into IA Clarington Monthly Income Balanced Fund; and

(e) the Income Fund Merger.

18. In the Small Cap Fund Merger, Series A units, Series F units and Series I units of IA Clarington Canadian Opportunities Fund will be exchanged for Series X units, Series F units and Series I units of IA Clarington Canadian Small Cap Fund, respectively.

19. In the Growth Fund Merger, Series A units, Series F units and Series I units of IA Clarington Canadian Value Fund will be exchanged for Series T6 units, Series F6 units and Series I units of IA Clarington Dividend Growth Fund, respectively.

20. In the Merger of IA Clarington Diversified Balanced Fund into IA Clarington Monthly Income Balanced Fund, Series A units and Series I units of IA Clarington Diversified Balanced Fund will be exchanged for Series X units and Series I units of IA Clarington Monthly Income Balanced Fund, respectively.

21. In the Merger of IA Clarington Canadian Growth & Income Fund into IA Clarington Monthly Income Balanced Fund, Series A units and Series F units of IA Clarington Canadian Growth & Income Fund will be exchanged for Series T6 and Series F6 units of IA Clarington Monthly Income Balanced Fund, respectively.

22. No sales charges will be payable in connection with the acquisition by a Continuing Fund of the investment portfolio of an applicable Terminating Fund.

23. Units of the Continuing Fund received by the Terminating Fund will be distributed to unitholders of the Terminating Fund on a series-by-series and dollar-for-dollar basis in the following Mergers:

(a) the Leaders Fund Merger;

(b) the Navellier Fund Merger;

(c) the Equity Fund Merger;

(d) the Merger of IA Clarington Canadian Income Fund II into IA Clarington Monthly Income Balanced Fund; and

(e) the Income Fund Merger.

24. Units of IA Clarington Canadian Small Cap Fund received by IA Clarington Canadian Opportunities Fund will be distributed to unitholders of IA Clarington Canadian Opportunities Fund on a dollar-for-dollar basis, with holders of Series A units, Series F units and Series I units of IA Clarington Canadian Opportunities Fund receiving Series X units, Series F units and Series I units of IA Clarington Canadian Small Cap Fund, respectively.

25. Units of IA Clarington Dividend Growth Fund received by IA Clarington Canadian Value Fund will be distributed to unitholders of IA Clarington Canadian Value Fund on a dollar-for-dollar basis, with holders of Series A units, Series F units and Series I units of IA Clarington Canadian Value Fund receiving Series T6 units, Series F6 units and Series I units of IA Clarington Dividend Growth Fund, respectively.

26. Units of IA Clarington Monthly Income Balanced Fund received by IA Clarington Diversified Balanced Fund will be distributed to unitholders of IA Clarington Diversified Balanced Fund on a dollar-for-dollar basis, with holders of Series A units and Series I units of IA Clarington Diversified Balanced Fund receiving Series X units and Series I units of IA Clarington Monthly Income Balanced Fund, respectively.

27. Units of IA Clarington Monthly Income Balanced Fund received by IA Clarington Canadian Growth & Income Fund will be distributed to unitholders of IA Clarington Canadian Growth & Income Fund on a dollar-for-dollar basis, with holders of Series A units and Series F units of IA Clarington Canadian Growth & Income Fund receiving Series T6 and Series F6 units of IA Clarington Monthly Income Balanced Fund, respectively.

28. The portfolios and other assets of each Terminating Fund to be acquired by the applicable Continuing Fund arising from the Mergers are currently, or will be, acceptable, on or prior to the effective date of the Mergers, to the portfolio advisors of the applicable Continuing Fund and are or will be consistent with the investment objectives of the applicable Continuing Fund.

29. Each of the Continuing Funds will not assume the liabilities of the applicable Terminating Fund(s), and each Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the date of the Mergers.

30. Each Terminating Fund will merge into the applicable Continuing Fund on or about the close of business on June 5, 2009. Each Terminating Fund will be wound up as soon as reasonably possible following the Mergers, and the Continuing Funds will continue as publicly offered open-end mutual funds governed by the laws of Ontario.

31. Unitholders of a Terminating Fund will continue to have the right to redeem units of the Terminating Fund for cash at any time up to the close of business on the effective date of the Mergers. Consistent with the disclosure in the simplified prospectus of the Terminating Funds when units were purchased, any redemption fees payable in connection with units purchased under the deferred sales charge option and the low load option when unitholders redeem units of the Terminating Funds will apply. Any switch fees or short-term trading charges in connection with a switch or redemption of units of the Terminating Funds will also apply.

32. IA Clarington will pay for the costs of the Mergers. These costs consist mainly of brokerage charges associated with the merger-related trades that occur both before and after the date of the Mergers and legal, proxy solicitation, printing, mailing and regulatory fees.

33. Approval of the Mergers is required because each Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102 in the following ways:

    (a) in the case of the Leaders Fund Merger, the Growth Fund Merger, the Navellier Fund Merger, the Equity Fund Merger, the Merger of IA Clarington Canadian Growth & Income Fund into IA Clarington Monthly Income Balanced Fund and the Merger of IA Clarington Canadian Income Fund II into IA Clarington Monthly Income Balanced Fund, the Continuing Funds do not have substantially similar investment objectives to the relevant Terminating Fund;

    (b) each of the Mergers will not be a "qualifying exchange" within the meaning of section 132.2 of the Tax Act or a tax-deferred transaction under subsection 85(1), 85.1(1), 86(1) or 87(1) of the Tax Act;

    (c) the Current Simplified Prospectus will not be sent to unitholders of the Terminating Funds; and

    (d) the most recent annual and interim financial statements for the Continuing Funds will not be sent to the unitholders of the Terminating Funds but, instead, IA Clarington will prominently disclose in the information circular sent to unitholders of the Terminating Funds that they can obtain the most recent interim and annual financial statements of the Continuing Funds by accessing the SEDAR website at www.sedar.com, by accessing the IA Clarington website, by calling a toll-free number or by faxing a request to IA Clarington.

34. IA Clarington will, except as noted in paragraph 33, comply with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

35. A notice of meeting, a management information circular and a proxy in connection with meetings of unitholders (collectively, the **Meeting Materials**) were mailed to unitholders of the Terminating Funds and unitholders of the Materially Changed Continuing Funds, on or about May 4, 2009 and were filed via SEDAR.

36. The proposed changes to the investment objective and sub-advisor for IA Clarington Navellier U.S. All Cap Fund in connection with the merger of Sarbit

US Equity Trust into IA Clarington Navellier U.S. All Cap Fund are described in the Meeting Materials, so that the unitholders of IA Clarington U.S. Dividend Fund and IA Clarington Navellier U.S. All Cap Fund may consider this information before voting on the Merger.

37. The proposed change to the investment objective and the appointment of Catapult Financial Management Inc. as the sub-advisor for IA Clarington Diversified Income Fund in connection with the Merger of IA Clarington Tactical Income Fund into IA Clarington Diversified Income Fund are described in the Meeting Materials, so that the unitholders of these Funds may consider this information before voting on the Merger.

38. The tax implications of the Mergers as well as the foregoing differences between the Terminating Funds and the Continuing Funds are described in the Meeting Materials so that the unitholders of the Terminating Funds may consider this information before voting on the Mergers.

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 Makers under the Legislation is that the Approval Sought is granted provided that:

(a) the information circular sent to unit-holders in connection with a Merger provides sufficient information about the Merger to permit unitholders to make an informed decision about the Merger;

(b) the information circular sent to unit-holders in connection with a Merger prominently discloses that unitholders can obtain the most recent interim and annual financial statements of the applicable Continuing Fund by accessing the SEDAR website at www.sedar.com, by accessing the IA Clarington website, by calling IA Clarington's toll-free telephone number or by faxing a request to IA Clarington;

(c) upon request by a unitholder for financial statements, IA Clarington will make best efforts to provide the unitholder with financial statements of the applicable Continuing Fund in a timely manner so that the unitholder can make an informed decision regarding a Merger;

(d) each applicable Terminating Fund and the applicable Continuing Fund with respect to a Merger have an unqualified audit report in respect of their last completed financial period; and

(e) the material sent to unitholders of the Terminating Funds in respect of each Merger includes a tailored simplified prospectus consisting of:

(i) the Part A of the applicable Current Simplified Prospectus; and

(ii) the Part B of the Current Simplified Prospectus of the applicable Continuing Fund.

"Josée Deslauriers"
Director of Investment Fund and Continuous Disclosure

2.1.5 Gateway Gold Corp.

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – Application for an order that the issuer is not a reporting issuer under applicable securities legislation – Relief granted

Applicable Legislative Provisions

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

Citation: Gateway Gold Corp., Re, 2009 ABASC 227

May 15, 2009

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

AND

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

AND

IN THE MATTER OF
GATEWAY GOLD CORP.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer is deemed to have ceased to be a reporting issuer (the **Exemptive Relief Sought**).

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

(a) the Alberta 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* and MI 11-102 *Passport System* 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 corporation governed by the *Business Corporations Act* (British Columbia).

2. The Filer is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

3. Although the Filer's sole shareholder, Victoria Gold Corp. (**Victoria**), is a reporting issuer in Alberta and British Columbia, Alberta was selected as the principal regulator for this application because relief is not being requested in British Columbia.

4. The Filer's authorized share capital consists of an unlimited number of common shares (**Shares**).

5. The Filer also has outstanding common share purchase warrants previously exercisable to acquire up to 3,039,600 Shares at a price of $0.35 per Share which warrants expire on June 9, 2011 (the **Warrants**).

6. No securities of the Filer are listed on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*. (**NI 21-101**).

The Arrangement

7. Victoria is a mineral exploration company incorporated pursuant to the laws of British Columbia, and is a reporting issuer in the provinces of British Columbia and Alberta. The common shares of Victoria are listed for trading on the TSX Venture Exchange.

8. On December 18, 2008, pursuant to an arrangement agreement entered into between the Filer and Victoria (the *Agreement*), Victoria agreed, through a court ordered plan of arrangement (the *Arrangement*), to acquire all of the issued and outstanding Shares. Pursuant to the Agreement, Victoria agreed to issue 0.5 of one common share of Victoria in exchange for each Share. The Warrants and all outstanding options to acquire Shares of the Filer became exercisable to acquire common shares of Victoria on a similar basis.

Background to Application

9. Prior to consummation of the transactions described above, the Shares were listed for trading on the Toronto Stock Exchange (the **TSX**).

10. Other than as described above, the Filer has no other securities issued and outstanding.

11. On December 18, 2008 the Shares were delisted from the TSX.

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

13. The Filer is applying for relief to cease to be a reporting issuer in all jurisdictions of Canada in which it is currently a reporting issuer.

14. The Filer is not in default of any requirement of the securities legislation in any of the Jurisdictions except for the obligation to file its Annual Information Form and annual financial statements for the period ended December 31, 2008 and its Management Discussion and Analysis in respect of such financial statements, as required under National Instrument 51-102 *Continuous Disclosure Obligations* and the related certification of such financial statements as required under Multilateral Instrument 52-109 *Certification of Disclosure in Filers' Annual and Interim Filings* all of which became due on March 31, 2009.

15. All of the Shares are owned by Victoria. Although the Warrants will remain outstanding until their expiry on June 9, 2011, they are no longer exercisable to acquire Shares or other securities of the Filer but rather, pursuant to the Arrangement, are now exercisable to acquire common shares of Victoria.

16. The Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.

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 Makers under the Legislation is that the Exemptive Relief Sought is granted.

"Blaine Young"
Associate Director, Corporate Finance

2.1.6 Hartco Income Fund – s. 1(10)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

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

May 14, 2009

Hartco Income Fund
9393 Louis-H. Lafontaine Blvd.
Montréal (Québec)
H1J 1Y8

Attention to: Lampros Stougiannos

Dear Sir:

Re: Hartco Income Fund (the Applicant) – application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer

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

As the Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total in Canada;

(b) no securities of the Applicant are traded on a marketplace as defined in *Regulation 21-101 respecting Marketplace Operation*;

(c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and

(d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

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

met and orders that the Applicant's status as a reporting issuer is revoked.

"Alexandra Lee"
Manager, Continuous Disclosure
Autorité des marchés financiers

2.1.7 Friedberg Asset Allocation Fund and Toronto Trust Management Ltd.

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – a commodity pool subject to National Instrument 81-104 Commodity Pools granted exemptions from National Instrument 81-102 Mutual Funds to engage in short selling of securities up to 25% of net assets, subject to certain conditions and requirements.

Rules Cited

National Instrument 81-102 Mutual Funds, ss. 2.6(a) and (c), 6.1(1), 19.1.
National Instrument 81-104 Commodity Pools.

May 13, 2009

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
FRIEDBERG ASSET ALLOCATION FUND
(the "Fund")

AND

TORONTO TRUST MANAGEMENT LTD.
(the "Filer")

DECISION

Background

The principal regulator in the Jurisdiction (the "principal regulator") has received an application from the Filer, on behalf of the Fund, for a decision under the securities legislation of the Jurisdiction (the "Legislation") pursuant to section 19.1 of National Instrument 81-102 *Mutual Funds* ("NI 81-102") that notwithstanding sections 2.6(a), 2.6(c) and 6.1(1) of NI 81 102, the Fund be permitted to sell securities short with the aggregate market value of all securities sold by the Fund not exceeding 25% of the net assets of the Fund on a daily marked to market basis, provide a security interest over the Fund's assets in connection with such short sales and deposit Fund assets with Borrowing Agents (as defined below under the heading "Representations") (the "Requested Relief").

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

1. the Ontario Securities Commission is the principal regulator for this application; and

2. 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 each of the remaining provinces and territories of Canada except Quebec.

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning in this decision unless they are otherwise defined in this decision.

Representations

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

1. The Fund will be an open-end mutual fund trust established under the laws of Ontario.

2. The Fund will be a "commodity pool" for purposes of National Instrument 81-104 *Commodity Pools* ("NI 81-104") and its units will be offered pursuant to a long form prospectus, as required by NI 81-104. The Fund has filed its preliminary prospectus, with the Canadian Securities Administrators in all provinces and territories of Canada except Quebec, as SEDAR project no. 01402240.

3. The Fund is to be a multi-strategy fund whose investment objective is to seek significant total investment returns, consisting of a combination of interest income, dividend income, currency gains and capital appreciation by investing in the following five discrete groups of investments: (i) equity securities generally, (ii) fixed income securities generally; (iii) commodity forwards and futures contracts, options thereon and other over-the-counter traded derivative instruments ("Commodity Futures Instruments") and commodities; (iv) equity and fixed income securities of real estate companies; and (v) cash and cash equivalents (as such term is defined in NI 81-102) ("Money Instruments").

   The Fund will make use of currency futures and forwards (and options thereon) ("Currency Futures Instruments") only for hedging purposes or to change the currency exposure of a particular security thereby producing a synthetic security, while it will use Commodity Futures Instruments also to seek to gain from such investments. The Fund will use Commodity Futures Instruments, but only as a substitute for holding spot physical commodities, and in no case will the Fund use leverage (determined as at the time of acquiring a position in a derivative) to acquire an exposure in Currency Futures Instruments and Commodity Futures Instruments in excess of the Fund's net assets.

   In order to seek to achieve the Fund's investment objective, the Fund's portfolio manager will allocate the Fund's capital among the five asset classes in the respective proportions which it believes optimal from time to time. There are no fixed percentage ranges for allocating the Fund's assets among the five classes, and the Fund's portfolio manager may determine that all or most of the Fund's assets should be allocated to only certain (or only one) of such asset classes.

4. Although the Fund will be a "commodity pool" for purposes of NI 81-104, a significant portion of the assets of the Fund may be invested in securities rather than Currency Futures Instruments and Commodity Futures Instruments. As such, while Section 2.1 of NI 81-104 provides exemptions from certain investment restrictions in NI 81-102 in respect of Currency Futures Instruments and Commodity Futures Instruments such that the Requested Relief is not required in respect of the Fund's investments in Currency Futures Instruments and Commodity Futures Instruments, the Manager is requesting the Requested Relief to permit the Fund to engage in limited short selling of securities.

5. The investment practices of the Fund will comply in all respects with the requirements of Part 2 of NI 81-102 except (i) for the Requested Relief; and (ii) in respect of investing in Currency Futures Instruments and Commodity Futures Instruments based on the exemptions provided in NI 81-104 as described above.

6. The following additional restrictions will be adopted in respect of the Fund's trading in derivatives:

   (a) the underlying value of the Fund's aggregate derivatives position (determined as at the time of acquiring a position in a derivative), other than derivatives positions entered into for hedging purposes, will not exceed the value of the Fund's holdings of Money Instruments;

   (b) other than its trading in Commodity Futures Instruments, the Fund will not engage in short selling in any of the investment groups except for hedging (for these purposes, hedging of a long position in equity securities of an issuer meaning the taking of a short position in either the securities of such issuer or securities of another issuer otherwise correlated in terms of industry, market or other specific exposure factor); and

   (c) the Fund will not use leverage (determined as at the time of acquiring a position in a derivative) to acquire an exposure to Commodity Futures Instruments and Currency Futures Instruments in excess of the Fund's net assets.

7. With respect to the Requested Relief, the following is proposed:

   (a) each short sale made by the Fund will be subject to compliance with the investment objective of the Fund;

(b) in order to effect short sales of securities, the Fund will borrow securities from either its custodian or a dealer (in either case, the "Borrowing Agent"), which Borrowing Agent may be acting either as principal for its own account or as agent for other lenders of securities;

(c) the Fund will implement the following controls when conducting short sales of securities:

(i) securities will be sold short for cash, with the Fund assuming the obligation to return to the Borrowing Agent the securities borrowed to effect the short sale;

(ii) the short sales will be effected through market facilities through which the securities sold short are normally bought and sold;

(iii) the Fund will receive cash for securities sold short within normal trading settlement periods for the market in which the short sale is effected;

(iv) the securities sold short will be liquid securities that:

A. are listed and posted for trading on a stock exchange, and

1. the issuer of the security has a market capitalization of not less than CDN$300 million, or the equivalent thereof, of such security at the time the short sale is effected; or

2. the investment advisor has pre-arranged to borrow for the purposes of such short sale; or

B. are bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada or any province or territory of Canada or the Government of the United States of America;

(v) at the time securities of a particular issuer are sold short:

A. the aggregate market value of all securities of that issuer sold short by the Fund will not exceed 2% of the net assets of the Fund; and

B. the Fund will place a "stop-loss" order with a dealer to immediately purchase for the Fund an equal number of the same securities if the trading price of the securities exceeds 120% (or such lesser percentage as the Manager may determine) of the price at which the securities were sold short;

(vi) the Fund will deposit Fund assets with the Borrowing Agent as security in connection with the short sale transaction;

(vii) the Fund will keep proper books and records of all short sales and Fund assets deposited with Borrowing Agents as security;

(viii) the Fund will develop written policies and procedures for the conduct of short sales;

(ix) the Fund will provide disclosure in its prospectus as to: (A) short selling, (B) how the Fund engages in short selling, (C) the risks associated with short selling, and (D) in the investment strategy section of the prospectus, the Fund's strategy and the Requested Relief; and

(x) the Fund will provide disclosure in its prospectus of the following information:

A. that there are written policies and procedures in place that set out the objectives and goals for short selling and the risk management procedures applicable to short selling;

B. who is responsible for setting and reviewing the policies and procedures referred to in the preceding paragraph, how often the policies and procedures are reviewed, and the extent and nature of the involvement of the board of directors or trustee in the risk management process;

C. the trading limits and other controls on short selling and who is responsible for authorizing the trading and placing limits or other controls on the trading;

D. whether there are individuals or groups that monitor the risks independent of those who trade; and

E. whether risk measurement procedures or simulations are used to test the portfolio under stress conditions.

Decision

The principal regulator is satisfied that the Requested Relief meets the test contained in the Legislation for the principal regulator to make the following decision. The decision of the principal regulator under the Legislation is that the Requested Relief is granted; provided that:

(a) the aggregate market value of all securities sold short by the Fund does not exceed 25% of the net assets of the Fund on a daily marked-to-market basis;

(b) the Fund holds "cash cover" (as defined in NI 81-102) in an amount, including the Fund assets deposited with Borrowing Agents as security in connection with short sale transactions, that is at least 150% of the aggregate market value of all securities sold short by the Fund on a daily marked-to-market basis;

(c) no proceeds from short sales of securities by the Fund are used by the Fund to purchase long positions in securities other than cash cover;

(d) the Fund maintains appropriate internal controls regarding its short sales, including written policies and procedures, risk management controls and proper books and records;

(e) any short sale made by the Fund is subject to compliance with the investment objective of the Fund;

(f) for short sale transactions in Canada, every dealer that holds Fund assets as security in connection with short sale transactions by the Fund shall be a registered dealer in Canada and a member of a self-regulatory organization that is a participating member of the Canadian Investor Protection Fund;

(g) for short sale transactions outside of Canada, every dealer that holds Fund assets as security in connection with short sale transactions by the Fund shall:

(i) be a member of a stock exchange and, as a result, be subject to a regulatory audit; and

(ii) have a net worth in excess of the equivalent of CDN$50 million determined from its most recent audited financial statements that have been made public;

(h) except where the Borrowing Agent is the Fund's custodian or a sub-custodian thereof, when the Fund deposits Fund assets with a Borrowing Agent as security in connection with a short sale transaction, the amount of Fund assets deposited with the Borrowing Agent does not, when aggregated with the amount of Fund assets already held by the Borrowing Agent as security for outstanding short sale transactions of the Fund, exceed 10% of the net assets of the Fund, taken at market value as at the time of the deposit;

(i) the security interest provided by the Fund over any of its assets that is required to enable the Fund to effect short sale transactions is made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions; and

(j) prior to conducting any short sales of securities, the Fund discloses in its prospectus the following information:

(i) that there are written policies and procedures in place that set out the objectives and goals for short selling and the risk management procedures applicable to short selling;

(ii) who is responsible for setting and reviewing the policies and procedures referred to in the preceding paragraph, how often the policies and procedures are reviewed, and the extent and nature of the involvement of the board of directors or trustee in the risk management process;

(iii) the trading limits and other controls on short selling and who is responsible for authorizing the trading and placing limits or other controls on the trading;

(iv) whether there are individuals or groups that monitor the risks independent of those who trade; and

(v) whether risk measurement procedures or simulations are used to test the portfolio under stress conditions.

"Vera Nunes"
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.8 Brookfield Renewable Power Inc.

Headnote

NP 11-203 – decision exempting the Filer from the requirement in s. 3.1 of NI 52-107 that financial statements be prepared in accordance with Canadian GAAP for so long as the Filer prepares its financial statements in accordance with IFRS-IASB – for financial periods beginning on or after January 1, 2010 –Filer must provide specified disclosure regarding change to IFRS-IASB – if the Filer files interim financial statements prepared in accordance with Canadian GAAP in the year that the Filer adopts IFRS-IASB, those interim financial statements must be restated using IFRS-IASB – Filer wishes to change to IFRS-IASB to reduce the complexity of its financial statement preparation process.

Applicable Legislative Provisions

National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, s. 3.1.

May 15, 2009

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
BROOKFIELD RENEWABLE POWER INC.
(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) exempting the Filer from the requirement in section 3.1 of National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107) that financial statements be prepared in accordance with Canadian GAAP, for financial periods beginning on or after January 1, 2010 (the Exemption Sought), for so long as the Filer prepares its financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS-IASB).

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, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Northwest Territories, Yukon and the Nunavut Territory (the Passport 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 a corporation amalgamated under the *Business Corporations Act* (Ontario) pursuant to articles of amalgamation dated March 31, 2008. The head office of the Filer is located at Brookfield Place, 181 Bay Street, Suite 300, P.O. Box 762, Toronto, Ontario M5J 2T3.

2. The Filer is a reporting issuer or equivalent in the Jurisdiction and each of the Passport Jurisdictions. The Filer is not, to its knowledge, in default of its reporting issuer obligations under the Legislation or the securities legislation of the Passport Jurisdictions.

3. The Filer has issued debt to the public, the holders of which are protected pursuant to the terms of a trust indenture under which the debt was issued.

4. The Filer develops and operates hydro-electric, wind and other power generating facilities in Canada, the United States and Brazil. The Filer has approximately $7 billion in assets.

5. The Filer is a wholly owned subsidiary of Brookfield Asset Management Inc. (BAM), which is a reporting issuer or equivalent in the Jurisdiction and each of the Passport Jurisdictions. BAM's securities are listed on the Toronto Stock Exchange, the New York Stock Exchange and the Euronext Amsterdam Exchange. BAM is also a registrant with the United States Securities and Exchange Commission and a foreign private issuer in the United States.

6. BAM has received an exemption from the requirement in section 3.1 of NI 52-107 that financial statements be prepared in accordance with Canadian GAAP, for financial periods

beginning on or after January 1, 2009, for so long as BAM prepares its financial statements in accordance with IFRS-IASB. BAM intends to begin preparing its financial statements in accordance with IFRS-IASB for periods beginning on or after January 1, 2010.

7. The Canadian Accounting Standards Board has confirmed that publicly accountable enterprises will be required to prepare their financial statements in accordance with IFRS-IASB for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011.

8. NI 52-107 sets out acceptable accounting principles for financial reporting under the Legislation by domestic issuers, foreign issuers, registrants and other market participants. Under NI 52-107, a domestic issuer must use Canadian GAAP with the exception that an SEC registrant may use US GAAP. Under NI 52-107, only foreign issuers may use IFRS-IASB.

9. In CSA Staff Notice 52-321 *Early Adoption of International Financial Reporting Standards, Use of US GAAP and Reference to IFRS-IASB*, staff of the Canadian Securities Administrators recognized that some issuers may wish to prepare their financial statements in accordance with IFRS-IASB for periods beginning prior to January 1, 2011 and indicated that staff were prepared to recommend exemptive relief on a case by case basis to permit a domestic issuer to do so, despite Section 3.1 of NI 52-107.

10. Subject to obtaining the Exemption Sought, the Filer intends to adopt IFRS-IASB effective January 1, 2010 for its financial statements for periods beginning on and after January 1, 2010.

11. The Filer believes that the adoption of IFRS-IASB for financial periods beginning on or after January 1, 2010 would be in the best interests of the Filer and users of its financial information for a number of reasons, including the following:

    (a) it will align the basis of accounting under which the Filer prepares its financial statements with the basis of accounting under which BAM intends to prepare its financial statements for financial periods beginning on or after January 1, 2010;

    (b) it will result in financial information that will more accurately represent the Filer's results of operations and financial position, in particular because IFRS-IASB's greater use of fair value in conjunction with the Filer being an owner and operator of long-life assets that predominately appreciate over time rather than depreciate systematically will result in the carrying value of the Filer's assets and its tax balances more closely aligning to their economic values;

    (c) a number of global issuers in the power generation industry prepare financial statements in accordance with IFRS-IASB, which could increase the comparability of the Filer's financial results to those issuers; and

    (d) it will reduce the administrative burden and risk involved in preparing its consolidated financial statements and reporting to BAM if both reporting requirements are in accordance with IFRS-IASB.

12. The Filer is implementing a comprehensive IFRS-IASB conversion plan.

13. The Filer has carefully assessed the readiness of its staff, board of directors, audit committee, auditor, investors and other market participants to address the Filer's adoption of IFRS-IASB for financial periods beginning on January 1, 2010 and has concluded that they will be adequately prepared to address the Filer's adoption of IFRS-IASB for periods beginning on or after January 1, 2010.

14. The Filer has considered the implications of adopting IFRS-IASB for financial periods beginning before January 1, 2011 on its obligations under securities legislation including, but not limited to, those relating to CEO and CFO certifications, business acquisition reports, offering documents, and previously released material forward looking information.

15. The Filer has disclosed, or plans to disclose, as the case may be, relevant information about its conversion to IFRS-IASB as contemplated by CSA Staff Notice 52-320 *Disclosure of Expected Changes in Accounting Policies Relating to Changeover to International Financial Reporting Standards* in its management's discussion and analysis (MD&A) for each of the periods ending prior to its conversion date, including:

    (a) in its MD&A relating to the year ended December 31, 2008, the key elements and timing of its conversion plan to adopt IFRS-IASB;

    (b) in its MD&A relating to the year ended December 31, 2008, the exemptions available under IFRS 1 *First-time Adoption of International Financial Reporting Standards* that the Filer expects to apply in preparing financial statements in accordance with IFRS-IASB and the areas of accounting policy significant to the Filer by describing the

major identified differences between the Filer's current accounting policies and those the Filer is required or expects to apply in preparing financial statements in accordance with IFRS-IASB; and

(c) as soon as it is available, but at the latest for the period ended March 31, 2009, the impact of adopting IFRS-IASB on the key line items in the Filer's financial statements and, to the extent the Filer has quantified such information, quantitative information regarding the impact of adopting IFRS-IASB on the key line items in the Filer's financial statements.

Decision

1. 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. The decision of the principal regulator under the Legislation is that the Exemption Sought is granted, subject to all of the following conditions:

   (a) for so long as the Filer prepares its financial statements for financial periods beginning on or after January 1, 2010 in accordance with IFRS-IASB;

   (b) provided that the Filer provides all of the communication as described and in the manner set out in paragraph 15; and

   (c) provided that if the Filer files interim financial statements prepared in accordance with Canadian GAAP for one or more interim periods in the year that the Filer adopts IFRS-IASB, those interim financial statements originally prepared in accordance with Canadian GAAP will be restated in accordance with IFRS-IASB.

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

2.1.9 HSBC Securities (Canada) Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemption pursuant to s. 147 of the Securities Act (Ontario) from the trade confirmation requirements of s. 36 of the Act – Registered dealer exempted from the requirements to send trade confirmations for trades that the dealer executes on behalf of the client where the client's account is fully managed; account fees paid by the client are based on the amount of assets, and not the trading activity in the account; the client agrees that the confirmation statements will not be delivered to them; the client is sent monthly statements that include the confirmation information, subject to certain conditions.

Applicable Legislative Provisions

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

May 22, 2009

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

AND

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

AND

IN THE MATTER OF
HSBC SECURITIES (CANADA) INC.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the requirement contained in the Legislation that a registered dealer send a written confirmation of any trade in securities (the **Trade Confirmation Requirement**) to clients of the Filer (**Participating Clients**) who receive discretionary managed services pursuant to the Filer's model portfolio account program (the **Program**) with respect to trades in securities in the accounts of Participating Clients under the Program (the **Exemptive Relief 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. The Filer is a dealer registered under the Legislation in the category of investment dealer, or the equivalent thereof, in the Jurisdictions, is a member of the Investment Industry Regulatory Organization of Canada (**IIROC**) and has its head office in Ontario.

2. The Filer is not in default of the Legislation of any Jurisdiction.

3. The Filer provides investment dealer and portfolio management services to individuals and corporate clients resident in the Jurisdictions and other jurisdictions where it is qualified to provide such services.

4. To participate in the Program:

   (a) a Participating Client will enter into a written account agreement (an **Account Agreement**) with the Filer setting out the terms and conditions, and the respective rights, duties and obligations of the parties, regarding the Program, which Account Agreement is in a form acceptable to IIROC; and

   (b) based upon inquiries made by the Filer to determine the general investment needs, objectives and risk tolerance of the Participating Client, the Filer will assist the Participating Client to complete a statement of investment policy that outlines the Participating Client's investment objectives and level of risk tolerance.

5. The Filer will comply with "know your client" and suitability obligations under the Legislation.

6. The Filer will engage HSBC Global Asset Management (Canada) Limited (the **Adviser**) to create and manage model portfolios (the **Model Portfolios**) for the Program. The Adviser is registered as an adviser under the Legislation of the Jurisdictions.

7. The Program offered to Participating Clients will be comprised of managed accounts that will be invested by the Filer in securities based on a Model Portfolio(s).

8. For each Participating Client, the Filer will open an account under the Program (the **Program Account**) which is separate and distinct from any other accounts the Participating Client may have with the Filer.

9. The Program Accounts will be "managed accounts" as defined under IIROC Rule 1300 and the Filer will comply with applicable IIROC requirements with respect to managed accounts.

10. Under the Account Agreement for the Program Accounts:

    (a) the Participating Client will

        (i) grant full discretionary authority to the Filer to make investment decisions and to trade in securities on behalf of the Participating Client without obtaining the specific consent of the Participating Client to individual trades, and

        (ii) authorize the Filer to retain the Adviser;

    (b) the Filer or another recognized securities custodian will act as custodian of the securities and other assets in each Program Account;

    (c) the Participating Client will acknowledge and agree that securities transactions in such Participating Client's Program Account will generally be executed through the Filer;

    (d) unless the Participating Client requests otherwise, the Participating Client will waive receipt of all trade confirmations in respect of securities transactions conducted by the Filer for a Program Account; and

    (e) the Participating Client will agree to pay a periodic fee (the Fee) to the Filer based on the assets of the Participating Client's Program Account, which Fee includes all custodial transaction and brokerage fees and commissions and is not based on the volume or value of the transactions effected in the Participating Client's Program Account.

11. The Fee paid is for investment management services and annual registered plan fees, and does not cover charges for administrative services of the Filer, such as wire transfer requests,

account transfers, and other administrative services (**Administrative Charges**) payable by clients of the Filer whether or not participating in the Program. The Filer provides a list of the Filer's Administrative Charges to a person at the time the person becomes a client of the Filer.

12. The Filer will enter into a written agreement (the **Advisory Agreement**) with the Adviser that sets out the obligations and duties of each party in connection with the investment management services or model portfolio services to be provided by the Adviser.

13. For a Participating Client that participates in the Program, the Filer will recommend to the Participating Client a suitable Model Portfolio(s) for the Participating Client's Program Account based upon the investment objectives and risk tolerance of the Participating Client and based on the investment mandate of the Model Portfolio(s).

14. Each Model Portfolio of the Adviser has its own investment mandate and will be comprised of a portfolio of securities selected and monitored by the Adviser. The Participating Client's Program Account is invested by the Filer in accordance with the securities and weightings used in the Model Portfolio(s) and is reviewed by the Filer for suitability of investment for the Participating Client.

15. The Filer will provide to each Participating Client a monthly statement of account with respect to such Participating Client's Program Account as required under the Legislation, including a list of all transactions undertaken in the Program Account during the period covered by that statement and a statement of portfolio for the Program Account at the end of each calendar quarter.

16. The monthly statement of account will identify the assets being managed on behalf of the Participating Client including for each trade made during that month the information that the Filer would otherwise have been required to provide to that Participating Client in a trade confirmation in accordance with the Legislation, except for the following information (collectively, the **Omitted Information**):

    (a) the day and the stock exchange or commodity futures exchange upon which the trade took place;

    (b) the fee or other charge, if any, levied by any securities regulatory authority in connection with the trade;

    (c) the name of the salesperson, if any, in the transaction;

    (d) the name of the dealer, if any, used by the Filer or the Adviser as its agent to effect the trade; and

    (e) if acting as agent in a trade upon a stock exchange, the name of the person or company from or to or through whom the security was bought or sold.

17. The Filer will maintain the Omitted Information with respect to a Participating Client in its books and records and will make the Omitted Information available to the Participating Client upon request.

18. The Filer performs daily reviews of all Program Account transactions in respect of suitability.

19. The Filer cannot rely on any Trade Confirmation Requirement exemption in the Legislation and, in the absence of the Exemptive Relief Sought, would be subject to the Trade Confirmation Requirement in the Jurisdictions.

20. IIROC Rule 200.1(h) prescribes circumstances in which IIROC permits the suppression of trade confirmations in respect of managed accounts, which circumstances are satisfied in respect of the Program.

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 Makers under the Legislation is that the Exemptive Relief Sought is granted provided that:

1. the Participating Client has previously informed the Filer in writing that the Participating Client does not wish to receive trade confirmations for the Participating Client's Program Account; and

2. in the case of each trade for a Program Account, the Filer sends to the Participating Client the corresponding statement of account that includes the information referred to in representation 16.

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

"Paul K. Bates"
Commissioner
Ontario Securities Commission

2.1.10 Mackenzie Financial Corporation et al.

Headnote

National Policy 11-203 Process for Exemption Relief Applications in Multiple Jurisdictions – Coordinated Review – Extension of prospectus lapse date by 20 days to allow final prospectus of funds to reflect operational changes and addition of new series of units – Extension of lapse date will not affect the accuracy of the information contained in the prospectus – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 62(5).

May 7, 2009

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 MULITPLE JURISDICTIONS

AND

IN THE MATTER OF
MACKENZIE FINANCIAL CORPORATION
(the "Filer" or "Mackenzie")

AND

SAXON MONEY MARKET FUND
SAXON BOND FUND
SAXON BALANCED FUND
SAXON HIGH INCOME FUND
SAXON STOCK FUND
SAXON SMALL CAP FUND
SAXON MICROCAP FUND
SAXON U.S. EQUITY FUND
SAXON U.S. SMALL CAP FUND
SAXON INTERNATIONAL EQUITY FUND
SAXON WORLD GROWTH
SAXON GLOBAL SMALL CAP 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 limits for the renewal of the simplified prospectus of the Funds dated May 9, 2008, as amended (the "**Prospectus**"), be extended to those time limits that would be applicable if the lapse date of the Prospectus were May 29, 2009 (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 portfolio advisor of the Funds. Each of the Funds is an open-ended mutual fund trust established under the laws of Ontario pursuant to a declaration of trust.

2. The Funds are reporting issuers under the Legislation and are not in default of any of the requirements of the Legislation.

3. The Funds are currently qualified for distribution in the Jurisdictions under the Prospectus.

4. The lapse date (the "**Lapse Date**") for the distribution of securities of the Funds is May 9, 2009.

5. Pursuant to the Legislation, provided a pro forma simplified prospectus is filed 30 days prior to May 9, 2009, a final simplified prospectus is filed by May 19, 2009, and a receipt for the final simplified prospectus is issued by the securities regulatory authorities by May 29, 2009, the securities of the Funds may be distributed without interruption during the prospectus renewal period.

6. On January 26, 2009, the Filer became the manager and trustee of the Funds as a result of an amalgamation with the previous manager and trustee, Saxon Funds Management Ltd. (the "**Manager Change**"). The Manager Change was disclosed by way of an amendment to the Prospectus dated February 5, 2009.

7. Related to the Manager Change, on or about June 1, 2009, Citibank Canada will cease to be the custodian of the Funds and Citigroup Fund Services Canada, Inc. will cease to be the registrar of the Funds, at which time Mackenzie will also be appointed the new registrar of the Funds and Canadian Imperial Bank of Commerce will be appointed as the new custodian (the "**Operational Changes**"). Disclosure of the Operational Changes will result in numerous revisions to the Prospectus.

8. If the Exemption Sought is not granted, the renewal simplified prospectus of the Funds must be filed by May 19, 2009, and the renewal simplified prospectus will be amended, within 13 days of filing the renewal simplified prospectus, to reflect the Operational Changes. The Exemption Sought will permit the renewal simplified prospectus of the Funds to be filed after the effective date of the Operational Changes. The renewal simplified prospectus will reflect the removal of the disclosure regarding Citibank Canada and Citigroup Fund Services Canada, Inc. and reflect disclosure of the Operational Changes, which will avoid potential investor confusion. The financial costs and time involved in preparing, filing and printing both the renewal simplified prospectus and an amendment to the simplified prospectus would be unduly costly.

9. Additionally, effective June 5, 2009, the Filer intends to merge certain other mutual funds that it manages (the "**Terminating Funds**") into Saxon Balanced Fund, Saxon Stock Fund and Saxon Small Cap Fund (together, the "**Proposed Continuing Funds**"). Securityholder meetings have been scheduled on June 1, 2009 to obtain securityholder approval of the proposed mergers.

10. In connection with the proposed mergers, the Filer intends to add several new series of units (the "**New Series**") to two of the Proposed Continuing Funds that will be issued to securityholders of two of the Terminating Funds. The Filer intends to file a combined preliminary and pro forma simplified prospectus for the Funds that will be a pro forma filing with respect to the existing series of the Funds and a preliminary filing with respect to the New Series.

11. In order to reduce the costs of renewing the Prospectus and then filing an amendment to add the New Series, the Filer wishes to extend the Lapse Date to May 29, 2009 so that the Filer can file a final simplified prospectus for the Funds that will include the New Series after securityholder approval for the proposed mergers is obtained. If the Exemption Sought is granted, a combined preliminary and pro forma simplified prospectus and a final simplified prospectus will be filed by April 29, 2009 and June 8, 2009, respectively, in accordance with the time limits for the renewal of the Prospectus.

12. The Filer expects that purchases of the Funds' securities after the Lapse Date will principally be those made pursuant to pre-authorized purchases from existing investors.

13. Since May 9, 2008, the date of the Prospectus, no material change has occurred that has not been disclosed by way of an amendment to the Prospectus. Accordingly, the Prospectus contains all material facts regarding the Funds. The requested extension will not affect the currency or accuracy of the information contained in the Prospectus, and therefore 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.

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

2.1.11 United Financial Corporation et al.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund mergers – approval required because mergers do not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – continuing funds have different investment objectives – certain mergers not a "qualifying exchange" or a tax-deferred transaction under the Income Tax Act – securityholders of the terminating funds provided with timely and adequate disclosure regarding the mergers – securityholders of each terminating merger receiving securities in two corresponding continuing funds.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(b), 5.6.

May 22, 2009

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
UNITED FINANCIAL CORPORATION
(the Filer)

AND

CANADIAN EQUITY DIVERSIFIED POOL,
US EQUITY DIVERSIFIED POOL,
INTERNATIONAL EQUITY DIVERSIFIED POOL,
CANADIAN EQUITY DIVERSIFIED CORPORATE CLASS, US EQUITY DIVERSIFIED CORPORATE CLASS, INTERNATIONAL EQUITY DIVERSIFIED CORPORATE CLASS (each a Terminating Fund and, collectively, the Terminating Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Terminating Funds for a decision under the securities legislation of the Jurisdiction (the **Legislation**) for approval of the merger (each a **Merger** and, collectively, the **Mergers**) of a Terminating Fund into its corresponding continuing value fund and continuing growth fund (the **Continuing Funds** and together with the Terminating Funds, the **Funds**) under subsection 5.5(1)(b) of National Instrument 81-102 – *Mutual Funds* (**NI 81-102**) (the **Exemption Sought**).

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

1. the Ontario Securities Commission is the principal regulator for this application; and;

2. 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, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut.

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:

Manager and Fund Information

1. The Filer is a corporation amalgamated under the laws of Canada and is registered under the *Securities Act* (Ontario) as an adviser in the category of investment counsel and portfolio manager and as a limited market dealer.

2. The Filer is the manager of the Funds.

3. Canadian Equity Diversified Pool, US Equity Diversified Pool, International Equity Diversified Pool (each a **Terminating Trust Fund** and, collectively, the **Terminating Trust Funds**), Canadian Equity Value Pool, Canadian Equity Growth Pool, US Equity Value Pool, US Equity Growth Pool, International Equity Value Pool and International Equity Growth Pool (each a **Continuing Trust Fund** and, collectively, the **Continuing Trust Funds**) are each open-end mutual fund trusts governed by declarations of trust.

4. Canadian Equity Diversified Corporate Class, US Equity Diversified Corporate Class, International Equity Diversified Corporate Class (each a **Terminating Corporate Fund** and, collectively, the **Terminating Corporate Funds**) and Canadian Equity Value Corporate Class, Canadian Equity Growth Corporate Class, US Equity Value Corporate Class, US Equity Growth Corporate Class, International Equity Value Corporate Class and International Equity Growth Corporate Class (each a **Continuing Corporate Fund** and, collectively, the **Continuing Corporate Funds**) are each classes of convertible special shares of CI Corporate Class Limited (the **Corporation**).

5. The Corporation is a corporation incorporated under the laws of the Province of Ontario.

6. Each Fund is a mutual fund that is subject to the requirements of NI 81-102.

7. The Filer intends to merge each Terminating Fund into the Continuing Funds shown opposite its name in the table below:

Terminating Fund	Continuing Value Fund	Continuing Growth Fund
Canadian Equity Diversified Pool	Canadian Equity Value Pool	Canadian Equity Growth Pool
US Equity Diversified Pool	US Equity Value Pool	US Equity Growth Pool
International Equity Diversified Pool	International Equity Value Pool	International Equity Growth Pool
Canadian Equity Diversified Corporate Class	Canadian Equity Value Corporate Class	Canadian Equity Growth Corporate Class
US Equity Diversified Corporate Class	US Equity Value Corporate Class	US Equity Growth Corporate Class
International Equity Diversified Corporate Class	International Equity Value Corporate Class	International Equity Growth Corporate Class

8. Each Fund currently distributes its securities in all the provinces and territories of Canada pursuant to an amended and restated simplified prospectus dated April 1, 2009, as amended (together the **Prospectus**), and an annual information form dated July 25, 2008, as amended (together the **AIF**).

9. The Funds are reporting issuers under the Legislation and are not on the list of defaulting reporting issuers maintained under the Legislation.

10. Each of the Funds follows the standard investment restrictions and practices established under the Legislation except to the extent that the Funds have received permission from the CSA to deviate therefrom.

11. Each Terminating Corporate Fund and each Continuing Corporate Fund achieves its investment objective, in part, by investing in units of an underlying mutual fund trust (an **Underlying Fund**).

Details of the Proposed Mergers

12. The proposed Mergers were described in (i) a press release issued and filed on SEDAR on April 15, 2009, (ii) a material change report filed on SEDAR on April 20, 2009, and (iii) amendments to the Prospectus and AIF each dated and filed on SEDAR on April 22, 2009.

13. The current investment mandate of each Terminating Fund is comprised of a combination of a value mandate and a growth mandate. Each merger therefore involves a Terminating Fund merging the portion of its assets relating to its value mandate into its corresponding Continuing Value Fund and the portion of its assets relating to its growth mandate into its corresponding Continuing Growth Fund, in each case in return for units or shares (as applicable) of its Continuing Value Fund and Continuing Growth Fund.

14. Due to the different structures of the Funds, the procedures for implementing the Mergers will vary. The steps of each Merger take into account the particular features of each Fund and are as follows:

    (a) With respect to the Merger of a Terminating Corporate Fund into Continuing Corporate Funds:

        (i) Each Terminating Corporate Fund currently invests substantially all of its assets in units of an Underlying Fund. Each Terminating Corporate Fund will redeem all the units it holds of its Underlying Fund at its net asset value. Payment of the redemption price will be satisfied by an in-kind delivery of a pro rata number of securities from the portfolio of the Underlying Fund.

        (ii) Each outstanding share of the Terminating Corporate Fund will be exchanged into a combination of shares of an equivalent class of its corresponding Continuing Value Fund and shares of an equivalent class of its Continuing Growth Fund on the basis that: (a) the net asset value of the share(s) of the Continuing Value Fund so issued will be equal to 50% (60% in the case of Canadian Equity Diversified Corporate Class) of the net asset value of the share(s) of the Terminating Corporate Fund, and (b) the net asset value of the share(s) of the Continuing Growth Fund so issued will be equal to 50% (40% in the case of Canadian Equity Diversified Corporate Class) of the net asset value of the share(s) of the Terminating Corporate Fund.

        (iii) 50% (60% in the case of Canadian Equity Diversified Corporate Class) of the assets and liabilities attributed to the Terminating Corporate Fund will be reallocated to its corresponding Continuing Value Fund and 50% (40% in the case of Canadian Equity Diversified Corporate Class) of the assets and liabilities attributed to the Terminating Corporate Fund will be reallocated to its corresponding Continuing Growth Fund.

        (iv) As soon as reasonably possible following the Merger, the articles of incorporation of the Corporation will be amended to delete each Terminating Corporate Fund.

    (b) With respect to the Merger of a Terminating Trust Fund into Continuing Trust Funds:

        (i) The value of each Terminating Trust Fund's investment portfolio and other assets will be determined at the close of business on the effective date of the Merger in accordance with the constating documents of the Terminating Trust Fund.

        (ii) Each Terminating Trust Fund will transfer approximately 50% (60% in the case of Canadian Equity Diversified Pool) of its assets to its corresponding Continuing Value Fund and approximately 50% (40% in the case of Canadian Equity Diversified Pool) of its assets to its corresponding Continuing Growth Fund. In return, each Terminating Trust Fund will be issued units from its corresponding Continuing Value Fund having an aggregate net asset value equal to the value of the assets transferred to the Continuing Value Fund and units from its corresponding Continuing Growth Fund having an aggregate net asset value equal to the value of the assets transferred to the Continuing Growth Fund.

        (iii) Each Continuing Trust Fund will not assume any of its Terminating Trust Fund's liabilities. Instead, each Terminating Trust Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the date of the Merger.

(iv) Each Terminating Trust Fund and each of its corresponding Continuing Trust Funds will declare, pay and automatically reinvest a distribution of net capital gains and income (if any).

(v) Immediately thereafter, each Terminating Trust Fund will redeem all of its outstanding units at their net asset value and pay for them by delivering to its unitholders units of an equivalent class of its corresponding Continuing Value Fund having an aggregate net asset value equal to approximately 50% (60% in the case of Canadian Equity Diversified Pool) of the Terminating Trust Fund and units of an equivalent class of its corresponding Continuing Growth Fund having an aggregate net asset value equal to approximately 50% (40% in the case of Canadian Equity Diversified Pool) of the Terminating Trust Fund.

(vi) Each Terminating Trust Fund will be wound-up within 30 days following its Merger.

15. The result of each Merger will be that investors in a Terminating Fund will cease to be securityholders in that Terminating Fund and will become securityholders in its corresponding Continuing Value Fund and Continuing Growth Fund.

16. In the opinion of the Filer, the Mergers will be beneficial to securityholders of each Fund for the following reasons:

(a) as each Terminating Fund represents a blended investment mandate of its corresponding Continuing Value Fund and Continuing Growth Fund, each Merger will result in investors becoming securityholders of two Continuing Funds having more precise investment mandates without changing the investor's overall market exposure;

(b) following the Mergers, each Continuing Fund will have more assets, thereby allowing for increased portfolio diversification opportunities and a smaller proportion of assets set aside to fund redemptions; and

(c) each Continuing Fund will benefit from its larger profile in the marketplace.

17. As required by National Instrument 81-107 – *Independent Review Committee for Investment Funds*, the Filer presented the terms of the Mergers to the independent review committee of the Funds (the **IRC**) for its review. The IRC determined that the decision of the Filer to complete the Mergers: (a) has been proposed by the Filer free from any influence by an entity related to the Filer and without taking into account any consideration relevant to an entity related to the Filer; (b) represents the business judgement of the Filer uninfluenced by considerations other than the best interest of the Funds; (c) is in compliance with the Filer's written policies and procedures relating to the Mergers; and (d) achieves a fair and reasonable result for the Funds.

18. Investors in the Terminating Funds and the Continuing Corporate Funds will be asked to approve the Mergers at special meetings of securityholders of such Funds to be held on May 22, 2009 (the **Meetings**). In connection with the Meetings, the Filer has sent to such securityholders a management information circular dated April 22, 2009, a related form of proxy, and the Prospectus of its Continuing Funds (collectively, the **Meeting Materials**).

19. If all required approvals for each Merger are obtained, it is proposed that each Merger will occur after the close of business on or about May 22, 2009 (the **Effective Date**). The Filer therefore anticipates that a securityholder of a Terminating Fund will become a securityholder of each of the corresponding Continuing Funds after the close of business on the Effective Date.

20. Each Terminating Fund will be wound-up as soon as reasonably possible following its Merger.

21. The Filer may, in its discretion, postpone implementing any Merger until a later date (which shall be not later than December 31, 2009) and may elect to not proceed with any Merger.

22. The cost of effecting the Mergers (consisting primarily of proxy solicitation, printing, mailing, legal and regulatory fees) will be borne by the Filer.

23. Securityholders of a Terminating Fund will continue to have the right to redeem units of the Terminating Fund at any time up to the close of business on the Effective Date. Purchases of, and transfers to, securities of the Terminating Funds will be suspended on or prior to the effective date of the Mergers, except for those made under automatic purchase plans which will be suspended at the close of business on the effective date of the Mergers. Following each Merger, all optional plans, including automatic withdrawal plans, which were established with respect to a Terminating Fund will be re-established in comparable plans with respect to the corresponding Continuing Funds unless investors advise otherwise.

24. The securities of each Fund are qualified investments for registered retirement savings plans, registered retirement income funds, registered education savings plans, tax-free savings accounts, registered disability savings plans and deferred profit sharing plans.

25. Each Terminating Fund has the same distribution policy as each of its Continuing Funds.

26. Each class of securities of a Continuing Fund is charged management fees at a rate that is the same as the rate of management fees charged to the equivalent class of securities of its corresponding Terminating Fund.

27. The Filer bears all of the operating expenses of the Funds (other than certain taxes, borrowing costs and certain new governmental fees) in return for fixed annual administration fees. Each class of securities of a Continuing Fund is charged an administration fee that is the same rate of the administration fee charged to the equivalent class of securities of its corresponding Terminating Fund.

28. Investors pay a commission to their dealers when purchasing securities of any Fund on a front-end sales charge basis. The amount of the commission is negotiable between the investor and his or her dealer, but is not to exceed certain percentages. In all cases, the maximum front-end sales charge applicable to securities of a Continuing Fund is the same or lower than for the equivalent class of securities of its corresponding Terminating Fund.

29. Where securities of a Fund are available for purchase on a redemption charge basis, in all cases the redemption fee is calculated against the original cost of the securities redeemed and is the same percentage for redeeming securities of a Continuing Fund as for redeeming securities of its corresponding Terminating Fund in the same time periods.

30. All Funds have substantially similar arrangements with respect to switch fees.

31. All Funds calculate their net asset values daily at 4:00 p.m. (Toronto time). Net asset values per unit or share are calculated for each class of securities using similar methodologies and currencies. Assets and liabilities generally are valued in the same manner.

32. In the opinion of the Filer, a reasonable person may not consider that the investment objectives of a Terminating Fund to be substantially similar to the investment objectives of its respective Continuing Funds and, accordingly, the Mergers involving the Terminating Funds may not meet the criteria for pre-approved reorganizations under subsection 5.6(1)(a)(ii) of NI 81-102.

33. The investment objectives of each Terminating Fund and its Continuing Funds are described in the Meeting Materials so that securityholders of a Terminating Fund may compare the investment objectives of each before voting on the Mergers.

34. The Mergers involving the Terminating Trust Funds will not be implemented as either a "qualifying exchange" within the meaning of section 132.2 of the *Income Tax Act* (Canada) (the "**Tax Act**") or a tax-deferred transaction under section 85(1), 85.1(1), 86(1) or 87(1) of the Tax Act (in each case, a **Prescribed Rollover**).

35. The Filer has determined that implementing the Mergers in a manner that is not a Prescribed Rollover will not have a material adverse tax consequence for investors.

36. As the Mergers involving the Terminating Trust Funds will not be implemented in a manner that are Prescribed Rollovers, such Mergers do not meet the criteria for pre-approved reorganizations under subsection 5.6(b) of NI 81-102.

37. The tax implications of the Mergers to a Terminating Trust Fund and its securityholders are disclosed in the Meeting Materials. A securityholder of a Terminating Trust Fund may therefore consider the tax implications of its Merger before voting on the Merger.

38. The Filer may rely on an exemption dated November 25, 2004 (the **Prior Exemption**) from the financial statement delivery provision set out in subsection 5.6(1)(f)(ii) of NI 81-102 in respect of mergers of mutual funds managed by the Filer. The Filer has complied with the conditions of the Prior Exemption in respect of the Mergers.

39. In the opinion of the Filer, each Merger satisfies all of the criteria for pre-approved reorganizations and transfers set forth in section 5.6 of NI 81-102, except the criteria contained in subsection 5.6(1)(a)(ii) of NI 81-102, subsection 5.6(1)(f)(ii) of NI 81-102 and, for certain Mergers, subsection 5.6(1)(b) of NI 81-102.

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.

"Darren McKall"
Assistant Manager, Investment Funds
Ontario Securities Commission

2.1.12 Sentry Select Canadian Income Exchange Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions. Relief granted from NI 81-101, which requires a mutual fund to use a simplified prospectus, and NI 81-102 for relief from restrictions on: borrowing, payment of organizational costs, calculation and payment of redemptions, and preparation of compliance reports – The fund is a 'mutual fund' for securities legislation purposes but is fundamentally different from a conventional mutual fund – Structure is more akin to a closed-end Fund – Units can only be acquired through exchange of securities – purchases by cash are not permitted – Units not in continuous distribution and not listed on any exchange – Units are redeemable once a month at net asset value – Redemption proceeds are paid on the 15th business day of the following month – Fund permitted to use long form prospectus, permitted to bear expenses of the offering and to borrow money solely to pay expenses of the offering – Exemptive relief also granted from certain other mutual fund requirements concerning calculation and payment of redemptions and preparation of compliance reports – Exemptions Sought would not be prejudicial to investors.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 1.3, 6.1.
National Instrument 81-102 Mutual Funds, ss. 2.6(a), 3.3, 1.3, 10.4, 12.1, 19.1.

May 14, 2009

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
SENTRY SELECT CANADIAN INCOME
EXCHANGE FUND
(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:

(a) National Instrument 81-101 – *Mutual Fund Prospectus Disclosure* (**NI 81-101**), which requires a mutual fund to provide its securityholders with a simplified prospectus;

(b) Section 2.6(a) of National Instrument 81-102 – *Mutual Funds* (**NI 81-102**), which limits a mutual fund to borrowing no more than five per cent of its net assets and as a temporary measure to accommodate requests for the redemption of its securities or to permit the settlement of portfolio transactions;

(c) Section 3.3 of NI 81-102, which prohibits a mutual fund or its securityholders from bearing the costs of incorporation, formation or initial organization of a mutual fund, or the preparation and filing of any preliminary simplified prospectus or annual information form;

(d) Section 10.3 of NI 81-102, which requires that the redemption price of a security of a mutual fund to which a redemption order pertains be the NAV of a security of that class, or series of a class, next determined after the receipt by the mutual fund of the order;

(e) Section 10.4(1) of NI 81-102, which generally requires a mutual fund to pay the redemption price for securities that are the subject of a redemption order within three business days after the date of calculation of the NAV per security used in establishing the redemption price; and

(f) Section 12.1(1) of NI 81-102, which requires a mutual fund that does not have a principal distributor to complete and file prescribed compliance reports within specified time frames.

(Items (a) through (f) above are collectively referred to as the **Exemptions 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(1) of Multilateral Instrument 11-102 – *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Northwest Territories, Nunavut and Yukon.

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.

CIF means Sentry Select Canadian Income Fund.

Manager means Sentry Select Capital Inc.

NAV means net asset value.

Offering means the offering of Units, as contemplated in the Preliminary Prospectus.

Preliminary Prospectus means the preliminary prospectus of the Filer dated April 9, 2009.

Prospectus means the final prospectus of the Filer.

Unitholders means holders of Units.

Units means the units of the Filer.

Representations

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

1. The Filer is an investment fund (as defined in National Instrument 81-106 – *Investment Fund Continuous Disclosure* (**NI 81-106**)) to be established under the laws of the Province of Ontario pursuant to a declaration of trust. The Manager is responsible for the management and administration of the Filer. The principal office of the Filer and the Manager is Suite 2850, 130 King Street West, Toronto, Ontario M5X 1A4.

2. The Filer will be authorized to issue an unlimited number of Units.

3. The investment objectives of the Filer are to (i) provide Unitholders with monthly distributions (initially equal to 8.5% per annum, or approximately $0.071 per month, based on the initial price of the Units); and (ii) provide Unitholders with the opportunity for capital appreciation.

4. The Manager will seek to achieve its investment objectives by liquidating the Eligible Securities (defined below) quickly and efficiently, which may include crossing securities into CIF or another mutual fund managed by the Manager in accordance with the policies and procedures of the Filer's Independent Review Committee, and using the proceeds from such dispositions to acquire Series I units of CIF.

5. Prospective holders of Units may acquire Units only by exchanging with the Filer eligible securities (**Eligible Securities**) of any of the issuers (**Exchange Issuers**) specified in the Prospectus at the applicable exchange ratio, subject to the Filer reaching the maximum ownership level and certain other conditions described in the Prospectus. Eligible Securities include common shares, preferred securities, units of real estate investment trusts, units of royalty and income trusts and convertible debentures that have depressed valuations and/or are experiencing liquidity constraints as a result of recent significant market declines or face the uncertainty surrounding the impact of changes to the taxation of royalty and income trusts expected to take effect in 2011.

6. The Filer will be a reporting issuer in Ontario and in each Province and Territory of Canada when the Ontario Securities Commission (**OSC**) issues a receipt for the final prospectus.

7. The Filer will not be in default of securities legislation in any jurisdiction of Canada.

8. The NAV per Unit of the Filer will be calculated and reported on each Thursday (or if a Thursday is not a day on which the Toronto Stock Exchange (**TSX**) is open for business (a **Business Day**), the next Business Day following such Thursday) and on the last Business Day of each month.

9. Subject to the Filer's right to suspend redemptions, Units may be surrendered at any time by the holders thereof for monthly redemptions on the last Business Day of each month (a **Redemption Date**) beginning on June 30, 2009. A Unitholder who desires to exercise redemption privileges must do so by causing the participant in CDS Clearing and Depository Services Inc. (**CDS**) through which such Unitholder holds Units to deliver to CDS on behalf of the owner a written notice of the owner's intention to redeem Units at any time from the first Business Day of the month until no later than 2:00 p.m. (Toronto time) on the tenth Business Day prior to the applicable Redemption Date. The holder of a Unit surrendered for redemption shall be entitled to receive an amount per Unit equal to the NAV per Unit on such Redemption Date (the **Redemption Price**). The Redemption Price will be paid to the holder surrendering Units for redemption on or before the 15th Business Day in the month following the applicable Redemption Date (the **Redemption Payment Date**).

10. Following the Offering, the Manager will begin an orderly disposition of the Eligible Securities in the market, with the goal of liquidating such securities at prices that it believes will exceed those that would otherwise be available to retail investors on the disposal of securities exchanged for Units at the time such securities are sold. The proceeds from the disposition of the Eligible Securities will be used to purchase Series I units of CIF.

11. The Units will not be listed on an exchange.

12. The Units of the Filer will only be sold through investment dealers that are members of the Investment Industry Regulatory Organization of Canada.

13. There will be no issuances of Units following the completion of the Offering, other than as may be permitted under the limited and specified circumstances described in the Prospectus. The Units will not be offered on a continuous basis.

14. The **Final Distribution Date**, being the date on which the Filer terminates, will be on or before a date which is intended to be approximately one year from the date of closing of the Offering. Once the Manager has liquidated the Eligible Securities held by the Filer and used the proceeds from such liquidation to purchase Series I units of CIF, on the Final Distribution Date, Unitholders will receive Series A units of CIF.

15. CIF is an open-end mutual fund established under the laws of the Province of Ontario on February 11, 2002. As at March 31, 2009, the total assets of CIF were approximately $367 million. On March 26, 2009, the Manager announced that it will seek unitholder approval for the merger of five funds with CIF whereby the five funds will transfer all of their assets to CIF in exchange for Series A units of CIF and the assumption of all the liabilities of each of the five funds. CIF is invested in a diversified portfolio of Canadian securities including equities, fixed-income instruments, real estate investment trusts and royalty and income trusts.

16. CIF and the holding of Series I units of CIF by the Filer will comply with the requirements of Section 2.5(2) of NI 81-102.

17. The Manager, on behalf of the Filer, will enter into a loan facility (the **Loan Facility**) with a Schedule I Canadian chartered bank (the **Lender**). The Loan Facility will permit the Filer to borrow an amount not exceeding 6% of the gross proceeds of the Offering, which will be used solely to finance expenses incurred by the Filer under the Offering (such as agents' fees and expenses of the Offering up to 1.5% of the gross proceeds of the Offering, other than the agents' fees). The interest rates, fees and expenses under the Loan Facility will be typical of credit facilities of this nature and the Filer will provide a security interest in all of the assets held by or on behalf of the Filer in favour of the Lender to secure such borrowings. On or prior to the Final Distribution Date, all amounts outstanding under the Loan Facility, including all interest accrued thereon, will be repaid in full.

18. The expenses incurred in connection with the Offering of Units by the Filer will be paid, together with the agents' fees, by the Filer using the Loan Facility. The Manager has agreed to pay all expenses incurred in connection with the Offering, other than the agents' fees, that exceed 1.5% of the gross proceeds of the Offering.

19. The Manager is the investment manager of closed-end funds, most of which are listed on the TSX, and open-ended mutual funds offered on a continuous basis. The Manager considers the Filer to be similar to its closed-end funds, as Units of the Filer will be offered through a one-time offering through investment dealers. Typically, the Manager's closed-end funds are not redeemable at NAV per Unit more frequently than annually. In order for the Filer to be considered a mutual fund trust for the purposes of the *Income Tax Act* (Canada) (the **Tax Act**), because it may hold more than 10% of its assets in CIF, Units must be redeemable on demand. In similar circumstances, the other closed-end funds managed by the Manager provide for a monthly redemption right that is based upon a discount to market price. However, because the Units will not be listed on an exchange and, therefore, will not have a readily determinable market price, the redemption right offered to Unitholders will be based upon NAV per Unit. This has the result of causing the Filer to be considered a mutual fund for securities law purposes, although Units will be marketed like the securities of the Manager's closed-end funds and will not be offered on a continuous basis as part of the Manager's family of mutual funds.

20. In the absence of being granted the Exemption Sought from NI 81-101, the Filer would be required to file a simplified prospectus in the form of Form 81-101F1 prescribed under NI 81-101. The disclosure requirements of Form 81-101F1 are not intended for investment funds making one-time offerings through a syndicate of full service investment dealers. The use of the simplified prospectus form to sell Units of the Filer in the investment dealer channel may create confusion and may consequently negatively impact the marketing of the Units.

21. Borrowings of the Filer, to a limit of 6% of the gross proceeds of the Offering, will be used to cover closing costs of the Offering only, and not for working capital or any other purposes.

22. Unitholders of the Filer will not be prejudiced as a result of the Filer paying the expenses of the Offering because, in the case of a one-time fully marketed offering of units where the fund is not in continuous distribution, all Unitholders are subject to these same costs at the same time.

23. The manner in which the Filer will process redemption requests by Unitholders is consistent with the Manager's other closed-end funds.

24. As the Filer will not be offering Units in continuous distribution, and will be distributed in a process similar to that of a closed-end fund, Parts 9 to 11 of NI 81-102 will be largely inapplicable to the Filer. Accordingly, compliance reports in the form prescribed by subsection 12.1(1) of NI 81-102 will

not disclose relevant information concerning the Filer.

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 Exemptions Sought are granted on the following basis:

(a) **NI 81-101** – to enable the Filer, in lieu of a simplified prospectus, to file a long form prospectus prepared in accordance with Form 41-101F2 as prescribed under National Instrument 41-101 General Prospectus Requirements;

(b) **Section 2.6(a) of NI 81-102** – to enable the Filer to borrow an amount not to exceed 6% of the gross proceeds of the Offering, for the sole purpose of financing expenses incurred by the Filer under the Offering (such as agents' fees and expenses of the Offering up to 1.5% of the gross proceeds of the Offering (other than agents' fees);

(c) **Section 3.3 of NI 81-102** – to permit the expenses of the Offering (including agents' fees) to be borne by the Filer, in the manner provided in paragraph 18 above;

(d) **Section 10.3 of NI 81-102** – to permit the Filer to calculate the Redemption Price for the Units in the manner described in the prospectus and on the applicable Redemption Date;

(e) **Section 10.4(1) of NI 81-102** – to permit the Filer to pay the Redemption Price on the Redemption Payment Date; and

(f) **Section 12.1(1) of NI 81-102** – to relieve the Filer from the requirement to prepare and file the prescribed compliance reports.

"Vera Nunes"
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.13 Bank of Montreal

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Filer granted exemptions from the prospectus, registration and underwriter registration requirements in connection with trades by the Filer of short term debt instruments that may not meet the "approved credit rating" requirement contained in the short-term debt exemption in section 2.35 of National Instrument 45-106 Prospectus and Registration Exemptions – Sufficient for short-term debt instruments to obtain one credit rating at or above a prescribed standard from an approved credit rating agency, subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25, 53, 74(1).
National Instrument 45-106 Prospectus and Registration Exemptions.

May 22, 2009

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
BANK OF MONTREAL
(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**) that trades by the Filer in negotiable promissory notes or commercial paper, maturing not more than one year from the date of issue (**Short-term Debt Instruments**) be exempt from the dealer registration requirement, the underwriter registration requirement and the prospectus requirement of the Legislation (respectively, the **Dealer Registration Exemption Sought**, the **Underwriter Registration Exemption Sought**, the **Prospectus Exemption Sought** and, together, the **Exemptions 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 Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon.

Notwithstanding the foregoing, the Filer is not seeking to rely on the Dealer Registration Exemption Sought or Underwriter Registration Exemption Sought in Newfoundland and Labrador.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* have the same meanings in this decision unless they are otherwise defined in this decision.

In this decision,

"financial intermediary" has the meaning ascribed to that term in Ontario Securities Commission Rule 14-501 *Definitions*;

"financial intermediary short-term debt registration exemption" means the exemption from the registration requirement, for a trade by a financial intermediary or an authorized foreign bank named in Schedule III of the *Bank Act* (Canada), set out in clause 4.1(1)(a) of Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*, or in a successor provision thereof, insofar as that clause or provision provides an exemption from the dealer registration requirement and the underwriter registration requirement for a trade of a type described in the short-term debt dealer registration exemption;

"NI 45-106" means National Instrument 45-106 *Prospectus and Registration Exemptions*;

"short-term debt dealer registration exemption" means the exemption from the dealer registration requirement set out in subsection 2.35(1) of NI 45-106, or in a successor provision in NI 45-106; and

"short-term debt underwriter registration exemption" means the deemed exemption from the underwriter registration requirement contained in subsection 1.4(2) of NI 45-106, or in a successor provision in NI 45-106, insofar as the deemed exemption relates to the short-term debt dealer registration exemption.

Representations

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

1. The Filer is a bank listed on Schedule I of the *Bank Act* (Canada). The Filer's principal executive offices are located in Toronto, Ontario.

2. The Filer is a reporting issuer in each jurisdiction of Canada having such a concept and is not in default of its obligations under the Legislation or the securities legislation of any jurisdiction of Canada.

3. The Filer is not registered as a dealer or adviser under the Legislation or the securities legislation of any jurisdiction of Canada.

4. The Filer is a market intermediary, as defined in Ontario Securities Commission Rule 14-501 *Definitions*, and a financial intermediary.

5. The Filer trades in and distributes Short-term Debt Instruments in the Jurisdiction and the other jurisdictions of Canada as part of its activities as principal and as agent.

6. Subsection 1.4(2) and clause 2.35(1)(b) of NI 45-106 provide that exemptions from the dealer registration, underwriter registration and prospectus requirements of the Legislation for short-term debt (the **Short-term Debt Exemption**) are available only where, among other things, the Short-term Debt Instrument "has an approved credit rating from an approved credit rating organization".

7. NI 45-106 incorporates by reference the definitions for "approved credit rating" and "approved credit rating organization" that are used in National Instrument 81-102 Mutual Funds (NI 81-102). The definition of an "approved credit rating" in NI 81-102 requires, among other things, that (a) the rating assigned to such debt must be "at or above" certain prescribed short-term ratings, and (b) such debt must not have been assigned a rating by any "approved credit rating organization" that is not an "approved credit rating".

8. The Filer currently trades, and proposes to continue to trade, Short-term Debt Instruments with the following general characteristics:

   (a) they mature not more than one year from the date of issue;

   (b) they are not convertible or exchangeable into or accompanied by a right to purchase another security other than the Short-term Debt Instrument; and

   (c) they have a credit rating from at least one of the following credit rating organizations not less than the rating indicated:

Rating Organization	Rating
DBRS Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody's Investors Service, Inc.	P-2
Standard & Poor's	A-2

9. The Short-term Debt Instruments may have a lower rating than required by the Short-term Debt Exemption and, accordingly, the Short-term Debt Exemption may not be available.

10. The Dealer Registration Exemption Sought and the Prospectus Exemption Sought were previously granted to the Filer under a prior decision dated May 17, 2006 (the **Prior Decision**). By its terms, the Prior Decision will terminate on the earlier of:

    (a) 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the securities legislation of the jurisdictions of Canada that amends section 2.35 of NI 45-106 or provides an alternate exemption; and

    (b) three years from the date of the Prior Decision.

11. The Filer is not seeking to rely on the Dealer Registration Exemption Sought or Underwriter Registration Exemption Sought in Newfoundland and Labrador. In such jurisdiction, the Filer relies on Sections 173(10) and 173(1)(b) of the Securities Regulation, C.N.L.R. 805/96 and Section 36(2)(d) of the *Securities Act* (Newfoundland and Labrador), which provide that a financial intermediary that is regulated by the federal Office of the Superintendent of Financial Institutions is not required to obtain registration as a dealer in Newfoundland and Labrador for the purpose of trading as principal or agent in Short-term Debt Instruments, provided that any Short-term Debt Instrument traded to an individual has a denomination or principal amount of not less than $50,000.

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 Exemptions Sought are granted provided that :

1. each Short-term Debt Instrument:

    (a) matures not more than one year from the date of issue;

    (b) is not convertible or exchangeable into or accompanied by a right to purchase another security other than a Short-term Debt Instrument; and

    (c) has a rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating category that replaces a category listed below:

Rating Organization	Rating
DBRS Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody's Investors Service, Inc.	P-2
Standard & Poor's	A-2

2. for each jurisdiction of Canada, the Prospectus Exemption Sought will terminate on the earlier of:

    (a) 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the securities legislation of that jurisdiction of Canada that amends the conditions of the prospective exemption contained in section 2.35 of NI 45-106 or provides an alternate exemption; and

    (b) June 30, 2012.

3. for each jurisdiction of Canada other than Ontario, the Dealer Registration Exemption Sought and the Underwriter Registration Exemption Sought will terminate on the earlier of:

    (a) in the case of the Dealer Registration Exemption Sought, the date when the short-term debt dealer registration exemption does not apply in that jurisdiction of Canada;

    (b) in the case of the Underwriter Registration Exemption Sought, the date when the short-term debt underwriter registration exemption does not apply in that jurisdiction of Canada; and

    (c) June 30, 2012.

4. in Ontario, the Dealer Registration Exemption Sought and the Underwriter Registration Exemption Sought will terminate on the earlier of:

    (a) the date when the financial intermediary short-term debt registration exemption does not apply in Ontario; and

    (b) June 30, 2012.

5. the Dealer Registration Exemption Sought and Underwriter Registration Exemption Sought do not apply in Newfoundland and Labrador.

"Lawrence Ritchie"
Commissioner
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.2. Orders

2.2.1 Hollinger Inc. et al.

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

AND

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

ORDER

WHEREAS on March 18, 2005 the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act") accompanied by a Statement of Allegations issued by Staff of the Commission ("Staff") with respect to Hollinger Inc. ("Hollinger"), Conrad M. Black ("Black"), F. David Radler ("Radler"), John A. Boultbee ("Boultbee") and Peter Y. Atkinson ("Atkinson") (collectively, the "Respondents");

AND WHEREAS the matter was set down for a hearing to commence on Wednesday, May 18, 2005;

AND WHEREAS the Commission granted a request for adjournment of this proceeding on consent of Staff and the Respondents from Wednesday, May 18, 2005 to Monday, June 27, 2005 in its Order dated May 10, 2005;

AND WHEREAS on June 27, 2005, the Commission granted a further request for adjournment of this proceeding on consent of Staff and the Respondents from Monday, June 27, 2005 to Tuesday, October 11, 2005 in its Order dated June 27, 2005;

AND WHEREAS the Commission held a contested hearing on October 11 and November 16, 2005, to determine the appropriate date for a hearing on the merits of the above matter;

AND WHEREAS on January 24, 2006, the Commission issued its Reasons and Order setting down the matter for a hearing on the merits commencing June 2007, subject to each of the individual respondents agreeing to execute an Undertaking to the Commission to abide by interim terms of a protective nature within 30 days of that Decision;

AND WHEREAS following the Reasons and Order dated January 24, 2006, all the individual respondents provided Undertakings in a form satisfactory to the Commission;

AND WHEREAS on March 30, 2006, the Commission issued an order with attached Undertakings provided by the individual Respondents in a form satisfactory to the Commission, and ordered, among other

things, that the hearing on the merits commence on Friday, June 1, 2007 at 9:30 a.m., or as soon thereafter as may be fixed by the Secretary to the Commission and agreed to by the parties;

AND WHEREAS the individual Respondents further provided to the Commission Amended Undertakings stating that each of the respondents agree to abide by interim terms of a protective nature, as set out more fully in the Amended Undertakings, pending the Commission's final decision of liability and sanctions in the proceeding commenced by the Notice of Hearing;

AND WHEREAS on April 4, 2007, the Commission issued an order with attached Amended Undertakings provided by the individual Respondents in a form satisfactory to the Commission, and ordered that the hearing on the merits be scheduled to take place November 12 to December 14, 2007, and January 7 to February 15, 2008;

AND WHEREAS Black and Boultbee brought motions on the basis of certain grounds enumerated in Notices of Motion dated September 5, 2007 and September 6, 2007, respectively, requesting the following relief;

(i) an order adjourning the hearing of this matter, currently scheduled to take place on November 12 to December 14, 2007 and January 7, to February 15, 2008; and

(ii) an order to attend before the Commission on a date convenient in mid-December 2007, following the scheduled sentencing of the respondents Black and Boultbee in the criminal proceedings brought against them in the United States, for the purpose of obtaining further directions regarding the conduct of these proceedings;

AND WHEREAS on September 11, 2007, the Commission granted a request for adjournment of this proceeding on consent of Staff and the Respondents, and issued an order scheduling a hearing for December 11, 2007 for the purpose of addressing the scheduling of this proceeding;

AND WHEREAS Boultbee requested an adjournment of the hearing on December 11, 2007 to a date in January, 2008, by letter addressed to the Secretary to the Commission dated November 29, 2007, for the purpose of addressing the scheduling of this proceeding;

AND WHEREAS on December 10, 2007, the Commission granted a request for adjournment of this proceeding on consent of Staff and the Respondents, and issued an order scheduling a hearing for January 8, 2008 for the purpose of addressing the scheduling of this proceeding;

AND WHEREAS Black requested an adjournment of the hearing on January 8, 2008 to a date in late March 2008, by letter addressed to the Secretary to the Commission dated December 19, 2007, for the purpose of addressing the scheduling of this proceeding;

AND WHEREAS on January 7, 2008, the Commission granted a request for adjournment of this proceeding on consent of Staff and the Respondents, and issued an order scheduling a hearing for March 28, 2008 for the purpose of addressing the scheduling of this proceeding;

AND WHEREAS Black and Boultbee brought motions requesting an order adjourning the hearing of this matter to a convenient date in late September 2008, on the basis of certain grounds enumerated in Notices of Motion dated March 24 and March 25, 2008 respectively, including grounds related to the pending appeals of Black and Boultbee in the criminal proceedings brought against them in the United States;

AND WHEREAS on March 27, 2008 the Commission granted the requested adjournment and scheduled a hearing for September 26, 2008;

AND WHEREAS Boultbee brought a motion requesting an order adjourning the hearing of this matter to a convenient date in February 2009, on the basis of certain grounds enumerated in Boultbee's Notice of Motion dated September 22, 2008, including grounds related to an intended application for a Writ of Certiorari from the Supreme Court of the United States in respect of the criminal proceedings brought against him in the United States;

AND WHEREAS on September 26, 2008 the Commission granted the requested adjournment and scheduled a hearing for February 16, 2009;

AND WHEREAS Boultbee brought a motion requesting an order adjourning the hearing of this matter from February 12, 2009 to a convenient date in May 2009, on the basis of certain grounds enumerated in Boultbee's Notice of Motion dated February 2, 2009, including grounds related to the determination of Boultbee's Writ of Certiorari to the Supreme Court of the United States;

AND WHEREAS on February 16 2009 the Commission granted the requested adjournment and scheduled a hearing for May 21, 2009;

AND WHEREAS Boultbee has brought a motion requesting an order adjourning the hearing of this matter, on the basis of certain grounds enumerated in Boultbee's Notice of Motion dated May 19, 2009, including grounds related to Boultbee's pending appeal in the Supreme Court of the United States.

AND WHEREAS the Respondents and Staff of the Commission consent to the requested order;

IT IS ORDERED THAT:

(i) The hearing of this matter, currently scheduled for May 21, 2009, is adjourned; and

(ii) The hearing is scheduled for July 10, 2009 at 9:30 a.m., or such other date as may be agreed to by the parties and fixed by the Secretary to the Commission, for the purpose of addressing the scheduling of this proceeding.

DATED at Toronto this 20th day of May, 2009

"Lawrence E. Ritchie"

2.2.2 Nest Acquisitions and Mergers and Caroline Frayssignes – s. 127(8)

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

AND

IN THE MATTER OF
NEST ACQUISITIONS AND MERGERS AND
CAROLINE FRAYSSIGNES

ORDER
(Subsection 127(8) of the Securities Act)

WHEREAS on April 8, 2009, the Ontario Securities Commission (the "Commission") issued a temporary cease trade order (the "Temporary Order") pursuant to sections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") ordering that all trading in securities by Nest Acquisitions and Mergers ("Nest") and Caroline Frayssignes ("Frayssignes") shall cease;

AND WHEREAS on April 8, 2009, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS on April 15, 2009, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on April 22, 2009 at 2:00 p.m;

AND WHEREAS Staff served Nest and Frayssignes with the Notice of Hearing on April 16, 2009 by sending a copy by email to counsel for Nest and Frayssignes;

AND WHEREAS the Commission held a hearing on April 22, 2009 and counsel for Staff and an agent for counsel for the respondents attended before the Commission;

AND WHEREAS counsel for Staff provided the Commission with a signed consent to an order extending the Temporary Order until May 21, 2009;

AND WHEREAS on April 22, 2009, a panel of the Commission ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order be extended as against the respondents to May 22, 2009 and that the hearing be adjourned to May 21, 2009 at 2:00 p.m.;

AND WHEREAS the Commission held a hearing on May 21, 2009, in writing, and counsel for Staff and counsel for the respondents consented to an order extending the Temporary Order until June 17, 2009 and adjourning the hearing until June 16, 2009 at 2:00 p.m.;

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

IT IS HEREBY ORDERED that pursuant to subsection 127(8) of the Act that the Temporary Order is extended until June 17, 2009.

IT IS FURTHER ORDERED that the hearing is adjourned to June 16, 2009 at 2:00 p.m.

DATED at Toronto this 21st day of May 2009.

"Suresh Thakrar"

"Paulette L. Kennedy"

2.2.3 Arrow Hedge Partners Inc. and Newsmith Asset Management LLP – s. 80 of the CFA

Headnote

Section 80 of the Commodity Futures Act (Ontario) – Relief from the adviser registration requirements of subsection 22(1)(b) of the CFA granted to sub-adviser not ordinarily resident in Ontario in respect of advice regarding trades in commodity futures contracts and commodity futures options traded on commodity futures exchanges and cleared through clearing corporations, subject to certain terms and conditions. Relief mirrors exemption available in section 7.3 of OSC Rule 35-502 – Non Resident Advisers (Rule 35-502) made under the Securities Act (Ontario).

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22(1)(b), 80.
Securities Act, R.S.O. 1990, c. S.5, as am. – Rule 35-502 – Non Resident Advisers.

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, CHAPTER C. 20, AS AMENDED
(the CFA)

AND

IN THE MATTER OF
ARROW HEDGE PARTNERS INC. AND
NEWSMITH ASSET MANAGEMENT LLP

ORDER
(Section 80 of the CFA)

UPON the application (the **Application**) of Arrow Hedge Partners Inc. (the **Principal Adviser**) to the Ontario Securities Commission (the **Commission**) for an order pursuant to section 80 of the CFA, that Newsmith Asset Management LLP (the **Sub-Adviser**) (including its directors, officers, representatives and employees acting as advisers on its behalf) be exempt, for a period of five years, from the adviser registration requirement in paragraph 22(1)(b) of the CFA in respect of acting as an adviser for the Principal Adviser for the benefit of the Funds (as defined below) regarding commodity futures contracts and commodity futures options traded on commodity futures exchanges (**Contracts**) and cleared through clearing corporations;

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

AND UPON the Principal Adviser having represented to the Commission that:

The Principal Adviser and the Sub-Adviser

1. The Principal Adviser is a corporation incorporated under the laws of Ontario and its head office is located in Toronto, Ontario.

2. The Principal Adviser is currently registered as:

   (a) a dealer in the category of limited market dealer and an adviser in the categories of investment counsel and portfolio manager under the *Securities Act* (Ontario) (the **OSA**); and

   (b) an adviser in the category of commodity trading manager under the CFA.

3. The Sub-Adviser is a limited liability partnership formed under the laws of England and its head office is located in London, England.

4. The Sub-Adviser is regulated by the United Kingdom Financial Services Authority and is currently authorized to perform asset management services in the United Kingdom and through European Union (**EU**) directives in the other member states of the EU. The Sub-Adviser is registered as an investment adviser with the United States Securities and Exchange Commission.

5. The Sub-Adviser is not registered in any capacity under either the CFA or the OSA.

The Funds

6. The Principal Adviser is the trustee and investment manager to the Arrow NS European Fund and such other funds as the Principal Adviser may establish in the future for the benefit of which the Sub-Adviser will provide advice, directly or indirectly, to the Principal Adviser (each, a **Fund**, and collectively, the **Funds**). The Funds are, or will be, mutual fund trusts organized under the laws of Ontario. The Funds are, or will be, offered on a private placement basis to accredited investors pursuant to the registration and prospectus exemptions contained in section 2.3 of National Instrument 45-106 – *Prospectus and Registration Exemptions*.

7. The Funds may, as part of their investment program, invest in Contracts.

8. The Principal Adviser may, pursuant to a written agreement with each Fund:

   (a) act as an adviser (as defined in the OSA) to the Fund in respect of trading securities (as defined in the OSA); and

   (b) act as an adviser (as defined in the CFA) to the Fund in respect of trading Contracts,

   by exercising discretionary authority in respect of the investment portfolio of the Fund, with discretionary authority to purchase or sell on behalf of the Fund:

   (i) securities; and

   (ii) Contracts.

9. Pursuant to a written agreement which sets out the duties and obligations of the Sub-Adviser, the Principal Adviser has appointed the Sub-Adviser as a sub-adviser to the Principal Adviser in respect of the purchase or sale of Contracts for the Arrow NS European Fund, and may appoint the Sub-Adviser as a sub-adviser to the Principal Adviser in respect of the purchase or sale of Contracts for other Funds which the Principal Adviser establishes in the future.

The Proposed Advisory Services

10. In connection with the Principal Adviser acting as an adviser to the Funds in respect of the purchase or sale of Contracts, the Principal Adviser may, from time to time, pursuant to a written agreement made between the Principal Adviser and the Sub-Adviser, retain the Sub-Adviser to act as an adviser to it (the **Proposed Advisory Services**) by exercising discretionary authority on behalf of the Principal Adviser in respect of the investment portfolio of the Funds, with discretionary authority to buy or sell Contracts for the Funds, provided that:

    (a) in each case, the Contract must be cleared through an acceptable clearing corporation; and

    (b) in no case will any trading in Contracts constitute the primary focus or investment objective of the Fund.

11. Paragraph 22(1)(b) of the CFA prohibits a person or company from acting as an adviser unless the person or company is registered as an adviser under the CFA, or is registered as a representative, partner or officer of a registered adviser and is acting on behalf of the registered adviser. Under the CFA, “adviser” means a person or company engaging in or holding himself, herself or itself out as engaging in the business of advising others as to trading in “contracts”, and “contracts” means commodity futures contracts and commodity futures options.

12. By providing the Proposed Advisory Services, the Sub-Adviser will be acting as an adviser with respect to commodity futures contracts and commodity futures options and, in the absence of being granted the requested relief, would be required to register as an adviser under the CFA.

13. There is presently no rule under the CFA that provides an exemption from the adviser registration requirement in paragraph 22(1)(b) of the CFA for a person or company acting as an adviser in respect of commodity futures contracts

and commodity futures options that is similar to the exemption from the adviser registration requirement in paragraph 25(1)(c) of the OSA for acting as an adviser (as defined in the OSA) in respect of securities (as defined in the OSA) that is provided under section 7.3 of OSC Rule 35-502 – *Non Resident Advisers* (**Rule 35-502**).

14. The relationship among the Principal Adviser, the Sub-Adviser and the Funds satisfies the requirements of section 7.3 of Rule 35-502.

15. As would be required under section 7.3 of Rule 35-502:

    (a) the duties and obligations of the Sub-Adviser will be set out in a written agreement with the Principal Adviser;

    (b) the Principal Adviser will contractually agree with the Funds to be responsible for any loss that arises out of the failure of the Sub-Adviser:

        (i) to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Principal Adviser and the Funds; or

        (ii) to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances (together with (i), the **Assumed Obligations**); and

    (c) the Principal Adviser cannot be relieved by the Funds from its responsibility for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations.

16. The Sub-Adviser is not a resident of any province or territory of Canada.

17. The Sub-Adviser is, or will be, appropriately registered or licensed or is, or will be, entitled to rely on appropriate exemptions from such registrations or licences, to provide advice for the Funds pursuant to the applicable legislation of its principal jurisdiction.

18. Prior to purchasing any securities in one or more of the Funds, all investors in the Funds who are Ontario residents will receive written disclosure that includes:

    (a) a statement that the Principal Adviser is responsible for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations; and

    (b) a statement that there may be difficulty in enforcing any legal rights against the Sub-Adviser (or the individual representatives of the Sub-Adviser) advising the relevant Fund, because such entity is resident outside of Canada and all or substantially all of its assets are situated outside of Canada.

AND UPON the Commission being satisfied that it would not be prejudicial to the public interest for the Commission to grant the exemption requested on the basis of the terms and conditions proposed;

IT IS ORDERED, pursuant to section 80 of the CFA, that the Sub-Adviser (including its directors, officers, representatives and employees acting as advisers on its behalf) is exempt from the adviser registration requirement in paragraph 22(1)(b) of the CFA in respect of the Proposed Advisory Services provided to the Principal Adviser for the benefit of the Funds, for a period of five years, provided that at the relevant time that such activities are engaged in:

    (a) the Principal Adviser is registered under the CFA as an adviser in the category of commodity trading manager;

    (b) the Sub-Adviser is appropriately registered or licensed, or is entitled to rely on appropriate exemptions from such registrations or licences, to provide advice for the Funds pursuant to the applicable legislation of its principal jurisdiction;

    (c) the duties and obligations of the Sub-Adviser are set out in a written agreement with the Principal Adviser;

    (d) the Principal Adviser has contractually agreed with the respective Fund to be responsible for any loss that arises out of any failure of a Sub-Adviser to meet the Assumed Obligations;

    (e) the Principal Adviser cannot be relieved by a Fund or its securityholders from its responsibility for any loss that arises out of the failure of a Sub-Adviser to meet the Assumed Obligations;

    (f) prior to purchasing any securities in a Fund, all investors in the Fund who are Ontario residents will receive written disclosure that includes:

        (i) a statement that the Principal Adviser is responsible for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations; and

(ii) a statement that there may be difficulty in enforcing any legal rights against the Sub-Adviser (or the individual representatives of the Sub-Adviser) for the Fund, because such entity is resident outside of Canada and all or substantially all of its assets are situated outside of Canada.

May 22, 2009

"Lawrence E. Ritchie"

"Mary Condon"

2.2.4 M P Global Financial Ltd. and Joe Feng Deng

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

AND

IN THE MATTER OF
M P GLOBAL FINANCIAL LTD.
AND JOE FENG DENG

ORDER

WHEREAS on the 13th day of April, 2009, pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), the Ontario Securities Commission (the "Commission") made the following temporary order (the "Temporary Order") against M P Global Financial Ltd. ("MP Global") and Joe Feng Deng also known as Feng Deng, Yue Wen Deng and Deng Yue Wen ("Deng") (collectively the "Respondents");

1. pursuant to clause 2 of subsection 127(1) of the Act, that all trading of securities of MP Global shall cease;

2. pursuant to clause 2 of subsection 127(1) of the Act, that trading by Deng and MP Global shall cease; and

3. that pursuant to clause 3 of subsection 127(1) of the Act, that the exemptions contained in Ontario securities law do not apply to Deng and MP Global;

AND WHEREAS by order dated April 27, 2009, the Commission extended the Temporary Order to May 26, 2009 and adjourned the hearing to May 25, 2009;

AND WHEREAS on May 25, 2009, the Commission held a hearing;

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

IT IS ORDERED on consent that this matter is adjourned to June 29, 2009 at 11:00 a.m. for a hearing to determine whether to further extend the Temporary Order and the Temporary Order be extended to the completion of the hearing on June 29, 2009.

DATED at Toronto this 25th day of May, 2009

"James E. A. Turner"

2.2.5 HudBay Minerals Inc.

IN THE MATTER OF
THE SECURITIES ACT,
R.S.O. 190, c. S.5, AS AMENDED

AND

IN THE MATTER OF
HUDBAY MINERALS INC.

AND

IN THE MATTER OF
A DECISION OF
THE TORONTO STOCK EXCHANGE

ORDER

WHEREAS Jaguar Financial Corporation ("Jaguar") requested a hearing and review (the "Hearing") by the Ontario Securities Commission (the "Commission") of a decision of the Toronto Stock Exchange (the "TSX") in respect of a proposed plan of arrangement of Lundin Mining Corporation ("Lundin") and HudBay Minerals Inc. ("HudBay");

AND WHEREAS, in contemplation of the Hearing, counsel for HudBay and counsel for Lundin have requested that certain documentation including, in some cases, solicitor-client privileged information, be treated as confidential and not be publicly disclosed;

AND WHEREAS HudBay and Lundin reserve all rights to maintain solicitor-client privileges or other legal privileges recognized at law, except as expressly waived in writing by HudBay or Lundin;

AND WHEREAS the parties and counsel involved in the Hearing expressly undertake to maintain confidentiality of certain documentation, including solicitor-client privileged information, in accordance with the terms of this Order;

AND WHEREAS this Order may be varied on a motion by a party or by the Commission on its own initiative;

THE COMMISSION ORDERS THAT:

1. All documents delivered by HudBay pursuant to Jaguar's document request dated January 11, 2009 and the Order of the Commission made on January 12, 2009, and all documents delivered by Lundin in response to Jaguar's document request dated January 15, 2009, to any of Jaguar, HudBay, Lundin, the TSX and Staff (the "parties"), or their respective legal counsel, in respect of this proceeding (the "HudBay and Lundin Documentation") shall be subject to the terms of this Order, except as otherwise expressly provided in this Order.

2. Except as otherwise expressly provided in this Order, or as otherwise agreed in writing by the parties, the parties and their legal counsel shall maintain all documents referred to in paragraph 1 of this Order in strict confidence and shall not:

   (a) reveal or permit access to the HudBay and Lundin Documentation or any information contained in the HudBay and Lundin Documentation to any person other than (i) the Commission or staff of the Secretary's Office of the Commission, or (ii) an Authorized Recipient (as defined below); or

   (b) reproduce, release, disclose or use any of the HudBay and Lundin Documentation in any manner, including on any website, in any press release or any other vehicle for the public dissemination of information, other than for purposes of this proceeding, or any appeals therefrom.

3. In addition to HudBay and its legal counsel, Cassels Brock & Blackwell LLP (including students-at-law, paralegals and/or necessary clerical personnel employed by it), and Lundin and its legal counsel, Osler Hoskin & Harcourt LLP (including students-at-law, paralegals and/or necessary clerical personnel employed by it), only the following persons are Authorized Recipients:

   (a) Jaguar;

(b) barristers and solicitors in the firm Davies Ward Phillips & Vineberg LLP ("Davies"), retained by Jaguar, and students-at-law, paralegals and/or necessary secretarial and clerical personnel employed by Davies and photocopy staff under contract with Davies;

(c) the TSX;

(d) barristers and solicitors in the firm Torys LLP ("Torys"), retained by the TSX, and students-at-law, paralegals and/or necessary secretarial and clerical personnel employed by Torys;

(e) Staff of the Commission, and students-at-law, paralegals and/or necessary legal secretarial and clerical personnel employed by or under contract with Staff of the Commission; and

(f) such other persons as from time to time the Commission may name, or the parties may jointly agree in writing to name, as Authorized Recipients.

4. All HudBay and Lundin Documentation (in whole or in part) submitted to or filed with the Commission in this proceeding (contained in the three binders marked as Exhibits 1, 2 and 3) that is identified in Schedule "A" hereto, and the original transcripts of the examinations (including cross-examinations) conducted *in camera* before the Commission, shall be segregated by the Commission from the public record in this proceeding and shall be filed in envelopes or other appropriate containers which shall be endorsed with:

(a) the title of this proceeding; and

(b) the words "CONFIDENTIAL AND SUBJECT TO CONFIDENTIALITY ORDER"; and the Commission shall take reasonable steps in accordance with its current practices so that such envelopes or containers do not form part of the public record in this proceeding.

5. The HudBay and Lundin Documentation referred to in Schedule "B" hereto shall not be subject to this Order and shall form part of the public record. The HudBay and Lundin Documentation referred to in Schedule "B" includes:

(a) the minutes of the meeting of the Special Committee of HudBay dated November 18, 2008 (but excluding the financial presentation of GMP Securities L.P. ("GMP") attached to those minutes) (referred to as Tab 16 in Schedule "B");

(b) the GMP Engagement Letter dated November 20, 2008 that contains the redactions identified in Schedule "C" hereto (referred to as Tab 21 in Schedule "B");

(c) the transcripts of the examinations (including cross-examinations) conducted *in camera* before the Commission that contain the redactions identified in Schedule "D".

Disposition of Documents Upon Termination of the Application

6. Subject to further order of the Commission, upon final determination of the Hearing (including the expiry of all rights of further review or appeal), all HudBay and Lundin Documentation, including copies thereof, shall be destroyed by the persons referred to in paragraph 3(a), (b), (c), (d) and (f) above but, for greater certainty, not by Staff or the Commission. To the extent that any of the Authorized Recipients referred to in paragraphs 3(a), (b), (c), (d) and (f) above have in their possession, power or control any archived electronic copies of HudBay and Lundin Documentation that are not capable of destruction, undertakings shall be provided to HudBay and Lundin by all such persons with access to such archived electronic copies that they will not access such archived electronic copies. Any such archived electronic copies of such documents shall be kept secure, and written confirmation of the destruction of such documents shall be provided to HudBay and Lundin when they become capable of destruction.

7. The final disposition of this proceeding shall not relieve any person to whom HudBay and Lundin Documentation is disclosed pursuant to this Order from the obligation of maintaining the confidentiality of such documentation in compliance with this Order. For greater certainty, the provisions of this Order shall continue after the final disposition of this proceeding and the Commission shall retain jurisdiction to deal with any issues relating to this Order.

8. For greater certainty, this Order shall not prevent a person from using, reproducing, releasing or disclosing documents or information that is, or subsequently becomes, publicly available (unless through breach of this Order) and such documents and information shall upon becoming publicly available (unless through breach of this Order) thereupon cease to be HudBay and Lundin Documentation for purposes of this Order. Without limiting the generality of the foregoing, this paragraph applies to all documents and information made publicly available pursuant to any other court proceeding involving the HudBay/Lundin transaction.

Amendments to Order

9. A party may, and the Commission on its own initiative may, on notice to all other affected parties, seek an order of the Commission modifying this Order or seek directions as to the meaning or application of this Order.

No Restriction of Commission in Obtaining Documentation

10. This Order shall not restrict the Commission in any way from obtaining all or any portion of the HudBay and Lundin Documentation pursuant to any legal authority it may have to do so and the terms of this Order shall not apply to any such information or documentation so obtained.

Implied and Deemed Undertaking

11. This Order does not affect or derogate from any undertaking which may be implied at law or imposed by statute or rule restricting the use which a person may make of evidence or information obtained in the course of this proceeding.

HudBay and Lundin Not Prevented from Dealing with HudBay and Lundin Documentation As They See Fit

12. Nothing in this Order shall prevent HudBay or Lundin from otherwise dealing with the HudBay and Lundin Documentation, belonging to each of them respectively, as they see fit, and all of HudBay's and Lundin's rights of privilege are expressly reserved.

Effective Date

13. This Order shall be in effect and fully operative from the date of issuance and shall remain in effect, subject to such further order the Commission may make.

DATED at Toronto this 26th day of May, 2009.

"James E. A. Turner"

"Suresh Thakrar"

"Paulette L. Kennedy"

SCHEDULE "A"

DOCUMENTS IN EXHIBITS 1, 2 AND 3 WHICH SHALL BE CONFIDENTIAL AND WHICH SHALL BE SEGREGATED FROM THE PUBLIC RECORD

Tab	Document	Pages
EXHIBIT 1 (HUDBAY DOCUMENTS)		
2.	E-mails dated November 4, 2008	3
3.	Minutes of the meeting of the Board of Directors of HudBay (the "HudBay Board") held on November 4, 2008	4-10
4.	Handwritten notes taken during HudBay Board meeting held on November 4, 2008	11-15
5.	Draft Acquisition Indicative Term Sheet dated November 5, 2008	Q-U
5A.	Draft Acquisition Indicative Term Sheet dated November 10, 2008, blacklined version	16-22
6.	Minutes of the meeting of the HudBay Board held on November 12, 2008 (redacted on the grounds of solicitor-client privilege)	23-26
7.	Handwritten notes taken during HudBay Board meeting held on November 12, 2008 (redacted on the grounds of solicitor-client privilege)	27-36
8.	E-mails dated November 12, 2008	37-39
9.	E-mail dated November 13, 2008	40
10.	E-mail dated November 13, 2008 and attachments	41-47
11.	E-mail dated November 13, 2008 and attachments	48-53
12.	E-mail dated November 13, 2008 and attachments	54-60
13.	Minutes of the meeting of the Special Committee of the HudBay Board held on November 14, 2008 (redacted on the grounds of solicitor-client privilege)	61-64
14.	E-mail dated November 15, 2008; and Minutes of the meeting of the Special Committee of the HudBay Board held on November 14, 2008 (redacted on the grounds of solicitor-client privilege)	65 66-69
15.	E-mails dated November 16, 2008 and attachments	70-72
16.	GMP's Financial Presentation attached to the minutes of the meeting of the Special Committee of HudBay dated November 18, 2008	77-115
17.	E-mails dated November 6 and 18, 2008	116-117
18.	E-mail dated July 30, 2008 and attachments	118-121
19.	Minutes of the meeting of the HudBay Board held on November 20, 2008 (redacted on the grounds of solicitor-client privilege); and GMP's Presentation to the HudBay Board dated November 20, 2008	122-128 129-197
20.	Handwritten notes taken during HudBay Board meeting held on November 20, 2008 (redacted on the grounds of solicitor-client privilege)	198-206
21.	The GMP Engagement Letter dated November 20, 2008 (excluding the redacted version of the GMP Engagement Letter in accordance with Schedule "C" to this Order)	207-212
22.	GMP Fairness Opinion to the Special Committee of the HudBay Board dated November 21, 2008	213-218

Tab	Document	Pages
23.	E-mails dated November 21, 2008 and e-mail dated November 21, 2008	219
24.	Minutes of the meeting of the Special Committee of the HudBay Board held on November 21, 2008 (redacted on the grounds of solicitor-client privilege)	220-223
25.	E-mail dated November 23, 2008	224
26.	E-mail dated November 24, 2008 and attachment	225-231
27.	E-mail dated November 26, 2008	232
28.	E-mail dated November 27, 2008	233
32.	E-mails dated November 28 and 29, 2008 and December 1 and 3, 2008	240-243
33.	E-mails dated December 4, 2008	244
34.	E-mail dated December 4, 2008	245
35.	E-mails dated December 7, 2008	246-247
36.	E-mail dated December 8, 2008 and attachments	248-251
EXHIBIT 2 (HUDBAY DOCUMENTS)		
37.	E-mails dated December 8, 9 and 10, 2008 and attachments	252-337
38.	E-mails dated December 9 and 10, 2008	338-340
39.	Handwritten notes taken during HudBay Board meeting held on December 10, 2008 (redacted on the grounds of solicitor-client privilege)	341-346
42.	E-mail dated December 15, 2008	354
43.	Handwritten notes taken during HudBay Board meeting held on December 15, 2008 (redacted on the grounds of solicitor-client privilege)	355-362
44.	E-mails dated December 15, and 16, 2008; and Memorandum dated December 15, 2008	363-364 365-368
45.	E-mail dated December 17, 2008 and attachments	369-476
47.	E-mail dated January 9, 2009	480
48.	Handwritten notes taken during HudBay Board meeting held on December 30, 2008 (redacted on the grounds of solicitor-client privilege)	481-484
51.	Various HudBay investor emails	497-594
EXHIBIT 3 (LUNDIN DOCUMENTS)		
1.	Credit Agreement dated May 28, 2008	3-137
2.	First Amending Agreement dated May 15, 2008	138-210
3.	E-mail dated September 18, 2008 with attachment	211-213
4.	Memo dated September 23, 2008	214-216
5.	E-mail dated October 10, 2008	217-218
6.	E-mail dated October 12, 2008	219
7.	Memorandum dated October 15, 2008; and Correspondence dated October 15, 2008	220-221 222-223

SCHEDULE "B"

DOCUMENTS WHICH SHALL FORM PART OF THE PUBLIC RECORD

Tab	Document	Pages
EXHIBIT 1 (HUDBAY DOCUMENTS)		
1.	Letter dated January 11, 2009	1-2
16.	Minutes of the meeting of the Special Committee of the HudBay Board held on November 18, 2008 (but excluding the GMP financial presentation attached to the minutes)	73-76
21.	The GMP Engagement Letter dated November 20, 2008 redacted in accordance with Schedule "C" to this Order	207-212
29.	Email dated November 29, 2008	234-236
30.	Email dated December 1, 2008	237-238
31.	Letter dated December 1, 2008	239
EXHIBIT 2 (HUDBAY DOCUMENTS)		
40.	Letter dated December 11, 2008	347-348
41.	Email dated December 11, 2008	349-353
46.	Email dated December 22, 2008	477-478
49.	Email dated January 13, 2009	485
50.	Email dated December 4, 2008	486-493
51.	Email attaching HudBay shareholder letter dated November 24, 2008	494-496

TRANSCRIPT
The *in camera* hearing transcript dated January 19, 2009 redacted in accordance with Schedule "D" to this Order

SCHEDULE "C"

REDACTIONS TO THE GMP ENGAGEMENT LETTER

The GMP Engagement Letter dated November 20, 2008 containing the following redactions:

Opening paragraph: reference to the specific percentage

Paragraph 2(a): reference to the amount of the announcement fee

Paragraph 2(b): reference to the amount of the completion fee

Paragraph 2(c): reference to the termination fee (which is a percentage)

Paragraph 2(d): the two references to the amount of the fairness opinion fee

SCHEDULE "D"

REDACTIONS TO THE *IN CAMERA* HEARING TRANSCRIPT

The *in camera* hearing transcript dated January 19, 2009 containing the following redactions:

Page 6, lines 1-25

Page 25, lines 21, 23, 25

Page 26, line 7

Page 27, line 15

Page 35, lines 10, 12, 13, 19, 22-24

Page 36, lines 11, 12, 21-23

Page 37, lines 4, 6, 8-10, 19, 21

Page 38, lines 15-20

Page 43, lines 20, 24, 25

Page 44, line 3

Page 46, line 14

Page 56, lines 7, 9

Page 57, lines 5-9, 16-20

Page 58, lines 1-3, 20, 22

Page 59, lines 1-25

Page 60, lines 1-25

Page 61, lines 1-25

Page 62, lines 1-25

Page 63, lines 1-25

Page 64, lines 1-25

Page 65, lines 1-25

Page 66, lines 1-13

Page 78, lines 7-9

2.2.6 egX Canada Inc. – s. 144

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

AND

IN THE MATTER OF
EGX CANADA INC.

REVOCATION ORDER
(Section 144 of the Act)

WHEREAS the Commission issued an order dated October 14, 2008, exempting egX from the requirement to be recognized as an exchange pursuant to section 147 of the Act (Exemption Order);

AND WHEREAS the Exemption Order was issued on the basis of an order granted by the British Columbia Securities Commission (BCSC) on March 14, 2007, recognizing egX as an exchange pursuant to section 24 of the *Securities Act,* R.S.B.C. 1996, c. 418 (BCSA), subject to certain pre-operating conditions;

AND WHEREAS the BCSC, with the request and consent of egX, revoked its recognition order pursuant to section 171 of the BCSA on April 3, 2009;

AND WHEREAS egX has notified the Commission that, due to its inability to secure adequate financing to commence operation as an exchange, it:

(i) has effectively ceased developing its exchange business as set out in the business plan filed with its application for exemption from recognition as an exchange; and

(ii) it will not commence exchange operations until sufficient financing is secured;

AND WHEREAS egX has requested the Commission to revoke the Exemption Order;

AND WHEREAS the Commission has determined that revocation of the Exemption Order would not be prejudicial to the public interest;

THE COMMISSION hereby revokes the Exemption Order pursuant to section 144 of the Act.

DATED May 21, 2009.

“Lawrence E. Ritchie”

“Mary Condon”

2.2.7 Morgan Stanley Smith Barney LLC – s. 218 of the Regulation

Headnote

Application for an order, pursuant to section 218 of the Regulation, exempting the Applicant from the requirement in section 213 of the Regulation that the Applicant be incorporated, or otherwise formed or created, under the laws of Canada or a province or territory of Canada, for the Applicant to be registered under the Act as a dealer in the category of limited market dealer.

Regulation Cited

R.R.O. 1990, Regulation 1015, am. to O.Reg. 500/06, ss. 213, 218.

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

AND

IN THE MATTER OF
R.R.O. 1990, REGULATION 1015,
AS AMENDED
(the Regulation)

AND

IN THE MATTER OF
MORGAN STANLEY SMITH BARNEY LLC

ORDER
(Section 218 of the Regulation)

UPON the application (the **Application**) of Morgan Stanley Smith Barney LLC (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for an order, pursuant to section 218 of the Regulation, exempting the Applicant from the requirement in section 213 of the Regulation that the Applicant be incorporated, or otherwise formed or created, under the laws of Canada or a province or territory of Canada, in order for the Applicant to be registered under the Act as a dealer in the category of limited market dealer (**LMD**);

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a limited liability company formed under the laws of the State of Delaware, United States of America. The head office of the Applicant is located in Purchase, New York, United States of America.

2. The Applicant is the result of a new joint venture arrangement between Morgan Stanley and Citigroup Global Markets Inc. It is registered as a broker-dealer and investment adviser with the United States Securities and Exchange Commission and as a futures commission merchant with the National Futures Association, and is a member of the Financial Industry Regulatory Authority and the New York Stock Exchange.

3. The Applicant is a global financial services firm that provides investment, financing and related services to individuals and institutions. Services provided to clients include securities brokerage, trading and underwriting; investment banking, strategic services (including mergers and acquisitions) and other corporate advisory activities; origination, dealer and related activities; and securities clearance and settlement services and investment advisory and related record keeping services.

4. The Applicant has applied to the Commission for registration under the Act as a dealer in the category of LMD and as an adviser in the category of international adviser. As an LMD, the Applicant proposes to engage in trading in securities, including equity securities of Canadian issuers, with “accredited investors” (as defined in National Instrument 45-106 *Prospectus and Registration Exemptions*) in Ontario.

5. Section 213 of the Regulation provides that a registered dealer that is not an individual must be a company incorporated, or a person formed or created, under the laws of Canada or a province or territory of Canada.

6. The Applicant is not resident in Canada. The Applicant does not require a separate Canadian company in order to carry out its proposed LMD activities in Ontario. It is more efficient and cost-effective to carry out those activities through the existing company.

7. Without the relief requested, the Applicant would not meet the requirements of the Regulation for registration as a dealer in the category of LMD as it is not a company incorporated, or a person formed or created, under the laws of Canada or a province or territory of Canada.

AND UPON being satisfied that to make this order would not be prejudicial to the public interest;

IT IS ORDERED THAT, pursuant to section 218 of the Regulation, and in connection with the registration of the Applicant as a dealer under the Act in the category of an LMD, section 213 of the Regulation shall not apply to the Applicant, provided that:

1. The Applicant appoints an agent for service of process in Ontario.

2. The Applicant shall provide to each client resident in Ontario a statement in writing disclosing the non-resident status of the Applicant, the Applicant's jurisdiction of residence, the name and address of the agent for service of process of the Applicant in Ontario, and the nature of risks to clients that legal rights may not be enforceable.

3. The Applicant will not change its agent for service of process in Ontario without giving the Commission 30 days' prior notice of such change by filing a new Submission to Jurisdiction and Appointment of Agent for Service of Process.

4. The Applicant and each of its registered directors, officers, or partners irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial, and administrative tribunals of Ontario and any administrative proceedings in Ontario, in any proceedings arising out of or related to or concerning its registration under the Act or its activities in Ontario as a registrant.

5. Securities, funds, and other assets of the Applicant's clients in Ontario will be held as follows:

   (a) by the client; or

   (b) by a custodian or sub-custodian:

      (i) that meets the guidelines prescribed for acting as a sub-custodian of the portfolio securities of a mutual fund in Part 6 of National Instrument 81-102 *Mutual Funds*;

      (ii) that is:

         (1) subject to the agreement announced by the Bank for International Settlements (BIS) on July 1, 1988 concerning international convergence of capital measurement and capital standards; or

         (2) exempt from the requirements of paragraph 3.7(1)(b)(ii) of OSC Rule 35-502 Non Resident Advisers; and

      (iii) if such securities, funds and other assets are held by a custodian or sub-custodian that is the Applicant or an affiliate of the Applicant, that custodian holds such securities, funds and other assets in compliance with, or pursuant to an exemption from, the requirements of the Regulation.

6. Securities of the Applicant's clients in Ontario may be deposited with or delivered to a recognized depository or clearing agency.

7. The Applicant will inform the Director immediately upon the Applicant becoming aware:

   (a) that it has ceased to be registered in the United States as a broker-dealer;

   (b) of its registration in any other jurisdiction not being renewed or being suspended or revoked;

   (c) that it is the subject of a regulatory proceeding, investigation or disciplinary action by any financial services or securities regulatory authority or self-regulatory authority;

(d) that the registration of its salespersons or officers who are registered in Ontario have not been renewed or have been suspended or revoked in any Canadian or foreign jurisdiction; or

(e) that any of its salespersons or officers who are registered in Ontario are the subject of a regulatory proceeding, investigation or disciplinary action by any financial services or securities regulatory authority or self-regulatory authority in any Canadian or foreign jurisdiction.

8. The Applicant will pay the increased compliance and case assessment costs of the Commission due to the Applicant's location outside Ontario, including the cost of hiring a third party to perform a compliance review on behalf of the Commission.

9. The Applicant will make its books and records outside Ontario, including electronic records, readily accessible in Ontario, and will produce physical records for the Commission within a reasonable time if requested.

10. If the laws of the jurisdiction in which the Applicant's books and records are located prohibit production of the books and records in Ontario without the consent of the relevant client the Applicant shall, upon a request by the Commission:

(a) so advise the Commission; and

(b) use its best efforts to obtain the client's consent to the production of the books and records.

11. The Applicant will, upon the Commission's request, provide a representative to assist the Commission in compliance and enforcement matters.

12. The Applicant and each of its registered directors, officers, or partners will comply, at the Applicant's expense, with requests under the Commission's investigation powers and orders under the Act in relation to the Applicant's dealings with Ontario clients, including producing documents and witnesses in Ontario, submitting to audit or search and seizure processes or consenting to an asset freeze, to the extent such powers would be enforceable against the Applicant if the Applicant were resident in Ontario.

13. If the laws of the Applicant's jurisdiction of residence that are otherwise applicable to the giving of evidence or production of documents prohibit the Applicant or the witnesses from giving the evidence without the consent or leave of the relevant client or any third party, including a court of competent jurisdiction, the Applicant shall:

(a) so advise the Commission; and

(b) use its best efforts to obtain the client's consent to the giving of the evidence.

14. The Applicant will maintain appropriate registration and regulatory organization membership, in the jurisdiction of its principal operations, and if required, in its jurisdiction of residence.

May 26, 2009

“Kevin J. Kelly”
Commissioner
Ontario Securities Commission

“Carol S. Perry”
Commissioner
Ontario Securities Commission

2.2.8 Traxis Partners LP et al. – ss. 3.1(1), 80 of the CFA

Headnote

Non-resident advisers exempted from adviser registration requirement in subsection 22(1)(b) of the Commodity Futures Act (CFA) where the non-resident acts as an adviser to mutual funds or non-redeemable investment funds in respect of trading in certain commodity futures contracts and commodity futures options – Contracts and options are primarily traded on commodity futures exchanges outside of Canada and primarily cleared outside of Canada – Funds are established outside of Canada, but may distribute their securities to certain Ontario residents.

Exemption subject to conditions corresponding to the requirements for the exemption from the adviser registration requirement in the Securities Act contained in section 7.10 of OSC Rule 35-502 Non-Resident Advisers – Exemption also subject to requirements relating to the registration or licensing status of the non-resident adviser in its principal jurisdiction and disclosure to Ontario resident securityholders of the corresponding fund – Exemption order has a five-year "sunset date".

Assignment by Commission to the Director of the powers and duties vested in the Commission under subsection 78(1) of the CFA to vary the exemption order by specifically naming affiliates of the initial applicants as named applicants for the purposes of the exemption, following an affiliate notice and Director consent procedure specified in the decision.

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 1(1), 3.1(1), 22, 22(1)(b), 78(1), 80.
Securities Act (Ontario), R.S.O. 1990, c. S.5, as am., s. 25.

National Instruments Cited

National Instrument 45-106 Prospectus and Registration Exemptions.

OSC Rules Cited

OSC Rule 35-502 Non Resident Advisers, s. 7.10.

OSC Notices Cited

Notice of Proposed Rule 35-502 International Advisers, (1998) 21 OSCB 2583.

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, CHAPTER C.20, AS AMENDED
(the CFA)

AND

IN THE MATTER OF
TRAXIS PARTNERS LP, TRAXIS FUND GP LLC,
TRAXIS FUND FEEDER GP LLC, TRAXIS
EMERGING MARKETS OPPORTUNITIES GP LLC
AND TRAXIS EMERGING MARKETS OPPORTUNITIES
ONSHORE FUND GP LLC

AND

IN THE MATTER OF
THE ASSIGNMENT OF
CERTAIN POWERS AND DUTIES OF THE
ONTARIO SECURITIES COMMISSION

ORDER AND ASSIGNMENT
(Section 80 and Subsection 3.1(1) of the CFA)

UPON the application (the **Application**) to the Ontario Securities Commission (the **Commission**) by Traxis Partners LP, Traxis Fund GP LLC, Traxis Fund Feeder GP LLC, Traxis Emerging Markets Opportunities GP LLC and Traxis Emerging Markets Opportunities Onshore Fund GP LLC (collectively, the **Traxis Applicants**), on their own behalf, and on behalf of the

Traxis Affiliates (as defined below) that file an Identifying Notice (as defined below) to become a Named Applicant (as defined below), for:

(a) an order of the Commission, pursuant to section 80 of the CFA (the **Order**), that each of the Traxis Applicants, and each of the Traxis Affiliates that file an Identifying Notice to become a Named Applicant for the purposes of this Order (including their respective directors, partners, officers, employees or other individual representatives, acting on their behalf), is exempt, for a period of five years, from the adviser registration requirement in the CFA (as defined below) in connection with the Named Applicant acting as an adviser to one or more Funds (as defined below), in respect of Foreign Contracts (as defined below); and

(b) an assignment by the Commission, pursuant to subsection 3.1(1) of the CFA (the **Assignment**), to each Director (acting individually) of the powers and duties vested in the Commission under subsection 78(1) of the CFA, to vary the above Order, from time to time, by specifically naming one or more of the Traxis Affiliates, that file an Identifying Notice, as a Named Applicant for the purposes of this Order;

AND WHEREAS for the purposes of this Order and Assignment (collectively, this **Decision**);

(i) the following terms shall have the following meanings:

"adviser registration requirement in the CFA" means the provisions of section 22 of the CFA that prohibit a person or company from acting as an adviser unless the person or company satisfies the applicable provisions of section 22 of the CFA;

"adviser registration requirement in the OSA" means the provisions of section 25 of the OSA that prohibit a person or company from acting as an adviser, as defined in the OSA, unless the person or company satisfies the applicable provisions of section 25 of the OSA;

"Director's Consent" means, for a Traxis Affiliate, the Director's Consent referred to in paragraph 3, below;

"Foreign Contract" means a commodity futures contract or a commodity futures option that is, in each case, primarily traded on one or more organized exchanges that are located outside of Canada and primarily cleared through one or more clearing corporations that are located outside of Canada;

"Fund" means an investment fund;

"Identifying Notice" means, for a Traxis Affiliate, the Identifying Notice referred to in paragraph 2, below;

"Named Applicant" means:

(a) the Traxis Applicants; and

(b) a Traxis Affiliate that has filed an Identifying Notice to become a Named Applicant for the purposes of this Order, and for which the Director has issued a Director's Consent;

"Objection Notice" means, for a Traxis Affiliate, an objection notice, as described in paragraph 4, below, that is issued by the Director, following the filing by the Traxis Affiliate of an Identifying Notice, as described in paragraph 2, below;

"OSA" means the *Securities Act* (Ontario);

"OSC Rule 35-502" means Ontario Securities Commission Rule 35-502 *Non Resident Advisers*, made under the OSA;

"prospectus requirement in the OSA" means the requirement in the OSA that prohibits a person or company from distributing a security unless a preliminary prospectus and prospectus for the security have been filed and receipts obtained for them; and

"Traxis Affiliate" means an entity, other than the Traxis Applicants, that is an affiliate of one of the Traxis Applicants;

(ii) terms used in this Decision that are defined in the OSA, and not otherwise defined in the Decision or in the CFA, shall have the same meaning as in the OSA, unless the context otherwise requires;

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

AND UPON the Traxis Applicants having represented to the Commission that:

1. Each Traxis Applicant is, and any Traxis Affiliate that files an Identifying Notice for the purpose of becoming a Named Applicant in accordance with this Decision will, at the relevant time, be an entity organized under the laws of a jurisdiction outside of Canada. In particular:

   (a) Traxis Partners LP is a limited partnership organized under the laws of the State of Delaware; and

   (b) Traxis Fund GP LLC, Traxis Fund Feeder GP LLC, Traxis Emerging Markets Opportunities GP LLC and Traxis Emerging Markets Opportunities Onshore Fund GP LLC are each limited liability companies organized under the laws of the State of Delaware.

2. A Traxis Affiliate, that is not a Named Applicant, that proposes to rely on the exemption from the adviser registration requirement in the CFA provided in this Order will complete and file with the Commission (Attention: Manager, Registrant Regulation) two copies of a notice (the **Identifying Notice**, in the form of Part A of the attached Schedule A), applying to the Director, acting on behalf of the Commission under the below Assignment, to vary this Order to specifically name the Traxis Affiliate as a Named Applicant for the purposes of this Order. The Identifying Notice will be filed not less than ten (10) days before the date the Traxis Affiliate proposes to rely on the exemption set out in the Order.

3. If, in the Director's opinion, it would not be prejudicial to the public interest to specifically name a Traxis Affiliate as a Named Applicant for the purposes of this Order, the Director will, within ten (10) days after receiving an Identifying Notice from the Traxis Affiliate, issue to the Traxis Affiliate a written consent (the **Director's Consent**, in the form of Part B of the attached Schedule A). However, a Traxis Affiliate will not be a Named Applicant for the purposes of this Order unless and until the corresponding Director's Consent is issued by the Director.

4. If, after reviewing an Identifying Notice for a Traxis Affiliate, the Director is *not* of the opinion that it would not be prejudicial to the public interest to specifically name such Traxis Affiliate as a Named Applicant for the purposes of this Order, the Director will issue to the Traxis Affiliate a written notice of objection (the **Objection Notice**), in which case the Traxis Affiliate will not be permitted to rely on the exemption from the adviser registration requirement in the CFA provided to Named Applicants in this Order, but may, by notice in writing sent by registered mail to the Secretary of the Commission within 30 days after receiving the Objection Notice, request and be entitled to a hearing and review by the Commission of the Director's objection.

5. Subsection 78(1) of the CFA provides that the Commission may, on the application of a person or company affected by the decision, make an order revoking or varying a decision of the Commission if, in the Commission's opinion, the order would not be prejudicial to the public interest. Further, subsection 3.1(1) of the CFA provides that a quorum of the Commission may assign any of its powers and duties under the CFA (except powers and duties under section 4 and Part IV) to the Director.

6. Any Funds in respect of which a Named Applicant may act as adviser (under the CFA) pursuant to this Order will be established outside of Canada. Securities of the Funds are and will be primarily offered outside of Canada to institutional investors and high net worth individuals. To the extent the securities of the Funds will be offered to Ontario residents, such investors will qualify as "accredited investors" for the purposes of National Instrument 45-106 *Prospectus and Registration Exemptions*.

7. None of the Funds in respect of which a Named Applicant may act as an adviser (under the CFA) pursuant to this Order has any intention of becoming a reporting issuer under the OSA or under the securities legislation of any other jurisdiction in Canada.

8. Paragraph 22(1)(b) of the CFA prohibits a person or company from acting as an adviser unless the person or company is registered as an adviser under the CFA, or is registered as a representative or as a partner or an officer of a registered adviser and is acting on behalf of such registered adviser, and otherwise satisfies the applicable requirements specified in section 22 of the CFA. Under the CFA, "adviser" means a person or company engaging in or holding himself, herself or itself out as engaging in the business of advising others as to trading in "contracts", and "contracts" is defined in subsection 1(1) of the CFA to mean "commodity futures contracts" and "commodity futures options" (with these latter terms also defined in subsection 1(1) of the CFA).

9. Where securities of a Fund are offered by the Fund to an Ontario resident, a Named Applicant that engages in the business of advising the Fund as to the investing in or the buying or selling of securities may, by so acting, be interpreted as acting as an adviser, as defined in the OSA, to the Ontario residents who acquire the securities offered

by the Fund, as suggested in the Notice of the Commission dated October 2, 1998, requesting comments on the then-proposed OSA Rule 35-502. Similarly, where securities of a Fund are offered to Ontario residents, a Named Applicant that engages in the business of advising the Fund as to trading in commodity futures contracts or commodity futures options may, by so acting, also be interpreted as acting as an adviser (as defined in the CFA) to the Ontario residents who acquire the securities offered by the Fund.

10. None of the Traxis Applicants is registered in any capacity under the CFA or the OSA, and none of the Named Applicants will be registered under the CFA so long as the particular Named Applicant remains a Named Applicant for the purposes of this Order. If a Named Applicant advises any Funds (that has distributed its securities to any Ontario residents) as to investing in or the buying or selling of securities, it will comply with the adviser registration requirement in the OSA, and may, for this purpose, rely, to the extent available in the circumstances, on the exemption from the adviser registration requirement in the OSA contained in section 7.10 of OSC Rule 35-502, insofar as it acts as an adviser (as defined in the OSA) to Ontario residents who hold securities of the Funds.

11. There is currently no rule or other regulation under the CFA that provides an exemption from the adviser registration requirement in the CFA for a person or company acting as an adviser, in respect of commodity futures options or commodity futures contracts, that corresponds to the exemption from the adviser registration requirement in the OSA for acting as an adviser, as defined in the OSA, in respect of securities, that is contained in section 7.10 of OSC Rule 35-502.

12. Section 7.10 of OSC Rule 35-502 provides that the adviser registration requirement in the OSA does not apply to a person or company acting as a portfolio adviser (as defined in the Rule) to a Fund (as defined in the Rule), if the securities of the Fund are:

    (a) primarily offered outside of Canada;

    (b) only distributed in Ontario through one or more registrants under the OSA; and

    (c) distributed in Ontario in reliance upon an exemption from the prospectus requirement in the OSA.

13. Each of the Named Applicants is or will be appropriately registered or licensed or is, or will be, entitled to rely on appropriate exemptions from such registration or licensing requirements to provide advice to the Funds pursuant to the applicable legislation of its principal jurisdiction. In particular:

    (a) Traxis Partners LP is registered with the U.S. Securities and Exchange Commission as an investment adviser under the U.S. Investments Advisers Act of 1940, as amended and as a commodity trading advisor with the U.S. Commodity Futures Trading Commission (the **CFTC**) and is a member of the U.S. National Futures Association (the **NFA**); and

    (b) Traxis Partners LP, Traxis Fund GP LLC, Traxis Fund Feeder GP LLC, Traxis Emerging Markets Opportunities GP LLC and Traxis Emerging Markets Opportunities Onshore Fund GP LLC are each registered as commodity pool operators with the CFTC and are members of the NFA in such capacity.

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 section 80 of the CFA, that each of the Named Applicants (including the respective directors, partners, officers, employees or other individual representatives of each of the Named Applicants, acting on behalf of the Named Applicant) is exempted from the adviser registration requirement in the CFA in connection with the Named Applicant acting as an adviser to one or more Funds, in respect of Foreign Contracts, provided that:

1. at the time the Named Applicant so acts as an adviser to any such Fund,

    A. the Named Applicant is not ordinarily resident in Ontario;

    B. the Named Applicant is appropriately registered or licensed, or entitled to rely upon appropriate exemptions from registration or licensing requirements, in order to provide to the Fund advice as to trading in the corresponding Foreign Contracts, pursuant to the applicable legislation of the Named Applicant's principal jurisdiction;

    C. securities of the Fund are:

        (i) primarily offered outside of Canada,

(ii) only distributed in Ontario through one or more registrants under the OSA; and

(iii) distributed in Ontario, in reliance on an exemption from the prospectus requirements of the OSA;

D. prior to purchasing any securities of the Fund, all investors in the Fund who are resident in Ontario shall have received disclosure that includes:

(i) a statement to the effect that there may be difficulty in enforcing any legal rights against the Fund or the Named Applicant (including the individual representatives of the Named Applicant acting on behalf of the Named Applicant), because the Named Applicant is a resident outside of Canada and, to the extent applicable, all or substantially all of its assets are situated outside of Canada; and

(ii) a statement to the effect that the Named Applicant is not registered with or licensed by any securities regulatory authority in Canada, and, as a result, investor protections that might otherwise be available to clients of a registered adviser will not be available to purchasers of securities of the Fund; and

2. this Decision shall expire five years after the date hereof;

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

PURSUANT to subsection 3.1(1) of the CFA, the Commission hereby assigns to each Director, acting individually, the powers and duties vested in the Commission under subsection 78(1) of the CFA to:

(i) vary the above Order, from time to time, by specifically naming any one or more Traxis Affiliates that has filed an Identifying Notice, as described in paragraph 2, above, as a Named Applicant for the purposes of the Order, by issuing a Director's Consent, as described in paragraph 3, to the Traxis Affiliate; and

(ii) object, from time to time, to varying the above Order to specifically name any one or more Traxis Affiliates that has filed an Identifying Notice, as described in paragraph 2, above, as a Named Applicant, by issuing to the Traxis Affiliate an Objection Notice, as described in paragraph 4, above, provided, however, that, in the event of any such objection, the corresponding Traxis Affiliate may, by notice in writing sent by registered mail to the Secretary of the Commission, within 30 days after receiving the Objection Notice, request and be entitled to a hearing and review of the objection by the Commission.

May 26, 2009

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

SCHEDULE A

FORM OF IDENTIFYING NOTICE AND DIRECTOR'S CONSENT

Part A: Identifying Notice to the Commission

To: Ontario Securities Commission (the **Commission**)
Attention: Manager, Registrant Regulation

From: [Insert name and address] (the **Traxis Affiliate**)

Re: ***In the Matter of Traxis Partners LP, Traxis Fund GP LLC, Traxis Fund Feeder GP LLC, Traxis Emerging Markets Opportunities GP LLC and Traxis Emerging Markets Opportunities Onshore Fund GP LLC*** **(Traxis)**
OSC File No.: 2009/0256

The undersigned, being an authorized representative of the above Traxis Affiliate, hereby represents to the Commission that:

1. On May ___, 2009, the Commission issued an order (the **Order**), pursuant to section 80 of the *Commodity Futures Act* (Ontario) (the **CFA**), that each of the Named Applicants (as defined in the **Decision** containing the Order) is exempt from the adviser registration requirement in paragraph 22(1)(b) of the CFA in respect of the Named Applicant acting as an adviser to one or more of the Funds (as defined in the Decision), in respect of Foreign Contracts (as defined in the Decision), subject to certain terms and conditions specified in the Order.

2. The Traxis Affiliate has attached a copy of the Decision to this Identifying Notice.

3. The Traxis Affiliate is an affiliate of Traxis Partners LP, Traxis Fund GP LLC, Traxis Fund Feeder GP LLC, Traxis Emerging Markets Opportunities GP LLC and Traxis Emerging Markets Opportunities Onshore Fund GP LLC.

4. The Traxis Affiliate (whose name does not specifically appear in the Order) hereby applies to the Director, acting on behalf of the Commission under the Assignment in the Decision, to vary the Order to specifically name the Traxis Affiliate as a Named Applicant for the purposes of the Order, pursuant to section 78 of the CFA.

5. The Traxis Affiliate confirms the truth and accuracy of all the information set out in the Decision.

6. This Identifying Notice has been filed with the Commission not less than ten (10) days prior to the date on which the Traxis Affiliate proposes to rely on the exemption from the adviser registration requirement in the CFA provided to Named Applicants in the Order, subject to the terms and conditions specified in the Order.

7. The Traxis Affiliate has not, and will not, rely on such exemption unless and until it has received from the Director, a written Director's Consent, as provided in the form of Part B of Schedule A attached to the Decision.

Dated at _____ this ____ day of _____, 20___.

_____
Name:

_____
Title:

Part B: Director's Consent

To: _____ (the **Traxis Affiliate**)

From: Director
Ontario Securities Commission

Re: ***In the Matter of Traxis Partners LP, Traxis Fund GP LLC, Traxis Fund Feeder GP LLC, Traxis Emerging Markets Opportunities GP LLC and Traxis Emerging Markets Opportunities Onshore Fund GP LLC*** **(Traxis)**
OSC File No.: 2009/0256

I acknowledge receipt from the Traxis Affiliate of its Identifying Notice, dated _____, 20___, by which the Traxis Affiliate has applied to the Director, acting on behalf of the Commission under the Assignment in the Decision attached to Identifying Notice, to specifically name the Traxis Affiliate as a Named Applicant for the purposes of the Order contained in the Decision.

Based on the representations contained in the Decision and in the Identifying Notice, and my being of the opinion that to do so would not be prejudicial to the public interest, on behalf of the Commission, as a Director for the purposes of the *Commodity Futures Act* (Ontario), I hereby vary the Order to specifically name the Traxis Affiliate as a Named Applicant for the purposes of the Order.

Dated at _____ this ____ day of _____, 20___.

ONTARIO SECURITIES COMMISSION
By:

_____
Name of Signatory:

_____
Position of Signatory:

This page intentionally left blank

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 HudBay Minerals Inc. – s. 9(1) of the SPPA

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

AND

IN THE MATTER OF
HUDBAY MINERALS INC.

AND

IN THE MATTER OF
A DECISION OF THE TORONTO STOCK EXCHANGE

REASONS FOR DECISION REGARDING CONFIDENTIALITY
(Subsection 9(1) of the Statutory Powers Procedure Act, R.S.O. 1990, c. S.22, as amended)

Hearing:	February 17, 2009		
Decision:	May 21, 2009		
Panel:	James E. A. Turner	–	Vice-Chair and Chair of the Panel
	Suresh Thakrar	–	Commissioner
	Paulette L. Kennedy	–	Commissioner
Counsel:	Andrea Burke James Bunting	–	For Jaguar Financial Corporation
	Lorne Silver Arthur Hamilton Jacqueline Wall	–	For HudBay Minerals Inc.
	Laura Fric Craig Lockwood	–	For Lundin Mining Corporation
	Justin Necpal	–	For the Toronto Stock Exchange
	Jane Waechter Naizam Kanji Michael Tang	–	For Staff of the Commission

REASONS FOR DECISION REGARDING CONFIDENTIALITY

I. Background

[1] This matter arises out of an application by Jaguar Financial Corporation ("**Jaguar**") related to a transaction (the "**Transaction**") under which HudBay Minerals Inc. ("**HudBay**") proposes to acquire all of the outstanding common shares of Lundin Mining Corporation ("**Lundin**").

[2] On January 6, 2009, Jaguar made an application, the Fresh as Amended Request for Hearing and Review (the "**Application**"), pursuant to sections 8(3) and 21.7 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") requesting

the Ontario Securities Commission (the "**Commission**") to conduct a hearing and review of a decision of the Toronto Stock Exchange (the "**TSX**").

[3] On January 19 and 21, 2009, we held a hearing to consider the Application at which we heard evidence and received submissions from Jaguar, HudBay, Lundin, the TSX and Staff of the Commission ("**Staff**"). Lundin and the TSX were granted full intervenor status by Commission order dated January 12, 2009.

[4] At the commencement of the hearing on January 19, 2009, both HudBay and Lundin requested that we issue confidentiality orders for certain documents filed in evidence with us. The confidentiality orders requested were consistent with an order issued by Mr. Justice Morawetz of the Ontario Superior Court (Commercial List) on January 15, 2009, which was issued in connection with an oppression application brought by other shareholders of HudBay relating to the Transaction.

[5] At the commencement of the hearing, Jaguar submitted into evidence three binders of documents which were marked as Exhibits 1, 2 and 3 (the "**Documents**"), without objection from HudBay and Lundin, on the basis that Jaguar would be referring to the Documents during the cross-examination of two witnesses, Peter Gillin, a director and Chairman of the Special Committee of the Board of Directors of HudBay, and Philip Wright, the President and Chief Executive Officer of Lundin. Exhibits 1, 2 and 3 contain a large number of documents comprising 51 tabs in the HudBay Documents and 19 tabs in the Lundin Documents.

[6] HudBay and Lundin made the request for the confidentiality orders to protect what they submitted was commercially sensitive information contained in the Documents. The HudBay Documents were delivered to Jaguar by HudBay pursuant to an order made by the Commission on January 12, 2009. That order deferred to this Panel the question of the confidential treatment of those Documents. The Lundin Documents were delivered to Jaguar pursuant to Jaguar's document request dated January 15, 2009. We did not determine the relevance of the Documents at the commencement of the hearing.

[7] We agreed at the commencement of the hearing that the hearing would proceed *in camera* only during the cross-examinations of Peter Gillin and Philip Wright. The balance of the hearing was conducted in public. The Documents were introduced during the *in camera* portion of the hearing and were treated as confidential until we had the opportunity to properly consider the merits of the requests for confidentiality. This process allowed us to proceed with the hearing without interruptions to consider the relevance and confidentiality of each Document as it was referred to during the course of the hearing.

[8] At the outset of the hearing, we expressed concern that the confidentiality requests and proposed confidentiality orders tendered by HudBay and Lundin were too broad. Our initial review of the Documents led us to doubt that all of the Documents were commercially sensitive or of a nature that should be the subject of a confidentiality order. We did recognize that all Documents in respect of which a claim of solicitor-client privilege was made should be treated as confidential.

[9] At the completion of the hearing on January 21, 2009, we indicated that we would like to receive further submissions with respect to the confidentiality of the Documents and we invited the parties to re-attend on February 3, 2009 to make oral submissions. The February 3, 2009 date was subsequently adjourned and we heard full arguments on the issue of confidentiality on February 17, 2009.

II. The Relevance of the Documents

[10] Prior to the hearing on February 17, 2009, members of the Panel reviewed the Documents. We concluded that we would grant a confidentiality order with respect to a large portion of the Documents because those Documents were not otherwise public and because they were not, in our view, relevant to our decision on the merits in this matter. We did not view it as necessary to require public disclosure of an extensive array of otherwise non-public documents that were not relevant to our decision on the merits.

[11] Our decision in this respect turned primarily on relevance and was driven in part by our desire to encourage the parties to an expedited hearing such as this to make broad documentary disclosure to permit the hearing to proceed in a very abbreviated timeframe.

[12] Accordingly, by letter dated February 13, 2009, we informed the parties that we were prepared to grant an order for confidentiality in respect of a large portion of the Documents and we asked the parties to address the need for confidentiality for the balance of the Documents.

[13] We also provided the parties with a draft of a redacted transcript relating to the *in camera* portion of the hearing on January 19, 2009 and asked the parties for submissions if they had views with respect to the redactions from the transcript. There were additional submissions made with respect to that matter.

[14] At the hearing on February 17, 2009, we heard submissions dealing with the confidentiality orders requested with respect to the Documents located at Tabs 4, 7, 16, 20 and 21 of Exhibit 1. These Documents can be grouped into three

categories: handwritten notes of the corporate secretary of HudBay (Tabs 4, 7 and 20), minutes of the November 18, 2008 meeting of the Special Committee, to which a financial presentation of GMP Securities L.P. ("**GMP**") is attached (Tab 16), and the GMP engagement letter (Tab 21). We will refer to those Documents as the "**disputed Documents**".

[15] At the hearing on February 17, 2009, the parties also agreed expressly, or by raising no objection, that confidentiality was not necessary for the Documents at Tabs 1, 29, 30, 31, 40, 41, 46, 49, 50 and 51 of Exhibits 1 and 2. Therefore, these Documents form part of the public record in this proceeding. For privacy reasons, certain investor e-mails found in Tab 51 of Exhibit 2 shall remain confidential.

III. The Positions of the Parties

[16] Jaguar objected to the granting of the confidentiality orders being requested. Prior to the hearing on February 17, 2009, HudBay, Lundin, Jaguar and Staff provided written submissions with respect to confidentiality. The TSX made no submissions on this motion either in writing or at the hearing on February 17, 2009.

[17] At the hearing on February 17, 2009, Lundin stated that it had "determined to take no position with regard to whether the [disputed Documents] ought to be made public or sealed in their entirety or in part". Lundin took no position with respect to the redactions of the transcript.

[18] HudBay submitted that the disputed Documents should remain confidential. In the alternative, HudBay submitted that the Documents should be redacted to preserve the confidentiality of commercially sensitive information. According to HudBay, the disputed Documents meet the test set out in *Sierra Club of Canada v. Canada (Minister of Finance)*, [2002] 2 S.C.R. 522 ("*Sierra Club*"). HudBay submitted, among other things, that the disputed Documents should remain confidential because they contain commercially sensitive information (which should not be available to their competitors or the general public) and because some of the Documents are also subject to confidentiality agreements with third parties. HudBay also submitted that there is an implied undertaking that the disputed Documents would not be used for purposes other than this proceeding and thus should not be made public.

[19] Jaguar submitted that HudBay failed to meet the test set out in *Sierra Club* and thus failed to justify the confidentiality of the disputed Documents. According to Jaguar, HudBay did not meet the heavy onus to establish with respect to each Document that the "open court principle" should not apply and that a sealing or confidentiality order is appropriate. Jaguar also stressed that the Commission should take a restricted or limited approach to redacting any Documents.

[20] Staff submitted that the Commission has previously recognized the importance of having Commission proceedings open to the public and having timely disclosure of the record of a proceeding available to the public. Staff expressed the concern, however, that if a confidentiality order is not made, it could "chill" the "real-time" nature of the adjudication process before the Commission in a matter such as this.

[21] Staff took the position that confidentiality should be preserved for some of the disputed Documents. Staff supported HudBay's argument that handwritten notes are more susceptible to misinterpretation than other types of documents and should be kept confidential on that ground. Staff also supported HudBay's position that the GMP financial presentation made to the Special Committee on November 18, 2008 (attached to the minutes of that meeting) ought to be kept confidential because of the non-public financial information contained in that presentation.

IV. The Applicable Law

[22] The principle of openness is a fundamental legal principle that promotes public confidence in the integrity of the judicial process (see for example: *Re Vancouver Sun*, [2004] 2 S.C.R. 332 and *Toronto Star Newspapers Ltd. v. Ontario*, [2005] 2 S.C.R. 188). This principle applies to administrative tribunals. The Commission has considered the importance of the openness of its proceedings and has stated:

> "Openness" is important for the Securities Commission which is charged with the responsibility of helping to ensure the integrity of the capital markets in Ontario. Disclosure is particularly important for a body which itself uses disclosure as one of its principle techniques for ensuring compliance with the law by others. Investors, those being regulated, and the general public, all have a strong interest in knowing what the Commission is doing and why it is doing it.
>
> (*Gaudet v. Ontario (Securities Commission)* (1990), 13 O.S.C.B. 1405 at 1408)

[23] There is no doubt that the Commission attaches great weight to the need for openness in its administrative proceedings. As stated in *MacIntyre v. Nova Scotia (Attorney General)*, [1982] 1 S.C.R. 175 at page 189:

> Undoubtedly every court has a supervisory and protecting power over its own records. Access can be denied when the ends of justice would be subverted by disclosure or the juridical documents might be used for an improper purpose. The presumption, however, is in favour of public access and the burden of contrary proof lies upon the person who would deny the exercise of the right.

[24] As discussed more fully below, the courts have recognized that there are circumstances in which a confidentiality order may be appropriately issued. While there is a strong presumption that all matters ought to take place in an open and public manner, a confidentiality order may be granted if the moving party can meet the heavy burden of justifying it.

1. The *Statutory Powers Procedure Act*

[25] Subsection 9(1) of the Statutory Powers Procedure Act, R.S.O. 1990, c. S.22, as amended (the "SPPA"), reflects the principle that hearings of administrative tribunals (such as those conducted before the Commission) should be open to the public, subject to limited exceptions. That section states:

> **Hearings to be public; maintenance of order**
> **Hearings to be public, exceptions**
>
> 9(1) An oral hearing shall be open to the public except where the tribunal is of the opinion that,
>
> (a) matters involving public security may be disclosed; or
>
> (b) intimate financial or personal matters or other matters may be disclosed at the hearing of such a nature, having regard to the circumstances, that the desirability of avoiding disclosure thereof in the interests of any person affected or in the public interest outweighs the desirability of adhering to the principle that hearings be open to the public,
>
> in which case the tribunal may hold the hearing in the absence of the public.
>
> **Written Hearings**
>
> (1.1) In a written hearing, members of the public are entitled to reasonable access to the documents submitted, unless the tribunal is of the opinion that clause (1)(a) or (b) applies.

[26] Accordingly, subsection 9(1) of the SPPA authorizes a tribunal to decide that a hearing or a portion of it should not be accessible to the public. In addition, subsection 9(1.1) contemplates that, in a written hearing, a confidentiality order may be made under subsection 9(1) with respect to documents submitted in such a hearing.

[27] It would undermine the effect of a decision under subsection 9(1) of the SPPA to hold a hearing *in camera* if the public could have access to documents filed in that hearing. Accordingly, in our view, a tribunal has the authority to order that documents tendered in such a hearing remain confidential.

2. The Standard Established in *Sierra Club*

[28] In applying subsection 9(1) of the SPPA, it is helpful to consider the common law relating to the confidentiality of documents filed in court or administrative tribunal proceedings. The leading authority is the decision of the Supreme Court of Canada in *Sierra Club*. In that case, the Court set out the test to be applied in determining whether a publication ban and confidentiality order should be granted. The test established reflects the strong presumption against any order that restricts public access to court proceedings or records. Under *Sierra Club*, a confidentiality order should be granted only when:

> 1. such an order is necessary in order to prevent a serious risk to an important interest, including a commercial interest, because reasonable alternative measures will not prevent the risk; and
>
> 2. the salutary effects of the confidentiality order, including the effects on the right of civil litigants to a fair trial, outweigh its deleterious effects, including the effects on the right to free expression, which in this context includes the public interest in open and accessible court proceedings.
>
> (*Sierra Club*, *supra* at para. 53)

[29] The first prong of the *Sierra Club* test requires that three elements be met (1) the risk in question must be real and substantial, well grounded in evidence, and be one that poses a serious threat to the commercial interest in question, (2) the risk must pertain to a general principle at stake, rather than be party-specific, and (3) there must be no reasonable alternatives to a

confidentiality order (*Sierra Club*, *supra* at paras. 54 to 57). An alternative must be reasonable; it is insufficient to show that there simply exists a less restrictive alternative (*Sierra Club*, *supra* at para. 66). Generally, if disclosure of confidential information poses a serious risk to an important commercial interest, and there is no reasonable alternative to granting a confidentiality order, then such an order satisfies the first prong of the test (*Sierra Club*, *supra* at para. 68).

[30] The second prong of the *Sierra Club* test requires a balancing of competing interests. The more detrimental an order may be to the core values underlying freedom of expression, the more difficult it will be to satisfy the second prong of the test and to justify the granting of a confidentiality order (*Sierra Club*, *supra* at para. 75).

[31] *Sierra Club* emphasizes that a respondent requesting a confidentiality order has a heavy onus to justify the making of such an order.

3. The Standard Established Pursuant to Subsection 9(1) of the SPPA

[32] The legal question under subsection 9(1) of the SPPA is whether the tribunal is of the opinion that matters that may be disclosed at a hearing are of such a nature that the desirability of avoiding disclosure in the interests of a party affected, or in the public interest, outweighs the desirability of having an open hearing. That subsection, like *Sierra Club*, requires a balancing of relevant factors and interests. We note that the provisions of subsection 9(1) of the SPPA are somewhat different from the test articulated in *Sierra Club*. However, the principles articulated in *Sierra Club* assist us in interpreting and applying subsection 9(1) of the SPPA.

V. Analysis

1. Importance of Public Hearings

[33] As an administrative tribunal, we have a very strong interest in ensuring that our hearings are open to the public. It is essential that all stakeholders, and the public in general, have an understanding of, and confidence in, the processes followed by the Commission in its hearings and in the outcomes of those hearings.

[34] Nevertheless, the principle of open hearings of the Commission must be balanced with competing interests, such as protecting the confidentiality of sensitive commercial information and encouraging parties to make extensive documentary disclosure quickly where the timeframe for a hearing is expedited. We wish to encourage parties in hearings such as this to make disclosure at a time when all of the issues in contention may not have been fully defined and when all of the documents of the parties may not have been fully vetted from the perspective of relevance and confidentiality.

[35] We note that, although we admitted the Documents into evidence, relatively few of them were referred to during the cross-examinations of the two witnesses, in the affidavits submitted to us or in oral submissions.

[36] We also note that in our decision on the merits we did not find it necessary to disclose what we considered to be confidential information contained in the Documents.

2. Relevance of Documents

[37] In our view, if a Document is not relevant to this proceeding, there is no need to cause it to be publicly disclosed. The Court noted in *Knight v. KPMG LLP* (1999), 20 C.B.R. (4th) 258 (Ont. Gen Div.) at paras. 4 and 5:

> If the material is not relevant, then it has no juridical purpose. It should not, ab initio, have been included in the application record.
>
> The court [and any tribunal] process cannot be allowed to make public a non-public document which has no relevance to the issue in question.

We granted a confidentiality order with respect to most of the Documents on the basis that, in our view, they were not relevant to the hearing on the merits. We have applied subsection 9(1) of the SPPA in making our decisions below with respect to the disputed Documents.

[38] We would note that parties to a proceeding before us should not expect to keep minutes of meetings of directors, or handwritten notes relating to such meetings, confidential if they are relevant to the proceeding or the decision of the Commission. Similarly, parties should not expect confidential treatment merely because they may have entered into a confidentiality agreement with a third party that applies to otherwise relevant documents. The Commission will address such matters on a case by case basis applying applicable law.

3. Minutes of the Special Committee

[39] We have concluded that the minutes of the meeting of the Special Committee held on November 18, 2008 should be made public (but not the GMP financial presentation attached to such minutes).

[40] The minutes of that meeting deal with discussions about and consideration of the Transaction. They are relevant to the issues that were before us and, in our view, after considering and balancing the relevant interests, HudBay has not met the standard established by the SPPA for granting a confidentiality order in respect of them.

[41] The GMP financial presentation attached to the minutes contains non-public information that is not relevant to our decision on the merits. Accordingly, we have concluded that the GMP financial presentation can remain confidential.

4. Handwritten Notes

[42] We have concluded that the handwritten notes of the Corporate Secretary of HudBay relating to the meetings of the Special Committee held on November 4, 12 and 20, 2008 can be kept confidential. While notes of this nature may be susceptible to misinterpretation, our decision is not being made on that ground. Those notes are not relevant to our decision on the merits. We recognize that handwritten notes may be very relevant in another proceeding for purposes of determining matters such as what was discussed at a meeting and what was considered in making a decision.

5. The GMP Engagement Letter

[43] The GMP engagement letter is relevant to this proceeding. In our view, after considering and balancing the relevant interests, HudBay has not met the standard established by the SPPA for granting a confidentiality order in respect of it. We have agreed to the redaction of certain financial and other information in that letter to protect the confidentiality of possibly sensitive commercial information of a person which is not a party to this proceeding (i.e., GMP).

6. The *In Camera* Transcript

[44] We agreed at the hearing on the merits that certain portions of that hearing would be held *in camera*. Subsequently, we reviewed the transcript and have concluded that a redacted version of the transcript should be made publicly available. The redactions relate to information that was not relevant to our decision on the merits. We reject the submission that portions of the transcript should be automatically redacted simply because the questions relate to Documents that we have ordered may remain confidential, but do not, in fact, disclose any confidential information.

VI. Conclusions

[45] We will grant a confidentiality order in this matter in respect of Documents that we have concluded are not relevant to our decision on the merits or that we concluded for other reasons can remain confidential. We believe that we have appropriately balanced the public interest in ensuring that Commission hearings are open to the public with the desirability of expediting our hearings and with balancing the private interests of parties to a proceeding before us to preserve confidentiality with respect to non-public information that may be commercially sensitive. In doing so, we have also taken into consideration the need to review and rely on relevant information in making our decision on the merits. We reiterate that a party to a proceeding before us must meet the high standard established by subsection 9(1) of the SPPA in order to obtain a confidentiality order in respect of otherwise relevant information and documents.

[46] The procedure we adopted for conducting the hearing in this matter as it relates to confidentiality did not, in our view, unduly interfere with the conduct of the hearing or the access of the public to that hearing. These are relevant factors that a hearing panel should consider in deciding whether a matter should proceed *in camera* or whether a confidentiality order should be issued. Our decision in this matter should not be interpreted as limiting the broad discretion of a hearing panel to address such matters in the particular circumstances of another proceeding.

[47] HudBay and Lundin are reporting issuers and, as such, have continuous and timely disclosure obligations under the Act. Our assessment of whether a particular Document can be treated as confidential for purposes of this proceeding is not a determination of whether a particular Document, or information contained in a Document, is material or whether HudBay or Lundin have complied with, and are complying with, their respective disclosure obligations under applicable law.

[48] We will issue an order giving effect to our decisions reflected in these reasons with respect to the confidentiality of the Documents.

Dated at Toronto this 21st day of May, 2009.

“James E. A. Turner”

“Suresh Thakrar”

“Paulette L. Kennedy”

3.1.2 Research In Motion Limited et al. – ss. 127, 127.1

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

AND

IN THE MATTER OF
RESEARCH IN MOTION LIMITED,
JAMES BALSILLIE, MIKE LAZARIDIS,
DENNIS KAVELMAN, ANGELO LOBERTO,
KENDALL CORK, DOUGLAS WRIGHT,
JAMES ESTILL AND DOUGLAS FREGIN

HEARING HELD PURSUANT TO SECTIONS 127 and 127.1 OF THE ACT

SETTLEMENT HEARING

Hearing:	February 05, 2009		
Panel:	James E.A. Turner	–	Vice Chair and Chair of the Panel
	David L. Knight, FCA	–	Commissioner
	Paulette L. Kennedy	–	Commissioner
Appearances:	James (Sasha) Angus Cullen Price	–	For Staff of the Ontario Securities Commission
	Robert Staley Alan Gardner Jeffrey Leon	–	For Research in Motion Limited and James Estill
	James Douglas Kara Beitel	–	For James Balsillie
	Steve Tenai	–	For Mike Lazaridis
	David Hausman	–	For Dennis Kavelman
	James Hodgson	–	For Angelo Loberto
	Danielle Royal	–	For Kendall Cork and Douglas Wright
	Larry Lowenstein	–	For Douglas Fregin

ORAL RULING AND REASONS

The following text has been prepared for the purpose of publication in the Ontario Securities Commission Bulletin and is based on excerpts from the transcript of the settlement hearing. The excerpts reflect the oral reasons of the Chair for the decision in this matter. Those oral reasons have been edited and supplemented and the text has been approved by the Chair of the Panel for the purpose of providing a public record of the decision.

This Proceeding

[1] This matter arises from a hearing under sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended, (the "Act") to consider whether it is in the public interest for the Ontario Securities Commission (the "Commission") to approve the proposed settlement agreement (the "Settlement Agreement") dated January 27, 2009 entered into between Staff of the Commission ("Staff") and Research in Motion Limited ("RIM"), James Balsillie ("Balsillie"), Mike Lazaridis ("Lazaridis"), Dennis Kavelman ("Kavelman"), Angelo Loberto ("Loberto"), Kendall Cork ("Cork"), Douglas Wright ("Wright"), James Estill ("Estill") and Douglas Fregin ("Fregin") (collectively, the "Respondents" and, excluding RIM, the "Individual Respondents").

[2] This matter relates to RIM's improper backdating and repricing of stock options ("Options") issued under RIM's stock option plan (the "Option Plan").

The Parties

[3] RIM is a reporting issuer in Ontario whose shares are listed on both the Toronto Stock Exchange (the "TSX") and the Nasdaq Stock Market ("NASDAQ").

[4] Balsillie was at all material times co-Chief Executive Officer and Chairman of the Board of Directors of RIM (the "Board"). He is no longer Chairman, but he remains co-Chief Executive Officer and a director of RIM.

[5] Lazaridis was at all material times co-Chief Executive Officer, President and a director of RIM, and he continues to hold all of these positions.

[6] Kavelman was Vice President, Finance of RIM from February 1995 through 1997 and then Chief Financial Officer ("CFO") of RIM from 1997 to March 2007. He is now Chief Operating Officer, Administration and Operations.

[7] Loberto was Director of Finance of RIM from August 1997 and was Vice-President, Finance from September 2001 to 2007. He is now Vice-President, Corporate Operations.

[8] Cork was a director of RIM from 1999 to 2007 and has been a director emeritus of RIM since 2007. He was a member of the Audit Committee from 1999 to 2007 and a member of the Compensation Committee from 2000 to 2007.

[9] Wright was a director of RIM from 1995 to 2007 and has been a director emeritus of RIM since 2007. He was a member of the Audit Committee from 1996 to 2007 and its Chair from 1998 and a member of the Compensation Committee from 1998 to 2007 and its Chair from at least 2003.

[10] Estill has been a director of RIM since 1997 and was a member of the Audit Committee from 1998 through 2007.

[11] Fregin was a director of RIM from 1985 to 2007. He was Vice-President, Hardware Design and subsequently Vice-President, Operations, but is no longer connected with RIM.

[12] We have reviewed the evidence and considered the submissions, and we have concluded that the Settlement Agreement should be approved. In our view, the Settlement Agreement is in the public interest and we will issue an order giving effect to its terms.

[13] The facts and circumstances agreed to by Staff and the Respondents are set out in the Settlement Agreement. These facts are not findings of fact by this Panel, rather they are facts agreed to by Staff and the Respondents for purposes of the Settlement Agreement. In approving the Settlement Agreement, we relied solely on the facts set out in the agreement and those facts represented to us at the hearing (this approach is consistent with the Commission's decision in *Re Rankin* (2008), 31 O.S.C.B. 3303 at para. 5).

[14] I would like to briefly set out some of the background circumstances of this matter and identify a number of the issues that were important to the Panel in approving the Settlement Agreement.

[15] The misconduct at issue here took place from December, 1996 to July, 2006, and it involved the following:

(1) The backdating or repricing of Options, first by Balsillie, and then by his delegate, Kavelman. Both Lazaridis and Loberto were also directly involved in such actions, but not to the same extent as Balsillie and Kavelman.

(2) Misleading or untrue public disclosure by RIM with respect to Option grants that continued for approximately 10 years. In almost every disclosure document issued over that period, RIM indicated that it was following the terms of the Option Plan, when in fact it was not. It was drawn to our attention that there were 53 disclosure documents containing misleading or untrue disclosure issued over the ten-year period.

[16] The backdating or repricing of Options led to a potential shortfall to RIM's treasury of approximately $66 million. It also meant that the investing public had misleading or untrue disclosure regarding the financial consequences of the granting of Options and with respect to the Options pricing practices for a 10-year period. This is a unique set of facts before this Commission.

[17] Let me state for the record the Commission's concerns with RIM's backdating and repricing of Options. We consider it shocking that this misconduct occurred over a ten-year period. It meant that there were undisclosed benefits being given to directors, officers and employees and misleading or untrue disclosure being made over that period. In addition to the direct involvement of Balsillie, Kavelman, Lazaridis and Loberto in these practices, there was a fundamental failure of governance, a failure by the Board of Directors of RIM to carry out appropriately its oversight responsibilities, both in terms of compliance with the Option Plan and the rules contained in the TSX Company Manual (the "TSX Rules"), but more fundamentally in failing to

provide appropriate oversight with respect to the issue of securities and compliance with securities laws. The Board has direct responsibility as a corporate law matter for issuing securities. It should not delegate that authority to others, except in limited circumstances with appropriate safeguards.

[18] A fundamental problem here was a public company issuing Options and shares in circumstances where the Board did not understand the provisions of the Option Plan, the TSX Rules or the practices that were being followed. We also note that timely and accurate reporting of material information is one of the primary means by which securities regulators ensure fair and efficient capital markets for all investors. Senior management has direct responsibility for disclosure matters but the board has oversight responsibility.

[19] I would now like to comment on a number of aspects of the terms of the Settlement Agreement and the sanctions imposed under it.

[20] While this Panel did not establish the sanctions agreed to in the Settlement Agreement, there were aspects of them that assisted us to conclude that they were within an appropriate range in the circumstances.

[21] In this case, one of the objectives of the proposed sanctions is to ensure that RIM has put in place, and will develop and maintain, the necessary internal controls to ensure compliance with the terms of the Option Plan and TSX Rules and to meet its continuing disclosure obligations.

[22] As part of the sanctions, Staff will select, and RIM will pay for, a consultant to conduct a comprehensive review of RIM's governance policies and procedures including a review to determine whether RIM has fixed its options granting practices, but more importantly, to ensure RIM has policies and procedures in place to comply with applicable legal and regulatory requirements and its obligations under such requirements.

[23] Balsillie, Lazaridis and Kavelman have undertaken to contribute $38.3 million (which includes interest of $5.3 million) to RIM in respect of the outstanding benefit arising from incorrectly priced Options granted to all employees from 1996 to 2006. Balsillie, Lazaridis and Kavelman have also undertaken to contribute $44.8 million to RIM to defray costs incurred by RIM (which will be reduced by $15 million for amounts already paid by Balsillie and Lazaridis) in connection with the improper Option granting practices.

[24] The allegations set forth in the Settlement Agreement are that the backdating or repricing of Options was carried out without an intent to deprive RIM of the full price for shares issued; rather, the individuals pricing the Options did not take reasonable steps to ensure that Option pricing practices were not contrary to the Option Plan and the TSX Rules. Staff is not alleging that senior management acted fraudulently in issuing Options or in making public disclosure that failed to accurately describe the Option-granting practices and how the Options were actually being priced. The allegation is that there was negligence and a lack of due care over an extended period of time.

[25] The Respondents, both RIM and the Individual Respondents, have admitted in the Settlement Agreement that:

(1) they backdated or repriced Options with a total "in-the-money" benefit of approximately $66 million; and

(2) RIM's public disclosure of Option granting practices for which the Individual Respondents were responsible, in various ways, was understated, inaccurate and misleading, and there were no proper procedures in place to identify and address these problems.

[26] Under the provisions of the Option Plan and TSX Rules, when Options are granted they are required to be granted at an exercise price not less than the closing price of RIM's common shares on the TSX on the last trading day preceding the date on which the Options are approved for grant. If Options are issued at an amount less than the market price, there is a benefit to the person receiving the Option. That is, the exercise price is less than the current market price for the shares, which means the Options granted are "in-the-money" at the date of grant. That represents a financial benefit to the person to whom the Options are granted.

[27] The TSX Rules are an important element of our regulatory framework and we treat the breach of TSX Rules as a serious matter. It has been stated in other Commission decisions that the TSX Rules form part of the fabric of securities law and are fundamental to our securities regulatory regime.

[28] The Respondents should have taken reasonable steps to ensure Option granting practices were in accordance with the terms of the Option Plan and TSX Rules. The Option Plan granted authority to the Board to issue Options. The Board had oversight responsibility for ensuring that RIM's Option granting practices were in compliance with the Option Plan and the TSX Rules. Our understanding is that the members of the Board, or of the responsible Board committee, were not aware of the requirements of the Option Plan or the Option granting practices being carried out.

[29] Balsillie, Lazaridis, Kavelman and Loberto engaged in the granting of Options in which Option backdating or repricing occurred. The grant dates selected resulted in more favourable pricing for the Options than permitted under the Option Plan and TSX Rules; that is, the Options were granted "in-the-money".

[30] In many instances of the grant of Options, the lowest share price over a period was chosen using hindsight in order to set the exercise price below the market price of the shares. The Individual Respondents personally received undisclosed benefits -- and when we say "undisclosed" benefits, we mean not publicly disclosed -- from grants of Options that were in-the-money at the time they were made.

[31] Grants of Options were seldom approved by the Board or by the Compensation Committee as required by the Option Plan. Balsillie, Kavelman and Loberto participated in the selection of favourable grant dates used in many of the Options granted to directors, officers and employees. Lazaridis participated in selecting grant dates to be used in some cases. During the material time, Balsillie, Lazaridis, Cork, Wright, Estill and Fregin, in their capacities as directors -- and I want to emphasize again that an important element of the concern of Staff is with the governance practices of the Board -- should have taken reasonable steps to be aware of the requirements of the Option Plan and the TSX Rules and to ensure RIM was adhering to them.

[32] The failure of the Individual Respondents who were non-management directors to appropriately supervise management and their lack of due diligence materially contributed to RIM's failure to ensure that its Option granting practices were in accordance with the Option Plan and TSX Rules.

[33] The Individual Respondents have all repaid the benefits that they received, with interest, or have repriced unexercised options to accomplish the same purpose. The total in-the-money benefit resulting from the backdating or repricing practices for all employees was $66 million, of which $33 million has not yet been reimbursed or repaid to RIM or otherwise forfeited, but will be as part of this settlement.

[34] The failure to appropriately account for Option grants resulted in a restatement of RIM's U.S. financial statements. RIM took a cumulative charge of U.S. $248.2 million, including U.S. $227 million in non-cash stock-based compensation expense, for fiscal 1999 through fiscal 2006.

[35] As a reporting issuer, RIM is obligated to make periodic disclosures of material information. RIM repeatedly made statements in its disclosure documents including its financial statements, that it was complying with the terms of the Option Plan. Those statements were misleading or untrue and contrary to Ontario securities laws and the public interest. Balsillie, as Chairman of the Board and co-Chief Executive Officer, Lazaridis, as President and co-Chief Executive Officer, Kavelman as CFO and Estill, Cork, Wright and Fregin as directors, failed to exercise reasonable diligence to ensure that RIM prepared disclosure documents containing disclosure that was not misleading or untrue or contrary to the Act. The Individual Respondents did not exercise reasonable diligence or care to ensure that the public statements made by RIM were not misleading or untrue or contrary to the Act.

[36] RIM also has an obligation to maintain appropriate internal controls. It failed to maintain adequate internal and accounting controls with respect to the granting of Options. The Option granting practices were characterized by informality and lack of definitive documentation and lacked safeguards to ensure compliance with applicable accounting, regulatory and disclosure rules. RIM's failure to maintain adequate internal and accounting controls with respect to issuing Options (and its failure to disclose that it had not put such internal controls in place) was also contrary to the public interest. Balsillie, Lazaridis and Kavelman all certified various filings containing misleading or untrue disclosure.

[37] RIM has taken a number of actions to address these problems and we emphasize that RIM and the Individual Respondents have co-operated with Staff in this matter.

[38] In August 2006, RIM conducted a voluntary internal review by the Audit Committee of RIM’s Option granting practices and related accounting. The results of that review were publicly disclosed. We understand that RIM has taken steps to ensure that its current practices are now fully in accordance with applicable requirements.

[39] By entering into the Settlement Agreement the Respondents have recognized the very serious nature of their misconduct and have admitted that they engaged in conduct that was contrary to the public interest.

[40] Before I turn to the form of the order we will issue, I will briefly refer to the law as it applies to the approval of a settlement agreement entered into by Staff of the Commission with a respondent.

[41] The Commission’s mandate as set out in section 1.1 of the Act is:

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

(2) to foster fair and efficient capital markets and confidence in the capital markets.

[42] One of the primary means by which the Commission fulfils these statutory objectives is by enforcing requirements for timely and accurate disclosure of material information. Disclosure serves to level the playing field so that all investors have access to the same information upon which to make investment decisions. Disclosure is the cornerstone principle of securities regulation. All investors should have equal access to information that may affect their investment decisions. (See, for instance, *Re Philip Services Corp.* (2006), 29 O.S.C.B. 3941 at para. 7.)

[43] Much of the responsibility for compliance with an issuer's disclosure obligations rests with the Chief Executive Officer and CFO. A reporting issuer's directors also bear responsibility for appropriate oversight of compliance by a company with its disclosure obligations.

[44] The Commission's role in imposing sanctions is not to penalize; our objective is to identify and prevent inappropriate and illegal conduct and ensure that market participants understand that misconduct will not be tolerated (*Re Mithras Management Ltd.* (1990), 13 O.S.C.B. 1600 at 1610-1611). Deterrence is, however, an important objective of the Commission. The types of factors the Commission should consider in imposing sanctions are identified in *Re M.C.J.C. Holdings and Michael Cowpland* (2002), 25 O.S.C.B. 1133 and *Re Belteco Holdings Inc.* (1998), 21 O.S.C.B. 7743. The factors that we considered most relevant in this case are:

(1) the seriousness of the allegations and their effect on shareholders and investors;

(2) the failure of appropriate board oversight;

(3) the fact that a restatement of financial statements was required;

(4) the period over which the misconduct occurred;

(5) the recognition on the part of the Respondents of the seriousness of their misconduct;

(6) the seniority and high public regard for the individuals involved;

(7) the amount of the financial benefits obtained; and

(8) the mitigating factors identified below.

[45] In every case, the appropriateness of sanctions is to be determined based on all of the circumstances. It is important to understand that it is not this Panel's role to substitute its view of what the appropriate sanctions should be. We were advised that the Settlement Agreement was very heavily negotiated between Staff and the Respondents. In considering the terms of settlement, we must give significant weight to the agreement reached between adversarial parties, as a balancing of factors and interests will have already taken place in reaching the agreement. The Commission, in its reasons for approving the settlement agreement in *Re Melnyk* (2007), 30 O.S.C.B. 5253, commented on its role as follows:

> [w]e note that our role is not to renegotiate the terms of the Settlement Agreement or to suggest changes to the facts, statements or sanctions set forth in the Settlement Agreement. Our role is to decide whether to approve the Settlement Agreement, as a whole, on the terms presented to us.
>
> (*Re Melnyk*, *supra*, at para. 15)

[46] Accordingly, the sanctions that we must address are the sanctions set forth in the Settlement Agreement to which the parties have agreed. Our job is to determine whether or not we believe, in all of the circumstances, that the sanctions are within a reasonable range and represent an appropriate balancing of the relevant considerations before us. (*Re Sohan Singh Koonar et al.* (2002), 25 O.S.C.B. 2691)

[47] In this case there are a number of mitigating factors that we have taken into consideration in approving the Settlement Agreement. The mitigating factors include the following:

(1) RIM and the Individual Respondents co-operated with Staff's investigation;

(2) an internal review was voluntarily initiated by RIM and RIM has taken a number of remediation steps to prevent a recurrence, to improve RIM's corporate culture, and to ensure sound financial reporting. Steps taken by RIM included the immediate suspension of Option grants upon the commencement of the internal review;

(3) all directors and so-called "C level officers" have returned the improper financial benefits they received from the options that were incorrectly priced;

(4) there has been restitution to RIM in the aggregate amount of approximately $8.5 million, including interest to the date of payment, from directors, C level officers and vice-presidents. Approximately $15 million has been recovered by RIM through repricing of options;

(5) Balsillie voluntarily stepped down as chairman of RIM's Board on March 2, 2007, and John Richardson became lead director;

(6) an oversight committee comprised exclusively of independent directors was established on March 2, 2007;

(7) Cork and Wright voluntarily resigned from all committees of the Board and determined not to stand for re-election as directors of RIM; and

(8) in March 2007, Kavelman agreed to step down as RIM's CFO and from any financial reporting function. At the same time, Loberto agreed to step down as Vice-President, Finance and he no longer has a financial reporting function.

[48] In addition, the Board has adopted a new formal policy for granting equity awards. In July 2007, the Board determined that non-management Board members would not be granted Options. We considered this a relevant factor in considering the terms of this settlement.

[49] RIM has incurred costs of approximately $45 million to investigate and deal with incorrect Options granting practices. Balsillie and Lazaridis have paid a total of $15 million towards those costs.

[50] The sanctions that have been negotiated reflect the different roles and responsibilities of the individuals involved in the misconduct that took place including those who, as non-management directors, had oversight responsibility with respect to it. Balsillie and Kavelman, by virtue of their management roles, have particular responsibility in the circumstances.

[51] One of the guiding principles that we consider important in considering sanctions is that no individual should benefit as a result of his or her misconduct or the breach of regulatory requirements. The other important principle in this case is that RIM will be made whole for all of the costs and expenses incurred as a result of the misconduct that occurred here. In considering the sanctions, we were influenced by the fact that the terms of settlement do not cause further harm to RIM and its shareholders. Financial sanctions have been proposed only against certain of the Individual Respondents and RIM will recoup substantial amounts as a result of the settlement.

[52] We also note that consideration was also given in the terms of settlement to ensuring that RIM would not suffer as a result of losing the services of Balsillie or Lazaridis.

[53] There will be substantial financial sanctions imposed on Balsillie, Lazaridis and Kavelman. We note, in particular, that as part of the sanctions the Individual Respondents against whom financial sanctions are to be ordered have agreed not to be indemnified by RIM for the amounts that they have agreed to pay. Accordingly, corporate indemnification will not be available to Individual Respondents in respect of this settlement. That is appropriate and consistent with the objective of not causing further harm to RIM and its shareholders.

[54] In addition to the financial sanctions, certain of the Individual Respondents will pay a substantial portion of the Commission's costs in investigating this matter.

[55] We believe that the Settlement Agreement appropriately reflects credit for co-operation under the policies of this Commission. Respondents who co-operate with Staff should generally be entitled to more lenient treatment as a result.

[56] Let me then turn to the specific sanctions that will be imposed under the terms of the Settlement Agreement.

[57] Undertakings have been given by the Individual Respondents with respect to certain of the proposed sanctions. The legal distinction is that the Individual Respondents are agreeing in the Settlement Agreement to comply with their undertakings under the Settlement Agreement which may relate to matters that cannot be directly ordered by the Commission. The other sanctions will be imposed pursuant to a formal order of the Commission.

[58] The Individual Respondents have undertaken as follows:

(1) Balsillie undertakes not to act as a director of any reporting issuer until the later of (a) twelve months from the date of the Commission order, and (b) RIM's compliance with paragraphs 17 and 18 of the Governance Assessment document attached as Schedule "C" to the Settlement Agreement;

(2) Balsillie, Lazaridis and Kavelman undertake to contribute $38.3 million (which includes interest of $5.3 million) to RIM in respect of the outstanding benefit arising from incorrectly priced Options granted to all employees from 1996 to 2006;

(3) Balsillie, Lazaridis and Kavelman undertake to contribute $44.8 million to RIM to defray costs incurred by RIM in the investigation and remediation of Options granting practices and related governance practices at RIM, which will be reduced by $15 million as credit for amounts already paid by Balsillie and Lazaridis in respect of costs incurred;

(4) as determined by the Board of Directors of RIM to be in the best interests of RIM (with the Individual Respondents abstaining), the amounts described in clauses (2) and (3) above, may be settled by Balsillie, Lazaridis and Kavelman agreeing not to exercise certain vested Options that collectively have a fair value equal to the amounts described in clauses (2) and (3) above. The fair value of such Options is to be determined on a Black-Scholes calculation based on the last trading day prior to the issuance of a Notice of Hearing in this matter;

(5) Lazaridis undertakes to complete a course acceptable to Staff regarding the duties of directors and officers of public companies within twelve months from the date of the Commission order; and

(6) each of Loberto, Cork, Wright, Estill and Fregin undertakes that he has repaid to RIM any increased benefit he received from the allocation to him of incorrectly priced Options.

[59] In addition to the undertakings of the Individual Respondents, we will issue an order that provides as follows:

(1) the settlement is approved;

(2) RIM shall submit to a review of its practices and procedures pursuant to section 127(1)(4) of the Act by an independent person agreed to by Staff of the Commission and RIM and paid for by RIM, as set out in Schedule “C” to the Settlement Agreement;

(3) Balsillie:

(i) shall pay an administrative penalty of $5 million to be allocated for the benefit of third parties by the Commission pursuant to section 3.4(2) of the Act;

(ii) shall pay $700,000 to the Commission towards the costs of its investigation; and

(iii) shall be reprimanded by the Commission;

(4) Lazaridis:

(i) shall pay an administrative penalty of $1.5 million to be allocated for the benefit of third parties by the Commission pursuant to section 3.4(2) of the Act;

(ii) shall pay $150,000 to the Commission towards the costs of its investigation; and

(iii) shall be reprimanded by the Commission;

(5) Kavelman:

(i) is prohibited from becoming or acting as a director or officer of any reporting issuer until the later of (a) five years from the date of the order, and (b) the date he completes a course acceptable to Staff of the Commission regarding the duties of directors and officers of public companies;

(ii) shall pay an administrative penalty of $1.5 million to be allocated for the benefit of third parties by the Commission pursuant to section 3.4(2) of the Act;

(iii) shall pay $150,000 to the Commission towards the costs of its investigation; and

(iv) shall be reprimanded by the Commission;

(6) Loberto:

(i) is prohibited from becoming or acting as a director or officer of any reporting issuer until he has completed a course acceptable to Staff regarding the duties of directors and officers of public companies;

(ii) shall pay $50,000 to the Commission towards the costs of its investigation; and

(iii) shall be reprimanded by the Commission;

(7) Cork:

(i) shall complete a course acceptable to Staff regarding the duties of directors and officers of public companies within twelve months from the date of the order, failing which he will be prohibited from acting as a director pending completion of such course; and

(ii) shall be reprimanded by the Commission;

(8) Wright:

(i) shall complete a course acceptable to Staff regarding the duties of directors and officers of public companies within twelve months from the date of the order, failing which he will be prohibited from acting as a director pending completion of such course; and

(ii) shall be reprimanded by the Commission;

(9) Estill:

(i) shall complete a course acceptable to Staff regarding the duties of directors and officers of public companies within twelve months from the date of the order, failing which he will be prohibited from acting as a director pending completion of such course; and

(ii) shall be reprimanded by the Commission;

(10) Fregin shall complete a course acceptable to Staff regarding the duties of directors and officers within twelve months from the date of the order, failing which he will be prohibited from acting as a director of a reporting issuer pending completion of such a course; and

(11) the Individual Respondents will not seek, accept, or be offered indemnification from or through RIM for any of the payments associated with or paid by the Individual Respondents as a result of this settlement and the order.

[60] Although the regulatory sanctions agreed to in the Settlement Agreement may not be what we would have imposed after a hearing on the merits, this was not a hearing on the merits and there can be no certainty as to what the outcome of any such hearing would have been. One of the significant benefits of entering into a settlement agreement is in establishing certainty as to the regulatory outcome of a matter. In this case, that benefits both the Commission and the Respondents. As we have noted above, we believe that the Respondents have been given substantial credit for their co-operation with Staff. We also believe that the sanctions imposed under the Settlement Agreement are consistent with the principles we have referred to above applicable to the imposition of sanctions.

[61] In conclusion, we consider the misconduct here to have been extremely serious and we believe the sanctions imposed are very substantial and reflect that view. At the same time, the sanctions imposed on each Individual Respondent are commensurate with his conduct, role or responsibility in the improper backdating or repricing of Options. We find that, when considered together, the sanctions imposed with respect to each Respondent are within a reasonable range and represent an appropriate balancing of the relevant considerations. We believe that such sanctions will deter others from similar misconduct.

[62] Accordingly, we approve the Settlement Agreement as being in the public interest and we issue a Commission order giving effect to it.

Approved by the Chair of the Panel on May 21st, 2009.

“James E.A. Turner”

This page intentionally left blank

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
Brazilian Resources, Inc.	06 May 09	19 May 09	19 May 09	
EnQuest Energy Services Corp.	11 May 09	22 May 09		25 May 09
Pay Linx Financial Corporation	11 May 09	22 May 09	22 May 09	
Sahara Energy Ltd.	11 May 09	22 May 09	22 May 09	
ImaSight Corp.	11 May 09	22 May 09	22 May 09	
Cold Creek Capital Inc.	11 May 09	22 May 09	22 May 09	
High Ridge Resources Inc.	12 May 09	25 May 09	25 May 09	
Inviro Medical Inc.	13 May 09	25 May 09	25 May 09	
Clearly Canadian Beverage Corporation	13 May 09	25 May 09	25 May 09	
Buffalo Gold Ltd.	13 May 09	25 May 09	25 May 09	
Molystar Resources Inc.	13 May 09	25 May 09	25 May 09	
Relax Hotels Windsor 1988 Limited Partnership	13 May 09	25 May 09	25 May 09	
Even Technologies Inc.	14 May 09	26 May 09	26 May 09	
Devine Entertainment Corporation	14 May 09	26 May 09	26 May 09	
GBS Gold International Inc.	15 May 09	27 May 09	27 May 09	
PharmEng International Inc.	20 May 09	01 June 09		
African Copper PLC	26 May 09	08 June 09		

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
First Metals Inc.	13 May 09	25 May 09	25 May 09		

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
Coalcorp Mining Inc.	18 Feb 09	03 Mar 09	03 Mar 09		
Outlook Resources Inc.	31 Mar 09	13 Apr 09	13 Apr 09		

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Synergex Corporation	02 Apr 09	14 Apr 09	14 Apr 09		
Goldstake Explorations Inc.	08 Apr 09	20 Apr 09	20 Apr 09		
In-Touch Surveys Systems Ltd.	04 May 09	15 May 09	15 May 09		
Wedge Energy International Inc.	04 May 09	15 May 09	15 May 09		
Airesurf Networks Holdings Inc.	07 May 09	19 May 09	19 May 09		
Newlook Industries Corp.	07 May 09	19 May 09	19 May 09		
Archangel Diamond Corporation	08 May 09	20 May 09	20 May 09		
First Metals Inc.	13 May 09	25 May 09	25 May 09		

Chapter 5

Rules and Policies

5.1.1 OSC Rule 13-502 Fees and Companion Policy 13-502CP Fees

ONTARIO SECURITIES COMMISSION
RULE 13-502 FEES

TABLE OF CONTENTS

Form 13-502F1 Class 1 Reporting Issuers – Participation Fee
Form 13-502F2 Class 2 Reporting Issuers – Participation Fee
Form 13-502F2A Adjustment of Fee Payment for Class 2 Reporting Issuers
Form 13-502F3A Class 3A Reporting Issuers – Participation Fee
Form 13-502F3B Class 3B Reporting Issuers – Participation Fee
Form 13-502F3C Class 3C Reporting Issuers – Participation Fee
Form 13-502F4 Capital Markets Participation Fee Calculation
Form 13-502F5 Adjustment of Fee for Registrant Firms
Form 13-502F6 Subsidiary Entity Exemption Notice

ONTARIO SECURITIES COMMISSION
RULE 13-502 FEES

PART 1 — INTERPRETATION

1.1 Definitions — In this Rule

"capitalization" means the amount determined in accordance with section 2.7, 2.8, 2.9 or 2.10;

"capital markets activities" means

(a) activities for which registration under the Act or an exemption from registration is required,

(b) acting as an investment fund manager, or

(c) activities for which registration under the *Commodity Futures Act*, or an exemption from registration under the *Commodity Futures Act*, is required;

"Class 1 reporting issuer" means a reporting issuer that is incorporated or organized under the laws of Canada or a jurisdiction in Canada and that, at the end of its previous fiscal year, has securities listed or quoted on a marketplace in Canada or the United States of America;

"Class 2 reporting issuer" means a reporting issuer that is incorporated or organized under the laws of Canada or a jurisdiction in Canada other than a Class 1 reporting issuer;

"Class 3A reporting issuer" means

(a) a reporting issuer that is not incorporated or organized under the laws of Canada or a jurisdiction in Canada and that, at the end of its previous fiscal year, has no securities listed or quoted on a marketplace located anywhere in the world, or

(b) a reporting issuer that is not incorporated or organized under the laws of Canada or a jurisdiction in Canada and that, at the end of its previous fiscal year,

(i) has securities listed or quoted on a marketplace anywhere in the world,

(ii) has securities registered in the names of persons or companies resident in Ontario representing less than 1% of the market value of all outstanding securities of the reporting issuer for which the reporting issuer or its transfer agent or registrar maintains a list of registered owners,

(iii) reasonably believes that persons or companies who are resident in Ontario beneficially own less than 1% of the market value of all its outstanding securities,

(iv) reasonably believes that none of its securities traded on a marketplace in Canada during its previous fiscal year, and

(v) has not issued any of its securities in Ontario in the last 5 years, other than

(A) to its employees or to employees of one or more of its subsidiary entities, or

(B) pursuant to the exercise of a right previously granted by it or its affiliate to convert or exchange its previously issued securities without payment of any additional consideration;

"Class 3B reporting issuer" means a reporting issuer

(a) that is not incorporated or organized under the laws of Canada or a jurisdiction in Canada,

(b) that is not a Class 3A reporting issuer, and

(c) whose trading volume in its previous fiscal year of securities listed or quoted on marketplaces in Canada was less than the trading volume in its previous fiscal year of its securities listed or quoted on marketplaces outside Canada;

"Class 3C reporting issuer" means a reporting issuer

(a) that is not incorporated or organized under the laws of Canada or a jurisdiction in Canada, and

(b) whose trading volume in its previous fiscal year of securities listed or quoted on marketplaces in Canada was greater than the trading volume in its previous fiscal year of its securities listed or quoted on marketplaces outside Canada;

"IIROC" means the Investment Industry Regulatory Organization of Canada and, where context requires, includes the Investment Dealers Association of Canada;

"marketplace" has the meaning ascribed to that term in National Instrument 21-101 *Marketplace Operation*;

"MFDA" means the Mutual Fund Dealers Association of Canada;

"Ontario allocation factor" has the meaning that would be assigned by the first definition of that expression in subsection 1(1) of the *Taxation Act, 2007* if that definition were read without reference to the words "ending after December 31, 2008";

"Ontario percentage" means, for a fiscal year of a participant

(a) if the participant is a company that has a permanent establishment in Ontario in the fiscal year, the participant's Ontario allocation factor for the fiscal year expressed as a percentage and determined on the assumption that the participant had a taxation year that coincided with the fiscal year and is resident in Canada for the purposes of the ITA,

(b) if paragraph (a) does not apply and the participant would have a permanent establishment in Ontario in the fiscal year if the participant were a company, the participant's Ontario allocation factor for the fiscal year expressed as a percentage and determined on the assumption that the participant is a company, had a taxation year that coincided with the fiscal year and is resident in Canada for the purposes of the ITA, and

(c) in any other case, the percentage of the participant's total revenues for the fiscal year attributable to capital markets activities in Ontario;

"parent" means a person or company of which another person or company is a subsidiary entity;

"participant" means a person or company;

"permanent establishment" has the meaning provided in Part IV of the regulations under the ITA;

"previous fiscal year" of a participant in respect of a participation fee means,

(a) where the participation fee is payable by a reporting issuer under section 2.2 and the required date of payment is determined with reference to the required date or actual date of filing of financial statements for a fiscal year under Ontario securities law, that fiscal year,

(b) where the participation fee becomes payable by a firm under subsection 3.1(1) on December 31 of a calendar year, the last fiscal year of the participant ending in the calendar year, and

(c) where the participation fee is payable by an unregistered investment fund manager under subsection 3.1(2) no more than 90 days after the end of a fiscal year, that fiscal year;

"registrant firm" means a person or company registered as a dealer or an adviser under the Act;

"specified Ontario revenues" means, for a registrant firm or an unregistered investment fund manager, the revenues determined under section 3.3, 3.4 or 3.5;

"subsidiary entity" has the meaning ascribed to "subsidiary" or "variable interest entity" under the accounting standards pursuant to which the entity's financial statements are prepared under Ontario securities law; and

"unregistered investment fund manager" means an investment fund manager that is not registered under the Act.

1.2 Interpretation of "listed or quoted" — In this Rule, a reporting issuer is deemed not to have securities listed or quoted on a marketplace that lists or quotes the reporting issuer's securities unless the reporting issuer or an affiliate of the reporting issuer applied for, or consented to, the listing or quotation.

PART 2 — CORPORATE FINANCE PARTICIPATION FEES

Division 1: General

2.1 Application — This Part does not apply to an investment fund if the investment fund has an investment fund manager.

2.2 Participation Fee

(1) A reporting issuer must pay the participation fee shown in Appendix A opposite the capitalization of the reporting issuer for its previous fiscal year, as its capitalization is determined under section 2.7, 2.8 or 2.10.

(2) Despite subsection (1), a Class 3A reporting issuer must pay a participation fee of $600.

(3) Despite subsection (1), a Class 3B reporting issuer must pay a participation fee equal to the greater of

(a) $600, and

(b) 1/3 of the participation fee shown in Appendix A opposite the capitalization of the reporting issuer for its previous fiscal year, as its capitalization is determined under section 2.9.

(4) Despite subsections (1) to (3), a participation fee is not payable by a participant under this section if the participant became a reporting issuer in period that begins immediately after the time that would otherwise be the end of the previous fiscal year in respect of the participation fee and ends at the time the participation fee would otherwise required to be paid under section 2.3.

2.3 Time of Payment — A reporting issuer must pay the participation fee required under section 2.2 by the earlier of

(a) the date on which its annual financial statements are required to be filed under Ontario securities law, and

(b) the date on which its annual financial statements are filed.

2.4 Disclosure of Fee Calculation — At the time that it pays the participation fee required by this Part,

(a) a Class 1 reporting issuer must file a completed Form 13-502F1,

(b) a Class 2 reporting issuer must file a completed Form 13-502F2,

(c) a Class 3A reporting issuer must file a completed Form 13-502F3A,

(d) a Class 3B reporting issuer must file a completed Form 13-502F3B, and

(e) a Class 3C reporting issuer must file a completed Form 13-502F3C.

2.5 Late Fee

(1) A reporting issuer that is late in paying a participation fee under this Part must pay an additional fee of one-tenth of one percent of the unpaid portion of the participation fee for each business day on which any portion of the participation fee remains due and unpaid.

(2) The amount determined under subsection (1) in respect of the late payment of a participation fee by a reporting issuer is deemed to be nil if the amount otherwise determined under subsection (1) in respect of the late payment of participation fee is less than $10.

2.6 Participation Fee Exemption for Subsidiary Entities

(1) Section 2.2 does not apply to a reporting issuer that is a subsidiary entity in respect of a participation fee determined with reference to the subsidiary entity's capitalization for the subsidiary entity's previous fiscal year if

(a) at the end of that previous fiscal year, a parent of the subsidiary entity was a reporting issuer,

(b) the accounting standards pursuant to which the parent's financial statements are prepared under Ontario securities law require the consolidation of the parent and the subsidiary entity,

(c) the parent has paid a participation fee applicable to the parent under section 2.2 determined with reference to the parent's capitalization for the parent's previous fiscal year,

(d) the capitalization of the subsidiary entity for its previous fiscal year was included in the capitalization of the parent for the parent's previous fiscal year, and

(e) the net assets and gross revenues of the subsidiary entity for its previous fiscal year represented more than 90 percent of the consolidated net assets and gross revenues of the parent for the parent's previous fiscal year.

(2) Section 2.2 does not apply to a reporting issuer that is a subsidiary entity in respect of a participation fee determined with reference to the subsidiary entity's capitalization for the subsidiary entity's previous fiscal year if

(a) at the end of that previous fiscal year, a parent of the subsidiary entity was a reporting issuer,

(b) the accounting standards pursuant to which the parent's financial statements are prepared under Ontario securities law require the consolidation of the parent and the subsidiary entity,

(c) the parent has paid a participation fee applicable to the parent under section 2.2 determined with reference to the parent's capitalization for the parent's previous fiscal year,

(d) the capitalization of the subsidiary entity for its previous fiscal year was included in the capitalization of the parent for the parent's previous fiscal year, and

(e) throughout the previous fiscal year of the subsidiary entity, the subsidiary entity was entitled to rely on an exemption, waiver or approval from the requirements in subsections 4.1(1), 4.3(1) and 5.1(1) and sections 5.2 and 6.1 of National Instrument 51-102 *Continuous Disclosure Obligations*.

(3) If, under subsection (1) or (2), a reporting issuer has not paid a participation fee, the reporting issuer must file a completed Form 13-502F6 at the time it is otherwise required to pay the participation fee under section 2.3.

2.6.1 Participation Fee Estimate for Class 2 Reporting Issuers

(1) If the annual financial statements of a Class 2 reporting issuer are not available by the date referred to in section 2.3, the Class 2 reporting issuer must, on that date,

(a) file a completed Form 13-502F2 showing a good faith estimate of the information required to calculate its capitalization as at the end of the previous fiscal year, and

(b) pay the participation fee shown in Appendix A opposite the capitalization estimated under paragraph (a).

(2) A Class 2 reporting issuer that estimated its capitalization under subsection (1) must, when it files its annual financial statements for the previous fiscal year,

(a) calculate its capitalization under section 2.8,

(b) pay the participation fee shown in Appendix A opposite the capitalization calculated under section 2.8, less the participation fee paid under subsection (1), and

(c) file a completed Form 13-502F2A.

(3) If a reporting issuer paid an amount paid under subsection (1) that exceeds the participation fee calculated under section (2), the issuer is entitled to a refund from the Commission of the amount overpaid.

Division 2: Calculating Capitalization

2.7 Class 1 reporting issuers — The capitalization of a Class 1 reporting issuer for its previous fiscal year is the total of

(a) the average market value over the previous fiscal year of each class or series of the reporting issuer's securities listed or quoted on a marketplace, calculated by multiplying

(i) the total number of securities of the class or series outstanding at the end of the previous fiscal year, by

(ii) the simple average of the closing prices of the class or series on the last trading day of each month of the previous fiscal year in which the class or series were listed or quoted on the marketplace

(A) on which the highest volume in Canada of the class or series was traded in the previous fiscal year, or

(B) if the class or series was not traded in the previous fiscal year on a marketplace in Canada, on which the highest volume in the United States of America of the class or series was traded in the previous fiscal year, and

(b) the market value at the end of the previous fiscal year, as determined by the reporting issuer in good faith, of each class or series of securities of the reporting issuer not valued under paragraph (a), if any securities of the class or series

(i) were initially issued to a person or company resident in Canada, and

(ii) trade over the counter or, after their initial issuance, are otherwise generally available for purchase or sale by way of transactions carried out through, or with, dealers.

2.8 Class 2 reporting issuers

(1) The capitalization of a Class 2 reporting issuer for its previous fiscal year is the total of all of the following items, as shown in its audited balance sheet as at the end of the previous fiscal year:

(a) retained earnings or deficit;

(b) contributed surplus;

(c) share capital or owners' equity, options, warrants and preferred shares;

(d) long term debt, including the current portion;

(e) capital leases, including the current portion;

(f) minority or non-controlling interest;

(g) items classified on the balance sheet between current liabilities and shareholders' equity, and not otherwise referred to in this subsection;

(h) any other item forming part of shareholders' equity not otherwise referred to in this subsection.

(2) Despite subsection (1), a reporting issuer may calculate its capitalization using unaudited annual financial statements if it is not required to prepare, and does not ordinarily prepare, audited annual financial statements.

(3) Despite subsection (1), a reporting issuer that is a trust that issues only asset-backed securities through pass-through certificates may calculate its capitalization using the monthly filed distribution report for the last month of its previous fiscal year, if the reporting issuer is not required to prepare, and does not ordinarily prepare, audited annual financial statements.

2.9 Class 3B reporting issuers — The capitalization of a Class 3B reporting issuer for its previous fiscal year is the total of each value of each class or series of securities of the reporting issuer listed or quoted on a marketplace, calculated by multiplying

(a) the number of securities of the class or series outstanding at the end of the previous fiscal year, by

(b) the simple average of the closing prices of the class or series on the last trading day of each month of the previous fiscal year in which the class or series were quoted on the marketplace on which the highest volume of the class or series was traded in the previous fiscal year.

2.10 Class 3C reporting issuers — The capitalization of a Class 3C reporting issuer is determined under section 2.7, as if it were a Class 1 reporting issuer.

2.11 Reliance on Published Information

(1) Subject to subsection (2), in determining its capitalization for purposes of this Part, a reporting issuer may rely on information made available by a marketplace on which securities of the reporting issuer trade.

(2) If a reporting issuer reasonably believes that the information made available by a marketplace is incorrect, subsection (1) does not apply and the issuer must make a good faith estimate of the information required.

PART 3 — CAPITAL MARKETS PARTICIPATION FEES

3.1 Participation Fee

(1) On December 31, a registrant firm must pay the participation fee shown in Appendix B opposite the registrant firm's specified Ontario revenues for its previous fiscal year, as that revenue is calculated under section 3.3, 3.4 or 3.5.

(2) Not later than 90 days after the end of its fiscal year, if at any time in the fiscal year a person or company was an unregistered investment fund manager, the fund manager must pay the participation fee shown in Appendix B opposite the fund manager's specified Ontario revenues for the fiscal year, as those revenues are calculated under section 3.4.

(3) Subsection (2) does not apply to require the payment of a participation fee by a person or company 90 days after the end of its fiscal year if the person or company

(a) ceased at any time in the fiscal year to be an unregistered investment fund manager, and

(b) the person or company did not become a registrant firm at that time.

(4) Despite subsection (2), where a person or company ceases at any time in a calendar year to be an unregistered investment fund manager and at that time becomes a registrant firm, the participation fee payable under subsection (2) not later than 90 days after the end of its last fiscal year ending in the calendar year is deemed to be the amount determined by the formula

$$A \times B/365$$

in which,

"A" is equal to the amount, if any, that would be the participation fee payable under subsection (2) not later than 90 days after the end of that fiscal year if this section were read without reference to this subsection, and

"B" is equal to the number of days in that calendar year ending after the end of that fiscal year.

3.2 Disclosure of Fee Calculation

(1) By December 1, a registrant firm must file a completed Form 13-502F4 showing the information required to determine the participation fee due on December 31.

(2) At the time that it pays any participation fee required under subsection 3.1(2), an unregistered investment fund manager must file a completed Form 13-502F4 showing the information required to determine the participation fee.

3.3 Specified Ontario Revenues for IIROC and MFDA Members

(1) The specified Ontario revenues for its previous fiscal year of a registrant firm that was an IIROC or MFDA member at the end of the previous fiscal year is calculated by multiplying

(a) the registrant firm's total revenue for its previous fiscal year, less the portion of that total revenue not attributable to capital markets activities, by

(b) the registrant firm's Ontario percentage for its previous fiscal year.

(2) For the purpose of paragraph (1)(a), "total revenue" for a previous fiscal year means,

(a) for a registrant firm that was an IIROC member at the end of the previous fiscal year, the amount shown as total revenue for the previous fiscal year on Statement E of the Joint Regulatory Financial Questionnaire and Report filed with IIROC by the registrant firm, and

(b) for a registrant firm that was an MFDA member at the end of the previous fiscal year, the amount shown as total revenue for the previous fiscal year on Statement D of the MFDA Financial Questionnaire and Report filed with the MFDA by the registrant firm.

3.4 Specified Ontario Revenues for Others

(1) The specified Ontario revenues of a registrant firm for its previous fiscal year that was not a member of IIROC or the MFDA at the end of the previous fiscal year is calculated by multiplying

(a) the registrant firm's gross revenues, as shown in the audited financial statements prepared for the previous fiscal year, less deductions permitted under subsection (3), by

(b) the registrant firm's Ontario percentage for the previous fiscal year.

(2) The specified Ontario revenues of an unregistered investment fund manager for its previous fiscal year is calculated by multiplying

(a) the fund manager's gross revenues, as shown in the audited financial statements for the previous fiscal year, less deductions permitted under subsection (3), by

(b) the fund manager's Ontario percentage for the previous fiscal year.

(3) For the purpose of paragraphs (1)(a) and (2)(a), a person or company may deduct the following items otherwise included in gross revenues for the previous fiscal year:

(a) revenue not attributable to capital markets activities;

(b) redemption fees earned on the redemption of investment fund securities sold on a deferred sales charge basis;

(c) administration fees earned relating to the recovery of costs from investment funds managed by the person or company for operating expenses paid on behalf of the investment fund by the person or company;

(d) advisory or sub-advisory fees paid during the previous fiscal year by the person or company to a registrant firm, as "registrant firm" is defined in this Rule or in Rule 13-503 *(Commodity Futures Act) Fees*;

(e) trailing commissions paid during the previous fiscal year by the person or company to a registrant firm described in paragraph (d).

(4) Despite subsection (1), a registrant firm that is registered only as one or more of a limited market dealer, an international dealer or an international adviser may calculate its gross revenues using unaudited financial statements if it is not required to prepare, and does not ordinarily prepare, audited financial statements.

(5) Despite subsection (2), an unregistered investment fund manager may calculate its gross revenues using unaudited financial statements if it is not required to prepare, and does not ordinarily prepare, audited financial statements.

3.5 Estimating Specified Ontario Revenues for Late Fiscal Year End

(1) If the annual financial statements of a registrant firm for the previous fiscal year have not been completed by December 1 in the calendar year in which the previous fiscal year ends, the registrant firm must,

(a) on December 1 in that calendar year, file a completed Form 13-502F4 showing a good faith estimate of the information required to calculate its specified Ontario revenues as at the end of the previous fiscal year, and

(b) on December 31 in that calendar year, pay the participation fee shown in Appendix B opposite the specified Ontario revenues estimated under paragraph (a).

(2) A registrant firm that estimated its specified Ontario revenues under subsection (1) must, when its annual financial statements for the previous fiscal year have been completed,

(a) calculate its specified Ontario revenues under section 3.3 or 3.4, as applicable,

(b) determine the participation fee shown in Appendix B opposite the specified Ontario revenues calculated under paragraph (a),

(c) complete a Form 13-502F4 reflecting the annual financial statements, and

(d) if the participation fee determined under paragraph (b) differs from the corresponding participation fee paid under subsection (1), the registrant firm must, not later than 90 days after the end of the previous fiscal year,

(i) pay the amount, if any, by which

(A) the participation fee determined without reference to this section,

exceeds

(B) the corresponding participation fee paid under subsection (1),

(ii) file the Form 13-502F4 completed under paragraph (c), and

(iii) file a completed Form 13-502F5.

(3) If a registrant firm paid an amount paid under subsection (1) that exceeds the corresponding participation fee determined without reference to this section, the registrant firm is entitled to a refund from the Commission of the excess.

3.6 Late Fee

(1) A participant that is late in paying a participation fee under this Part must pay an additional fee of one-tenth of one percent of the unpaid portion of the participation fee for each business day on which any portion of the participation fee remains due and unpaid.

(2) The amount determined under subsection (1) in respect of the late payment of a participation fee by a participant is deemed to be nil if

(a) the participant pays an estimate of the participation fee in accordance with subsection 3.5(1), or

(b) the amount otherwise determined under subsection (1) in respect of the late payment of participation fee is less than $10.

PART 4 — ACTIVITY FEES

4.1 **Activity Fees** — A person or company that files a document or takes an action listed in Appendix C must, concurrently with filing the document or taking the action, pay the activity fee shown in Appendix C opposite the description of the document or action.

4.2 **Investment Fund Families** — Despite section 4.1, only one activity fee must be paid for an application made by or on behalf of two or more investment funds that have

(a) the same investment fund manager, or

(b) investment fund managers that are affiliates of each other.

4.3 **Late Fee**

(1) A person or company that files a document listed in item A of Appendix D after the document was required to be filed must, concurrently with filing the document, pay the late fee shown in Appendix D opposite the description of the document.

(2) Subsection (1) does not apply to the late filing of Form 13-502F4 by an unregistered investment fund manager.

(3) A person or company that files a Form 55-102F2 *Insider Report* after it was required to be filed must pay the late fee shown in item B of Appendix D upon receiving an invoice from the Commission.

PART 5 — CURRENCY CONVERSION

5.1 **Canadian Dollars** — If a calculation under this Rule requires the price of a security, or any other amount, as it was on a particular date and that price or amount is not in Canadian dollars, it must be converted into Canadian dollars using the daily noon exchange rate for that date as posted on the Bank of Canada website.

PART 6 — EXEMPTION

6.1 **Exemption** — The Director may grant an exemption from the provisions of this Rule, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

PART 7 — REVOCATION AND EFFECTIVE DATE

7.1 **Revocation** — Rule 13-502 Fees, which came into force on April 1, 2006, is revoked.

7.2 **Effective Date** — This Rule comes into force on June 1, 2009.

APPENDIX A — CORPORATE FINANCE PARTICIPATION FEES

Capitalization for the Previous Fiscal Year	Participation Fee
under $25 million	$600
$25 million to under $50 million	$1,300
$50 million to under $100 million	$3,200
$100 million to under $250 million	$6,700
$250 million to under $500 million	$14,700
$500 million to under $1 billion	$20,500
$1 billion to under $5 billion	$29,700
$5 billion to under $10 billion	$38,300
$10 billion to under $25 billion	$44,700
$25 billion and over	$50,300

APPENDIX B — CAPITAL MARKETS PARTICIPATION FEES

Specified Ontario Revenues for the Previous Fiscal Year	Participation Fee
under $500,000	$800
$500,000 to under $1 million	$2,500
$1 million to under $3 million	$5,600
$3 million to under $5 million	$12,600
$5 million to under $10 million	$25,500
$10 million to under $25 million	$52,000
$25 million to under $50 million	$78,000
$50 million to under $100 million	$156,000
$100 million to under $200 million	$259,000
$200 million to under $500 million	$525,000
$500 million to under $1 billion	$678,000
$1 billion to under $2 billion	$855,000
$2 billion and over	$1,435,000

APPENDIX C - ACTIVITY FEES

Document or Activity	Fee
A. Prospectus Filing	
1. Preliminary or Pro Forma Prospectus in Form 41-101F1 (including if PREP procedures are used) *Notes:* *(i) This applies to most issuers.* *(ii) Each named issuer should pay its proportionate share of the fee in the case of a prospectus for multiple issuers (other than in the case of investment funds).*	$3,000
2. Additional fee for Preliminary or Pro Forma Prospectus in Form 41-101F1 of a resource issuer that is accompanied by engineering reports	$2,000
3. Preliminary Short Form Prospectus in Form 44-101F1 (including if shelf or PREP procedures are used) or a Registration Statement on Form F-9 or F-10 filed by an issuer that is incorporated or that is organized under the laws of Canada or a jurisdiction in Canada in connection with a distribution solely in the United States under MJDS as described in the companion policy to NI 71-101 *The Multijurisdictional Disclosure System*.	$3,000
4. Prospectus Filing by or on behalf of certain investment funds	
(a) Preliminary or Pro Forma Simplified Prospectus and Annual Information Form in Form 81-101F1 and Form 81-101F2 *Note: Where a single prospectus document is filed on behalf of more than one investment fund, the applicable fee is payable for each investment fund.*	$400
(b) Preliminary or Pro Forma Prospectus in Form 41-101F2 *Note: Where a single prospectus document is filed on behalf of more than one investment fund and the investment funds do not have similar investment objectives and strategies, $3,000 is payable for each investment fund.*	The greater of (i) $3,000 per prospectus, and (ii) $600 per investment fund in a prospectus.

Document or Activity			Fee
B.	**Fees relating to exempt distributions under OSC Rule 45-501 *Ontario Prospectus and Registration Exemptions* and NI 45-106 *Prospectus and Registration Exemptions***		
	1.	Application for recognition, or renewal of recognition, as an accredited investor	$500
	2.	Forms 45-501F1 and 45-106F1	$500
	(a)	Filing of a Form 45-501F1 or Form 45-106F1 for a distribution of securities of an issuer that is not an investment fund and is not subject to a participation fee	
	(b)	Filing of a Form 45-501F1 or Form 45-106F1 for a distribution of securities of an issuer that is an investment fund, unless the investment fund has an investment fund manager that is subject to a participation fee	
	3.	Filing of a rights offering circular in Form 45-101F	$2,000 (plus $2,000 if neither the applicant nor an issuer of which the applicant is a wholly owned subsidiary is subject to, or is reasonably expected to become subject to, a participation fee under this Rule)
C.	**Provision of Notice under paragraph 2.42(2)(a) of NI 45-106 *Prospectus and Registration Exemptions***		$2,000
D.	**Filing of Prospecting Syndicate Agreement**		$500
E.	**Applications for Relief, Approval or Recognition**		
	1.	Any application for relief, approval or recognition under an eligible securities section, being for the purpose of this item any provision of the Act or any Regulation or OSC Rule made under the Act not listed in item E(2), E(3) or E(4) below *Note: The following are included in the applications that are subject to a fee under this item:* *(i) recognition of an exchange under section 21 of the Act, a self-regulatory organization under section 21.1 of the Act, a clearing agency under section 21.2 of the Act or a quotation and trade reporting system under section 21.2.1 of the Act;* *(ii) approval of a compensation fund or contingency trust fund under section 110 of the Regulation;* *(iii) approval of the establishment of a council, committee or ancillary body under section 21.3 of the Act;* *(iv) deeming an issuer to be a reporting issuer under subsection 1(11) of the Act;* *(v) except as listed in item E.4(b), applications by a person or company under subsection 144(1) of the Act; and*	$3,000 for an application made under one eligible securities section and $5,000 for an application made under two or more eligible securities sections (plus $2,000 if none of the following is subject to, or is reasonably expected to become subject to, a participation fee under this Rule or OSC Rule 13-503 (*Commodity Futures Act*) *Fees*: (i) the applicant; (ii) an issuer of which the applicant is a wholly owned subsidiary; (iii) the investment fund manager of the applicant).

Document or Activity		Fee
(vi)	*exemption applications under section 147 of the Act*.	
2.	An application for relief from any of the following: (a) this Rule*;* (b) OSC Rule 31-506 *SRO Membership – Mutual Fund Dealers*; (c) OSC Rule 31-507 *SRO Membership – Securities Dealers and Brokers*; (d) NI 31-102 *National Registration Database*; (e) NI 33-109 *Registration Information*; (f) Part 3 of OSC Rule 31-502 *Proficiency*.	$1,500
3.	An application for relief from Part 1 or Part 2 of OSC Rule 31-502 *Proficiency*	$800
4.	Application (a) under clause 1(10)(b), section 27 or subsection 38(3) of the Act or subsection 1(6) of the *Business Corporations Act*; (b) under section 144 of the Act for an order to partially revoke a cease-trade order to permit trades solely for the purpose of establishing a tax loss, as contemplated under section 3.2 of National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order*; and (c) other than a pre-filing, where the discretionary relief or regulatory approval is evidenced by the issuance of a receipt for the applicants' final prospectus (such as certain applications under NI 41-101 or NI 81-101).	Nil
5.	Application for approval under subsection 213(3) of the *Loan and Trust Corporations Act*	$1,500
6.	 (a) Application made under subsection 46(4) of the *Business Corporations Act* for relief from the requirements under Part V of that Act (b) Application for consent to continue in another jurisdiction under paragraph 4(b) of Ont. Reg. 289/00 made under the *Business Corporations Act* *Note*: *These fees are in addition to the fee payable to the Minister of Finance as set out in the Schedule attached to the Minister's Fee Orders relating to applications for exemption orders made under the Business Corporations Act to the Commission*.	$400

Document or Activity	Fee
F. Pre-Filings *Note: The fee for a pre-filing will be credited against the applicable fee payable if and when the formal filing (e.g., an application or a preliminary prospectus) is actually proceeded with; otherwise, the fee is non-refundable.*	$3,000
G. Take-Over Bid and Issuer Bid Documents	
1. Filing of a take-over bid or issuer bid circular under subsection 94.2(2),(3) or (4) of the Act	$3,000 (plus $2,000 if neither the offeror nor an issuer of which the offeror is a wholly-owned subsidiary is subject to, or reasonably expected to become subject to, a participation fee under this Rule)
2. Filing of a notice of change or variation under section 94.5 of the Act	Nil
H. Registration-Related Activity	
1. New registration of a firm in one or more categories of registration	$600
2. Change in registration category *Note: This includes a dealer becoming an adviser or vice versa, or changing a category of registration within the general categories of dealer or adviser. A dealer adding a category of registration, such as a dealer becoming both a dealer and an adviser, is covered in the preceding item.*	$600
3. Registration of a new director, officer or partner (trading or advising), salesperson or representative *Notes:* *(i) Registration of a new non-trading or non-advising director, officer or partner does not trigger an activity fee.* *(ii) If an individual is registering as both a dealer and an adviser, the individual is required to pay only one activity fee.* *(iii) A registration fee will not be charged if an individual makes an application to register with a new registrant firm within three months of terminating employment with his or her previous registrant firm if the individual's category of registration remains unchanged.*	$200 per individual
4. Change in status from a non-trading or non-advising capacity to a trading or advising capacity	$200 per individual
5. Registration of a new registrant firm, or the continuation of registration of an existing registrant firm, resulting from or following an amalgamation of one or more registrant firms	$2,000

Document or Activity	Fee
6. Application for amending terms and conditions of registration	$500
I. Notice to Director under section 104 of the Regulation	$3,000
J. Request for certified statement from the Commission or the Director under section 139 of the Act	$100
K. Requests to the Commission	
1. Request for a photocopy of Commission records	$0.50 per page
2. Request for a search of Commission records	$150
3. Request for one's own Form 4	$30

APPENDIX D – ADDITIONAL FEES FOR LATE DOCUMENT FILINGS

Document	Late Fee
A. Fee for late filing of any of the following documents: (a) Annual financial statements and interim financial statements; (b) Annual information form filed under NI 51-102 *Continuous Disclosure Obligations* or NI 81-106 *Investment Fund Continuous Disclosure*; (c) Form 45-501F1 or Form 45-106F1 filed by a reporting issuer; (d) Report under section 141 or 142 of the Regulation; (e) Filings for the purpose of amending Form 3 or Form 4 under the Regulation or Form 33-109F4 under NI 33-109 *Registration Information*, including the filing of Form 33-109F1; (f) Any document required to be filed by a registrant firm or individual in connection with the registration of the registrant firm or individual under the Act with respect to (i) terms and conditions imposed on a registrant firm or individual, or (ii) an order of the Commission; (g) Form 13-502F4; (h) Form 13-502F5; (i) Form 13-502F6.	\$100 per business day (subject to a maximum aggregate fee of \$5,000 (i) per fiscal year, for a reporting issuer, for all documents required to be filed within a fiscal year of the issuer, and (ii) for a registrant firm and an unregistered investment fund manager for all documents required to be filed within a calendar year) *Note: Subsection 4.3(2) of this Rule exempts unregistered investment fund managers from the late filing fee for Form 13-502F4.*
B. Fee for late filing of Form 55-102F2 – *Insider Report*	\$50 per calendar day per insider per issuer (subject to a maximum of \$1,000 per issuer within any one year beginning on April 1st and ending on March 31st.) The late fee does not apply to an insider if (a) the head office of the issuer is located outside Ontario, and (b) the insider is required to pay a late fee for the filing in a jurisdiction in Canada other than Ontario.

FORM 13-502F1
CLASS 1 REPORTING ISSUERS – PARTICIPATION FEE

Reporting Issuer Name: _____

End date of last completed fiscal year: _____

Market value of listed or quoted securities:

Total number of securities of a class or series outstanding as at the end of the issuer's last completed fiscal year _____ (i)

Simple average of the closing price of that class or series as of the last trading day of each month in the last completed fiscal year (See clauses 2.7(a)(ii)(A) and (B) of the Rule) _____ (ii)

Market value of class or series (i) X (ii) = _____ (A)

(Repeat the above calculation for each other class or series of securities of the reporting issuer that was listed or quoted on a marketplace in Canada or the United States of America at the end of the last completed fiscal year) _____ (B)

Market value of other securities at end of the last completed fiscal year:

(See paragraph 2.7(b) of the Rule)
(Provide details of how value was determined) _____ (C)

(Repeat for each other class or series of securities to which paragraph 2.7(b) of the Rule applies) _____ (D)

Capitalization for the last completed fiscal year
(Add market value of all classes and series of securities) (A) + (B) + (C) + (D) = _____

Participation Fee
(From Appendix A of the Rule, select the participation fee beside the capitalization calculated above) _____

Late Fee, if applicable
(As determined under section 2.5 of the Rule) _____

FORM 13-502F2
CLASS 2 REPORTING ISSUERS – PARTICIPATION FEE

Reporting Issuer Name: _____

End date of last completed fiscal year: _____

Financial Statement Values:
(Use stated values from the audited financial statements of the reporting issuer as of the end of its last completed fiscal year)

Retained earnings or deficit	(A)
Contributed surplus	(B)
Share capital or owners' equity, options, warrants and preferred shares (whether such shares are classified as debt or equity for financial reporting purposes)	(C)
Long term debt (including the current portion)	(D)
Capital leases (including the current portion)	(E)
Minority or non-controlling interest	(F)
Items classified on the balance sheet between current liabilities and shareholders' equity (and not otherwise listed above)	(G)
Any other item forming part of shareholders' equity and not set out specifically above	(H)

Capitalization for the last completed fiscal year
(Add items (A) through (H)) _____

Participation Fee
(From Appendix A of the Rule, select the participation fee beside the capitalization calculated above) _____

Late Fee, if applicable
(As determined under section 2.5 of the Rule) _____

FORM 13-502F2A

ADJUSTMENT OF FEE PAYMENT
FOR CLASS 2 REPORTING ISSUERS

Reporting Issuer Name: _____

Fiscal year end date used to calculate capitalization: _____

State the amount paid under subsection 2.6.1(1) of Rule 13-502: _____ (i)

Show calculation of actual capitalization based on audited financial statements:

Financial Statement Values:

Retained earnings or deficit	_____ (A)
Contributed surplus	_____ (B)
Share capital or owners' equity, options, warrants and preferred shares (whether such shares are classified as debt or equity for financial reporting purposes)	_____ (C)
Long term debt (including the current portion)	_____ (D)
Capital leases (including the current portion)	_____ (E)
Minority or non-controlling interest	_____ (F)
Items classified on the balance sheet between current liabilities and shareholders' equity (and not otherwise listed above)	_____ (G)
Any other item forming part of shareholders' equity and not set out specifically above	_____ (H)

Capitalization
(Add items (A) through (H)) _____

Participation Fee _____ (ii)
(From Appendix A of the Rule, select the participation fee beside the capitalization calculated above)

Refund due (Balance owing)
(Indicate the difference between (i) and (ii)) (i) – (ii) = _____

FORM 13-502F3A
CLASS 3A REPORTING ISSUERS – PARTICIPATION FEE

Reporting Issuer Name: _____
(Class 3A reporting issuer cannot be incorporated or organized under the laws of Canada or a province or territory of Canada)

Fiscal year end date: _____

Indicate, by checking the appropriate box, which of the following criteria the issuer meets:

(a) At the fiscal year end date, the issuer has no securities listed or quoted on a marketplace located anywhere in the world; or ☐

(b) at the fiscal year end date, the issuer ☐

(i) has securities listed or quoted on a marketplace anywhere in the world ,

(ii) has securities registered in the names of persons or companies resident in Ontario representing less than 1% of the market value of all outstanding securities of the issuer for which the issuer or its transfer agent or registrar maintains a list of registered owners,

(iii) reasonably believes that persons or companies who are resident in Ontario beneficially own less than 1% of the market value of all its outstanding securities,

(iv) reasonably believes that none of its securities traded on a marketplace in Canada during its previous fiscal year, and

(v) has not issued any of its securities in Ontario in the last 5 years, other than

(A) to its employees or to employees of its subsidiary entities, or

(B) pursuant to the exercise of a right previously granted by it or its affiliate to convert or exchange its previously issued securities without payment of any additional consideration.

Participation Fee $600
(From subsection 2.2(2) of the Rule)

Late Fee, if applicable
(As determined under section 2.5 of the Rule) ____

FORM 13-502F3B
CLASS 3B REPORTING ISSUERS – PARTICIPATION FEE

Reporting Issuer Name: _____

End date of last completed fiscal year: _____

Market value of securities:

Total number of securities of a class or series outstanding as at the end of the issuer's last completed fiscal year	_____(i)	
Simple average of the closing price of that class or series as of the last trading day of each month of the last completed fiscal year (See section 2.9(b) of the Rule)	_____(ii)	
Market value of class or series	(i) X (ii) =	_____(A)
(Repeat the above calculation for each other listed or quoted class or series of securities of the reporting issuer)		_____(B)
Capitalization for the last completed fiscal year (Add market value of all classes and series of securities)	(A) + (B) =	_____
Participation Fee Otherwise Determined (From Appendix A of the Rule, select the participation fee beside the capitalization calculated above)		_____(C)
Participation Fee Payable 1/3 of (C) or $600, whichever is greater (See subsection 2.2(3) of the Rule)		_____
Late Fee, if applicable (As determined under section 2.5 of the Rule)		_____

FORM 13-502F3C
CLASS 3C REPORTING ISSUERS – PARTICIPATION FEE

Reporting Issuer Name: _____

End date of last completed fiscal year: _____

Section 2.10 of the Rule requires Class 3C reporting issuers to calculate their market capitalization in accordance with section 2.7 of the Rule.

Market value of listed or quoted securities:

Total number of securities of a class or series outstanding as at the end of the issuer's last completed fiscal year _____ (i)

Simple average of the closing price of that class or series as of the last trading day of each month of the last completed fiscal year (See clauses 2.7(a)(ii)(A) and (B) of the Rule) _____ (ii)

Market value of the class or series (i) X (ii) = _____ (A)

(Repeat the above calculation for each other class or series of securities of the reporting issuer that was listed or quoted on a marketplace in Canada or the United States of America at the end of the last completed fiscal year) _____ (B)

Market value of other securities:

(See paragraph 2.7(b) of the Rule)
(Provide details of how value was determined) _____ (C)

(Repeat for each other class or series of securities to which paragraph 2.7(b) of the Rule applies) _____ (D)

Capitalization for the last completed fiscal year
(Add market value of all classes and series of securities) (A) + (B) + (C) + (D) = _____

Participation Fee _____
(From Appendix A of the Rule, select the participation fee beside the capitalization calculated above)

Late Fee, if applicable
(As determined under section 2.5 of the Rule) _____

FORM 13-502F4
CAPITAL MARKETS PARTICIPATION FEE CALCULATION

General Instructions

1. IIROC members must complete Part I of this Form and MFDA members must complete Part II. Unregistered investment fund managers and registrant firms that are not IIROC or MFDA members must complete Part III.

2. The components of revenue reported in each Part should be based on accounting standards pursuant to which an entity's financial statements are prepared under Ontario securities law ("Accepted Accounting Standards"), except that revenues should be reported on an unconsolidated basis.

3. IIROC Members may refer to Statement E of the Joint Regulatory Financial Questionnaire and Report for guidance.

4. MFDA members may refer to Statement D of the MFDA Financial Questionnaire and Report for guidance.

5. Participation fee revenue will be based on the portion of total revenue that can be attributed to Ontario for the firm's most recently completed fiscal year, which is generally referred to the Rule as its "previous fiscal year".
6. If a firm's permanent establishments are situated only in Ontario, all of the firm's total revenue for a fiscal year is attributed to Ontario. If permanent establishments are situated in Ontario and elsewhere, the percentage attributed to Ontario for a fiscal year will ordinarily be the percentage of the firm's taxable income that is allocated to Ontario for Canadian income tax purposes for the same fiscal year. For firms that do not have a permanent establishment in Ontario, the percentage attributable to Ontario will be based on the proportion of total revenues generated from capital markets activities in Ontario.

7. All figures must be expressed in Canadian dollars and rounded to the nearest thousand.

8. Information reported on this questionnaire must be certified by two members of senior management in Part IV to attest to its completeness and accuracy.

Notes for Part III

1. Gross revenue is defined as the sum of all revenues reported on a gross basis as per the audited financial statements, except where unaudited financial statements are permitted in accordance with subsection 3.4(4) or (5) of the Rule. Audited financial statements should be prepared in accordance with Accepted Accounting Standards, except that revenues should be reported on an unconsolidated basis. Items reported on a net basis must be adjusted for purposes of the fee calculation.

2. Redemption fees earned upon the redemption of investment fund units sold on a deferred sales charge basis are permitted as a deduction from total revenue on this line.

3. Administration fees permitted as a deduction are limited solely to those that are otherwise included in gross revenue and represent the reasonable recovery of costs from the investment funds for operating expenses paid on their behalf by the registrant firm or unregistered investment fund manager.

4. Where the advisory services of another registrant firm, within the meaning of this Rule or OSC Rule 13-503 (*Commodity Futures Act*) *Fees*, are used by the person or company to advise on a portion of its assets under management, such sub-advisory costs are permitted as a deduction on this line to the extent that they are otherwise included in gross revenues.

5. Trailer fees paid to other registrant firms described in note 4 are permitted as a deduction on this line to the extent they are otherwise included in gross revenues.

Participation Fee Calculation

Firm Name: _____

End date of last completed fiscal year: _____

	Last Completed Fiscal Year $
Part I — IIROC Members	
1. Total revenue for last completed fiscal year from Statement E of the Joint Regulatory Financial Questionnaire and Report	
2. Less revenue not attributable to capital markets activities	
3. Revenue subject to participation fee (line 1 less line 2)	
4. Ontario percentage for last completed fiscal year (See definition of "Ontario percentage" in the Rule)	%
5. Specified Ontario revenues (line 3 multiplied by line 4)	
6. Participation fee (From Appendix B of the Rule, select the participation fee opposite the specified Ontario revenues calculated above)	
Part II — MFDA Members	
1. Total revenue for last completed fiscal year from Statement D of the MFDA Financial Questionnaire and Report	
2. Less revenue not attributable to capital markets activities	
3. Revenue subject to participation fee (line 1 less line 2)	
4. Ontario percentage for last completed fiscal year (See definition of "Ontario percentage" in the Rule)	%
5. Specified Ontario revenues (line 3 multiplied by line 4)	
6. Participation fee (From Appendix B of the Rule, select the participation fee opposite the specified Ontario revenues calculated above)	

Part III — Other registrant firms and unregistered investment fund managers

1.	Gross revenue for last completed fiscal year (note 1)	
Less the following items:		
2.	Revenue not attributable to capital markets activities	
3.	Redemption fee revenue (note 2)	
4.	Administration fee revenue (note 3)	
5.	Advisory or sub-advisory fees paid to registrant firms (note 4)	
6.	Trailer fees paid to other registrant firms (note 5)	
7.	Total deductions (sum of lines 2 to 6)	
8.	Revenue subject to participation fee (line 1 less line 7)	
9.	Ontario percentage for last completed fiscal year (See definition of "Ontario percentage" in the Rule)	%
10.	Specified Ontario revenues (line 8 multiplied by line 9)	
11.	Participation fee (From Appendix B of the Rule, select the participation fee beside the specified Ontario revenues calculated above)	

Part IV - Management Certification

We have examined the attached statements and certify that, to the best of our knowledge, they present fairly the revenues of the firm for the period ended _____ and are prepared in agreement with the books of the firm.

We certify that the reported revenues of the firm are complete and accurate and in accordance with generally accepted accounting principles.

	Name and Title	**Signature**	**Date**
1.	_____	_____	_____
2.	_____	_____	_____

FORM 13-502F5
ADJUSTMENT OF FEE FOR REGISTRANT FIRMS

Registrant firm name: _____

End date of last completed fiscal year: _____

Note: Subsection 3.5(2) of the Rule requires that this Form must be filed concurrent with a completed Form 13-502F4 that shows the firm's actual participation fee calculation.

1. Estimated participation fee paid under subsection 3.5(1) of the Rule: _____

2. Actual participation fee calculated under paragraph 3.5(2)(b) of the Rule: _____

3. Refund due (Balance owing): _____
(Indicate the difference between lines 1 and 2)

FORM 13-502F6
SUBSIDIARY ENTITY EXEMPTION NOTICE

Name of Subsidiary Entity: _____

Name of Parent: _____

End Date of Subsidiary Entity's Last Completed Fiscal Year: _____

Indicate below which exemption the subsidiary entity intends to rely on by checking the appropriate box:

1. Subsection 2.6(1) ☐

The reporting issuer (subsidiary entity) meets the following criteria set out under subsection 2.6(1) of the Rule:

a) at the end of the subsidiary entity's last completed fiscal year, the parent of the subsidiary entity was a reporting issuer;

b) the accounting standards pursuant to which the parent's financial statements are prepared under Ontario securities law require the consolidation of the parent and the subsidiary entity;

c) the parent has paid a participation fee required with reference to the parent's market capitalization for the parent's last completed fiscal year;

d) the market capitalization of the subsidiary entity for the last completed fiscal year was included in the market capitalization of the parent for the last completed fiscal year; and

e) the net assets and gross revenues of the subsidiary entity for its last completed fiscal year represented more than 90 percent of the consolidated net assets and gross revenues of the parent for the parent's last completed fiscal year.

	Net Assets for last completed fiscal year	**Gross Revenues for last completed fiscal year**	
Reporting Issuer (Subsidiary Entity)	_____	_____	(A)
Reporting Issuer (Parent)	_____	_____	(B)
Percentage (A/B)	_____%	_____%	

2. Subsection 2.6(2) ☐

The reporting issuer (subsidiary entity) meets the following criteria set out under subsection 2.6(2) of the Rule:

a) at the end of the subsidiary entity's last completed fiscal year, the parent of the subsidiary entity was a reporting issuer;

b) the accounting standards pursuant to which the parent's financial statements are prepared under Ontario securities law require the consolidation of the parent and the subsidiary entity;

c) the parent has paid a participation fee required with reference to the parent's market capitalization for the parent's last completed fiscal year;

d) the market capitalization of the subsidiary entity for the last completed fiscal year was included in the market capitalization of the parent for the last completed fiscal year; and

e) throughout the last completed fiscal year of the subsidiary entity, the subsidiary entity was entitled to rely on an exemption, waiver or approval from the requirements in subsections 4.1(1), 4.3(1) and 5.1(1) and sections 5.2 and 6.1 of NI 51-102 *Continuous Disclosure Obligations*.

ONTARIO SECURITIES COMMISSION
COMPANION POLICY 13-502CP FEES

TABLE OF CONTENTS

ONTARIO SECURITIES COMMISSION
COMPANION POLICY 13-502CP FEES

PART 1 — PURPOSE OF COMPANION POLICY

1.1 Purpose of Companion Policy — The purpose of this Companion Policy is to state the views of the Commission on various matters relating to OSC Rule 13-502 *Fees* (the "Rule"), including an explanation of the overall approach of the Rule and a discussion of various parts of the Rule.

PART 2 — PURPOSE AND GENERAL APPROACH OF THE RULE

2.1 Purpose and General Approach of the Rule

(1) The purpose of the Rule is to establish a fee regime that creates a clear and streamlined fee structure.

(2) The fee regime of the Rule is based on the concepts of "participation fees" and "activity fees".

2.2 Participation Fees

(1) Reporting issuers, registrant firms and unregistered investment fund managers are required to pay participation fees annually. Participation fees are designed to cover the Commission's costs not easily attributable to specific regulatory activities. The participation fee required of a market participant is based on a measure of the market participant's size, which is used as a proxy for its proportionate participation in the Ontario capital markets.

(2) Participation fees are determined with reference to capitalization or gross revenue from a market participant's "previous fiscal year", which is essentially defined in section 1.1 of the Rule as the last completed fiscal year before the participation fee is required to be paid.

2.3 Application of Participation Fees — Although participation fees are determined by using information from a fiscal year of the payor ending before the time of their payment, both corporate finance and capital markets participation fees are applied to the costs of the Commission of regulating the ongoing participation in Ontario's capital markets of the payor and other market participants.

2.4 Registered Individuals — The participation fee is paid at the firm level under the Rule. That is, a "registrant firm" is required to pay a participation fee, not an individual who is registered as a salesperson, representative, partner, or officer of the firm.

2.5 Activity Fees — Activity fees are generally charged where a document of a designated class is filed. Estimates of the direct cost of Commission resources expended in undertaking the activities listed in Appendix C of the Rule are considered in determining these fees (e.g., reviewing prospectuses, registration applications, and applications for discretionary relief). Generally, the activity fee charged for filing a document of a particular class is based on the average cost to the Commission of reviewing documents of the class.

2.6 Registrants under the *Securities Act* and the *Commodity Futures Act*

(1) The Rule imposes an obligation to pay a participation fee on registrant firms, defined in the Rule as a person or company registered as a dealer or adviser under the Act. An entity so registered may also be registered as a dealer or adviser under the *Commodity Futures Act*. Given the definition of "capital markets activities" under the Rule, the revenue of such an entity from its *Commodity Futures Act* activities must be included in its calculation of revenues when determining its fee under the Rule. Section 2.8 of OSC Rule 13-503 *(Commodity Futures Act) Fees* exempts such an entity from paying a participation fee under that rule if it has paid its participation fees under the *Securities Act* Rule.

(2) Note that dealers and advisers registered under the *Commodity Futures Act* are subject to activity fees under OSC Rule 13-503 *(Commodity Futures Act) Fees* even if they are not required to pay participation fees under that rule.

2.7 No Refunds

(1) Generally, a person or company that pays a fee under the Rule is not entitled to a refund of that fee. For example, there is no refund available for an activity fee paid in connection with an action that is subsequently

abandoned by the payor of the fee. Also, there is no refund available for a participation fee paid by a reporting issuer, registrant firm or unregistered investment fund manager that loses that status later in the fiscal year for which the fee was paid.

(2) An exception to this principle is provided in subsections 2.6.1(3) and 3.5(3) of the Rule. These subsections allow for a refund where a registrant firm overpaid an estimated participation fee.

(3) The Commission will also consider requests for adjustments to fees paid in the case of incorrect calculations made by fee payors.

2.8 Indirect Avoidance of Rule — The Commission may examine arrangements or structures implemented by market participants and their affiliates that raise the suspicion of being structured for the purpose of reducing the fees payable under the Rule. For example, the Commission will be interested in circumstances in which revenues from registrable activities carried on by a corporate group are not treated as revenues of a registrant firm, thereby possibly artificially reducing the firm's specified Ontario revenues and, consequently, its participation fee.

PART 3 — CORPORATE FINANCE PARTICIPATION FEES

3.1 Application to Investment Funds — Part 2 of the Rule does not apply to an investment fund if the investment fund has an investment fund manager. The reason for this is that under Part 3 of the Rule an investment fund's manager must pay a capital markets participation fee in respect of revenues generated from managing the investment fund.

3.2 Late Fees — Section 2.5 of the Rule requires a reporting issuer to pay an additional fee when it is late in paying its participation fee. Reporting issuers should be aware that the late payment of participation fees may lead to the reporting issuer being noted in default and included on the list of defaulting reporting issuers available on the Commission's website.

3.3 Exemption for Subsidiary Entities — Under section 2.6 of the Rule, an exemption from participation fees is available to a reporting issuer that is a subsidiary entity if, among other requirements, the parent of the subsidiary entity has paid a participation fee applicable to the parent under section 2.2 of the Rule determined with reference to the parent's capitalization for the parent's fiscal year. For greater certainty, this condition to the exemption is not satisfied in circumstances where the parent of a subsidiary entity has paid a fixed participation fee in reliance on subsection 2.2(2) or (3) of the Rule in lieu of a participation fee determined with reference to the parent's capitalization for its fiscal year.

3.4 Determination of Market Value

(1) Section 2.7 of the Rule requires the calculation of the capitalization of a Class 1 reporting issuer to include the total market value of classes of securities that may not be listed or quoted on a marketplace, but trade over the counter or, after their initial issuance, are otherwise generally available for sale. Note that the requirement that securities be valued in accordance with market value excludes from the calculation securities that are not normally traded after their initial issuance.

(2) When determining the value of securities that are not listed or quoted, a reporting issuer should use the best available source for pricing the securities. That source may be one or more of the following:

(a) pricing services,

(b) quotations from one or more dealers, or

(c) prices on recent transactions.

(3) Note that market value calculation of a class of securities included in a calculation under section 2.7 of the Rule includes all of the securities of the class, even if some of those securities are still subject to a hold period or are otherwise not freely tradable.

(4) If the closing price of a security on a particular date is not ascertainable because there is no trade on that date or the marketplace does not generally provide closing prices, a reasonable alternative, such as the most recent closing price before that date, the average of the high and low trading prices for that date, or the average of the bid and ask prices on that date is acceptable.

3.5 Owners' Equity — A Class 2 reporting issuer calculates its capitalization on the basis of certain items reflected in its audited balance sheet. One such item is "share capital or owners' equity". The Commission notes that "owners' equity" is designed to describe the equivalent of share capital for non-corporate issuers, such as partnerships or trusts.

PART 4 — CAPITAL MARKETS PARTICIPATION FEES

4.1 **Filing Forms under Section 3.5 of the Rule** — If the estimated participation fee paid under subsection 3.5(1) of the Rule by a registrant firm does not differ from its true participation fee determined under paragraph 3.5(2)(b) of the Rule, the registrant firm is not required to file either a Form 13-502F4 or a Form 13-502F5 under paragraph 3.5(2)(d) of the Rule.

4.2 **Late Fees** — Section 3.6 of the Rule prescribes an additional fee if a participation fee is paid late. The Commission and the Director will, in appropriate circumstances, consider tardiness in the payment of fees as a matter going to the fitness for registration of a registrant firm. The Commission may also consider measures in the case of late payment of fees by an unregistered investment fund manager, such as prohibiting the manager from continuing to manage any investment fund or cease trading the investment funds managed by the manager.

4.3 **Form of Payment of Fees** — Unregistered investment fund managers make filings and pay fees under Part 3 of the Rule by paper copy. The filings and payment should be sent to the Ontario Securities Commission, Investment Funds. Registrant firms pay through the National Registration Database.

4.4 **"Capital markets activities"**

(1) A person or company must consider its capital markets activities when calculating its participation fee. The term "capital markets activities" is defined in the Rule to include "activities for which registration under the Act or an exemption from registration is required". The Commission is of the view that these activities include, without limitation, trading in securities, providing securities-related advice and portfolio management services. The Commission notes that corporate advisory services may not require registration or an exemption from registration and would therefore, in those contexts, not be capital markets activities.

(2) The definition of "capital markets activities" also includes activities for which registration or an exemption from registration under the *Commodity Futures Act* is required. The Commission is of the view that these activities include, without limitation, trading in commodity futures contracts, providing commodity futures contracts-related advice and portfolio management services involving commodity futures contracts.

4.5 **Permitted Deductions** — Subsection 3.4(3) of the Rule permits certain deductions to be made for the purpose of calculating specified Ontario revenues for unregistered investment fund managers and certain registrant firms. The purpose of these deductions is to prevent the "double counting" of revenues that would otherwise occur.

4.6 **Application to Non-resident Unregistered Investment Fund Managers** — For greater certainty, the Commission is of the view that Part 3 of the Rule applies to non-resident unregistered investment fund managers managing investment funds distributed in Ontario on a prospectus exempt basis.

4.7 **Change of Status of Unregistered Investment Fund Managers** — Subsection 3.1(4) of the Rule reduces the participation fee otherwise payable after the end of a fiscal year under subsection 3.1(2) of the Rule by an unregistered investment fund manager that becomes a registrant firm. The reduction takes into account the imposition of a participation fee payable by registrant firms under subsection 3.1(1) of the Rule on December 31 of a calendar year and generally prevents the imposition of total participation fees in excess of total participation fees that would have been charged had there been no change of registration status.

5.1.2 OSC Rule 13-503 (Commodity Futures Act) Fees and Companion Policy 13-503CP (Commodity Futures Act) Fees

ONTARIO SECURITIES COMMISSION
RULE 13-503 (COMMODITY FUTURES ACT) FEES

TABLE OF CONTENTS

ONTARIO SECURITIES COMMISSION
RULE 13-503 (COMMODITY FUTURES ACT) FEES

PART 1 — DEFINITIONS

1.1 Definitions — In this Rule

"CFA" means the *Commodity Futures Act*;

"CFA activities" means activities for which registration under the CFA or an exemption from registration is required;

"IIROC" means the Investment Industry Regulatory Organization of Canada and, where context requires, includes the Investment Dealers Association of Canada;

"Ontario allocation factor" has the meaning that would be assigned by the first definition of that expression in subsection 1(1) of the *Taxation Act, 2007* if that definition were read without reference to the words "ending after December 31, 2008";

"Ontario percentage" means, for a fiscal year of a registrant firm

(a) if the registrant firm is a company that has a permanent establishment in Ontario in the fiscal year, the registrant firm's Ontario allocation factor for the fiscal year expressed as a percentage and determined on the assumption that the registrant firm had a taxation year that coincided with the fiscal year and is resident in Canada for the purposes of the ITA,

(b) if paragraph (a) does not apply and the registrant firm would have a permanent establishment in Ontario in the fiscal year if the registrant firm were a company, the registrant firm's Ontario allocation factor for the fiscal year expressed as a percentage and determined on the assumption that the registrant firm is a company, had a taxation year that coincided with the fiscal year and is resident in Canada for the purposes of the ITA, and

(c) in any other case, the percentage of the registrant firm's total revenues for the fiscal year attributable to CFA activities in Ontario;

"permanent establishment" has the meaning provided in Part IV of the regulations under the ITA;

"previous fiscal year" of a registrant firm in respect of a participation fee that becomes payable under section 2.2 on December 31 of a calendar year, the last fiscal year of the registrant firm ending in the calendar year;

"registrant firm" means a person or company registered as a dealer or an adviser under the CFA; and

"specified Ontario revenues" means the revenues determined in accordance with section 2.4, 2.5 or 2.6.

PART 2 — PARTICIPATION FEES

2.1 Application — This Part does not apply to a registrant firm that is registered under the *Securities Act* and that has paid its participation fee under Rule 13-502 *Fees* under the *Securities Act*.

2.2 Participation Fee — On December 31, a registrant firm must pay the participation fee shown in Appendix A opposite the registrant firm's specified Ontario revenues for its previous fiscal year, as that revenue is calculated under section 2.4 or 2.5.

2.3 Disclosure of Fee Calculation — By December 1, a registrant firm must file a completed Form 13-503F1 showing the information required to determine the participation fee due on December 31.

2.4 Specified Ontario Revenues for IIROC Members

(1) The specified Ontario revenues for its previous fiscal year of a registrant firm that was an IIROC member at the end of the previous fiscal year is calculated by multiplying

(a) the registrant firm's total revenue for its previous fiscal year, less the portion of that total revenue not attributable to CFA activities, by

(b) the registrant firm's Ontario percentage for its previous year.

(2) For the purpose of paragraph (1)(a), "total revenue" for a previous fiscal year means the amount shown as total revenue for the previous fiscal year on Statement E of the Joint Regulatory Financial Questionnaire and Report filed with IIROC by the registrant firm.

2.5 Specified Ontario Revenues for Others

(1) The specified Ontario revenues of a registrant firm that was not an IIROC member at the end of its previous fiscal year is calculated by multiplying

(a) the registrant firm's gross revenues, as shown in the audited financial statements prepared for the previous fiscal year, less deductions permitted under subsection (2), by

(b) the registrant firm's Ontario percentage for the previous fiscal year.

(2) For the purpose of paragraph (1)(a), a registrant firm may deduct the following items otherwise included in gross revenues:

(a) revenue not attributable to CFA activities,

(b) advisory or sub-advisory fees paid during the previous fiscal year by the registrant firm to a person or company registered as a dealer or an adviser under the CFA or under the *Securities Act*.

2.6 Estimating Specified Ontario Revenues for Late Fiscal Year End

(1) If the annual financial statements of a registrant firm for the previous fiscal year have not been completed by December 1 in the calendar year in which the previous fiscal year ends, the registrant firm must,

(a) on December 1 in that calendar year, file a completed Form 13-503F1 showing a good faith estimate of the information required to calculate its specified Ontario revenues as at the end of the fiscal year, and

(b) on December 31 in that calendar year, pay the participation fee shown in Appendix A opposite the specified Ontario revenues estimated under paragraph (a).

(2) A registrant firm that estimated its specified Ontario revenues under subsection (1) must, when its annual financial statements for the previous fiscal year have been completed,

(a) calculate its specified Ontario revenues under section 2.4 or 2.5, as applicable,

(b) determine the participation fee shown in Appendix A opposite the specified Ontario revenues calculated under paragraph (a),

(c) complete a Form 13-503F1 reflecting the annual financial statements, and

(d) if the participation fee determined under paragraph (b) differs from the participation fee paid under subsection (1), the registrant firm must, not later than 90 days after the end of the previous fiscal year,

(i) pay the amount, if any, by which

(A) the participation fee determined without reference to this section,

exceeds

(B) the corresponding participation fee paid under subsection (1),

(ii) file the Form 13-503F1 completed under paragraph (c), and

(iii) file a completed Form 13-503F2.

(3) If a registrant firm paid an amount paid under subsection (1) that exceeds the corresponding participation fee determined without reference to this section, the registrant firm is entitled to a refund from the Commission of the excess.

2.7 Late Fee

(1) A registrant firm that is late in paying a participation fee under this Part must pay an additional fee of one-tenth of one percent of the unpaid portion of the participation fee for each business day on which any portion of the participation fee remains due and unpaid.

(2) The amount determined under subsection (1) in respect of the late payment of a participation fee by a registrant firm is deemed to be nil if

(a) the registrant firm pays an estimate of the participation fee in accordance with subsection 2.6(1), or

(b) the amount otherwise determined under subsection (1) in respect of the late payment of participation fee is less than $10.

PART 3 — ACTIVITY FEES

3.1 Activity Fees — A person or company that files a document or takes an action listed in Appendix B must, concurrently with filing the document or taking the action, pay the activity fee shown in Appendix B opposite the description of the document or action.

3.2 Late Fee — A person or company that files a document listed in Appendix C after the document was required to be filed must, concurrently with filing the document, pay the late fee shown in Appendix C opposite the description of the document.

PART 4 — CURRENCY CONVERSION

4.1 Canadian Dollars — If a calculation under this Rule requires the price of a security, or any other amount, as it was on a particular date and that price or amount is not in Canadian dollars, it must be converted into Canadian dollars using the daily noon exchange rate for that date as posted on the Bank of Canada website.

PART 5 — EXEMPTION

5.1 Exemption — The Director may grant an exemption from the provisions of this Rule, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

PART 6 — REVOCATION AND EFFECTIVE DATE

6.1 Revocation — Rule 13-503 *(Commodity Futures Act) Fees*, which came into force on April 1, 2006, is revoked.

6.2 Effective Date — This Rule comes into force on June 1, 2009.

APPENDIX A — PARTICIPATION FEES

Specified Ontario Revenues for the Previous Fiscal Year	Participation Fee
under $500,000	$800
$500,000 to under $1 million	$2,500
$1 million to under $3 million	$5,600
$3 million to under $5 million	$12,600
$5 million to under $10 million	$25,500
$10 million to under $25 million	$52,000
$25 million to under $50 million	$78,000
$50 million to under $100 million	$156,000
$100 million to under $200 million	$259,000
$200 million to under $500 million	$525,000
$500 million to under $1 billion	$678,000
$1 billion to under $2 billion	$855,000
$2 billion and over	$1,435,000

APPENDIX B - ACTIVITY FEES

Document or Activity	Fee
A. Applications for relief, approval and recognition	
1. Any application for relief, regulatory approval or recognition under an eligible CFA section, being for the purpose of this item any provision of the CFA or any Regulation or OSC Rule made under the CFA not listed in item A.2 or A.3. *Note: The following are included in the applications that are subject to a fee under this item:* *(i) recognition of an exchange under section 34 of the CFA, a self-regulatory organization under section 16 of the CFA or a clearing house under section 17 of the CFA;* *(ii) registration of an exchange under section 15 of the CFA;* *(iii) approval of the establishment of a council, committee or ancillary body under section 18 of the CFA;* *(iv) applications by a person or company under subsection 78(1) of the CFA; and* *(v) exemption applications under section 80 of the CFA.*	$3,000 for an application made under one eligible CFA section and $5,000 for an application made under two or more eligible CFA sections (plus $2,000 if none of the following is not subject to, or is not reasonably expected to become subject to, a participation fee under this Rule or OSC Rule 13-502 under the *Securities Act*: (i) the applicant; (ii) an issuer of which the applicant is a wholly owned subsidiary; (iii) the investment fund manager of the applicant). Despite the above, if an application is made under at least one eligible securities section described in Appendix C(E) 1 of OSC Rule 13-502 and at least one eligible CFA section, the fee in respect of the application is equal to the amount, if any, by which (a) the fee that would have been charged under Appendix C(E) 1 of OSC Rule 13-502 in respect of the application if each eligible CFA section were an eligible securities section exceeds (b) the fee charged under Appendix C(E) 1 of OSC Rule 13-502 in respect of the application.
2. Application under (a) Section 24 or 40 or subsection 36(1) or 46(6) of the CFA, and (b) Subsection 27(1) of the Regulation to the CFA.	Nil
3. An application for relief from any of the following (a) this Rule; (b) OSC Rule 31-509 *(Commodity Futures Act) National Registration Database*; (c) OSC Rule 33-505 *(Commodity Futures Act) Registration Information*; (d) Subsection 37(7) of the Regulation to the CFA.	$1,500

Document or Activity	Fee
B. Registration-Related Activity	
1. New registration of a firm in one or more categories of registration	$600
2. Change in registration category *Note: This includes a dealer becoming an adviser or vice versa, or changing a category of registration within the general category of adviser. A dealer adding a category of registration, such as a dealer becoming both a dealer and an adviser, is covered in the preceding section.*	$600
3. Registration of a new director, officer or partner (trading or advising), salesperson or representative *Notes:* *(i) Registration of a new non-trading or non-advising director, officer or partner does not trigger an activity fee.* *(ii) If an individual is registering as both a dealer and an adviser, the individual is required to pay only one activity fee.* *(iii) A registration fee will not be charged if an individual makes application to register with a new registrant firm within three months of terminating employment with his or her previous registrant firm if the individual's category of registration remains unchanged.*	$200 per individual
4. Change in status from a non-trading or non-advising capacity to a trading or advising capacity	$200 per individual
5. Registration of a new registrant firm, or the continuation of registration of an existing registrant firm, resulting from or following an amalgamation of one or more registrant firms	$2,000
6. Application for amending terms and conditions of registration	$500
C. Application for Approval of the Director under Section 9 of the Regulation	$1,500
D. Request for Certified Statement from the Commission or the Director under Section 62 of the CFA	$100

Document or Activity	Fee
E. Requests of the Commission	
1. Request for a photocopy of Commission records	$0.50 per page
2. Request for a search of Commission records	$150
3. Request for one's own Form 7	$30

APPENDIX C – ADDITIONAL FEES FOR LATE DOCUMENT FILINGS

Document	Late Fee
Fee for late filing of any of the following documents: (a) Annual financial statements and interim financial statements; (b) Report under section 15 of the Regulation to the CFA; (c) Report under section 17 of the Regulation to the CFA; (d) Filings for the purpose of amending Form 5 or Form 7 under the Regulation to the CFA or Form 33-506F4 under OSC Rule 33-506, including the filing of Form 33-506F1; (e) Any document required to be filed by a registrant firm or individual in connection with the registration of the registrant firm or individual under the CFA with respect to (i) terms and conditions imposed on a registrant firm or individual, or (ii) an order of the Commission; (f) Form 13-503F1; (g) Form 13-503F2.	$100 per business day (subject to a maximum of $5,000 for a registrant firm for all documents required to be filed within a calendar year)

FORM 13-503F1
(*COMMODITY FUTURES ACT*)

PARTICIPATION FEE CALCULATION

General Instructions

1. IIROC members must complete Part I of this Form. All other registrant firms must complete Part II. Everyone completes Part III.

2. The components of revenue reported in this Form should be based on accounting standards pursuant to which an entity's financial statements are prepared under Ontario securities law ("Accepted Accounting Standards"), except that revenues should be reported on an unconsolidated basis.

3. IIROC Members may refer to Statement E of the Joint Regulatory Financial Questionnaire and Report for guidance.

4. Participation fee revenue will be based on the portion of total revenue that can be attributed to Ontario for the firm's most recently completed fiscal year, which is generally referred to the Rule as its "previous fiscal year".

5. If a firm's permanent establishments are situated only in Ontario, all of the firm's total revenue for a fiscal year is attributed to Ontario. If permanent establishments are situated in Ontario and elsewhere, the percentage attributed to Ontario for a fiscal year will ordinarily be the percentage of the firm's taxable income that is allocated to Ontario for Canadian income tax purposes for the same fiscal year. For firms that do not have a permanent establishment in Ontario, the percentage attributable to Ontario will be based on the proportion of total revenues generated from CFA activities in Ontario.

6. All figures must be expressed in Canadian dollars and rounded to the nearest thousand.

7. Information reported on this questionnaire must be certified by two members of senior management in Part IV to attest to its completeness and accuracy.

Notes for Part II

1. Gross Revenue is defined as the sum of all revenues reported on a gross basis as per the audited financial statements prepared in accordance with Accepted Accounting Standards, except that revenues should be reported on an unconsolidated basis. Items reported on a net basis must be adjusted for purposes of the fee calculation. Gross revenues are reduced by amounts not attributable to CFA activities.

2. Where the advisory or sub-advisory services of another registrant firm are used by the registrant firm to advise on a portion of its assets under management, such advisory or sub-advisory costs are permitted as a deduction on this line to the extent that they are otherwise included in gross revenues.

Participation Fee Calculation

Firm Name: _____

End date of last completed fiscal year: _____

	Last Completed Fiscal Year $
Part I – IIROC Members	
1. Total revenue for last completed fiscal year from Statement E of the Joint Regulatory Financial Questionnaire and Report	
2. Less revenue not attributable to CFA activities	
3. Revenue subject to participation fee (line 1 less line 2)	
Part II – Other Registrants	
1. Gross revenue for last completed fiscal year as per the audited financial statements (note 1)	
Less the following items:	
2. Amounts not attributable to CFA activities	
3. Advisory or sub-advisory fees paid to other registrant firms (note 2)	
4. Revenue subject to participation fee (line 1 less lines 2 and 3)	

Part III – Calculating Specified Ontario Revenues

1. Gross revenue for last completed fiscal year subject to participation fee (line 3 from Part I or line 4 from Part II)	
2. Ontario percentage for last completed fiscal year (See definition of "Ontario percentage" in the Rule)	_____ %
3. Specified Ontario revenues (line 1 multiplied by line 2)	
4. Participation fee (From Appendix A of the Rule, select the participation fee opposite the specified Ontario revenues calculated above)	

Part IV – Management Certification

We have examined the attached statements and certify that, to the best of our knowledge, they present fairly the revenues of the firm for the period ended _____ and are prepared in agreement with the books of the firm.

We certify that the reported revenues of the firm are complete and accurate and in accordance with generally accepted accounting principles.

	Name and Title	Signature	Date
1.	_____	_____	_____
2.	_____	_____	_____

FORM 13-503F2
(*COMMODITY FUTURES ACT*)

ADJUSTMENT OF FEE PAYMENT

Firm Name: _____

Fiscal Year End: _____

Note: Subsection 2.6(2) of the Rule requires that this Form must be filed concurrent with a completed Form 13-503F1 that shows the firm's actual participation fee calculation.

1. Estimated participation fee paid under subsection 2.6(1) of the Rule: _____

2. Actual participation fee calculated under paragraph 2.6(2)(b) of the Rule: _____

3. Refund due (Balance owing): _____
(Indicate the difference between lines 1 and 2)

ONTARIO SECURITIES COMMISSION
COMPANION POLICY 13-503CP
(COMMODITY FUTURES ACT) FEES

TABLE OF CONTENTS

ONTARIO SECURITIES COMMISSION
COMPANION POLICY 13-503CP
(COMMODITY FUTURES ACT) FEES

PART 1 — PURPOSE OF COMPANION POLICY

1.1 Purpose of Companion Policy — The purpose of this Companion Policy is to state the views of the Commission on various matters relating to OSC Rule 13-503 *(Commodity Futures Act) Fees* (the "Rule"), including an explanation of the overall approach of the Rule and a discussion of various parts of the Rule.

PART 2 — PURPOSE AND GENERAL APPROACH OF THE RULE

2.1 Purpose and General Approach of the Rule

(1) The general approach of the Rule is to establish a fee regime that is consistent with the approach of OSC Rule 13-502 (the "OSA Fees Rule"), which governs fees paid under the *Securities Act*. Both rules are designed to create a clear and streamlined fee structure.

(2) The fee regime of the Rule is based on the concepts of "participation fees" and "activity fees".

2.2 Participation Fees

(1) Registrant firms are required to pay participation fees annually. Participation fees are designed to cover the Commission's costs not easily attributable to specific regulatory activities . The participation fee required of each market participant is based on a measure of the market participant's size, which is used as a proxy for its proportionate participation in the Ontario capital markets.

(2) Participation fees are determined with reference to gross revenue from a firm's "previous fiscal year", which is essentially defined in section 1.1 of the Rule as the last completed fiscal year before the participation fee is required to be paid.

2.3 Application of Participation Fees — Although participation fees are determined by using information from a fiscal year of a registrant firm ending before the time of the payment, participation fees are applied to the costs of the Commission of regulating the ongoing participation in Ontario's capital markets of the firm and other firms.

2.4 Registered Individuals — The participation fee is paid at the firm level under the Rule. That is, a "registrant firm" is required to pay a participation fee, not an individual who is registered as a salesperson, representative, partner, or officer of the firm.

2.5 Activity Fees — Activity fees are generally charged where a document of a designated class is filed. Estimates of the direct cost of Commission resources expended in undertaking the activities listed in Appendix B of the Rule are considered in determining these fees (e.g., reviewing registration applications and applications for discretionary relief). Generally, the activity fee charged for filing a document of a particular class is based on the average cost to the Commission of reviewing documents of the class.

2.6 Registrants under the CFA and the *Securities Act*

(1) A registrant firm that is registered both under the CFA and the *Securities Act* is exempted by section 2.1 of the Rule from the requirement to pay a participation fee under the Rule if it is current in paying its participation fees under the OSA Fees Rule. The registrant firm will include revenues derived from CFA activities as part of its revenues for purposes of determining its participation fee under the OSA Fees Rule.

(2) A registrant firm that is registered both under the CFA and the *Securities Act* must pay activity fees under the CFA Rule even though it pays a participation fee under the OSA Fees Rule.

2.7 No Refunds

(1) Generally, a person or company that pays a fee under the Rule is not entitled to a refund of that fee. For example, there is no refund available for an activity fee paid in connection with an action that is subsequently abandoned by the payor of the fee. Also, there is no refund available for a participation fee paid by a registrant firm whose registration is terminated later in the year for which the fee was paid.

(2) An exception to this principle is provided in subsection 2.6(3) of the Rule. This provision allows for a refund where a registrant firm overpaid an estimated participation fee.

(3) The Commission will also consider requests for adjustments to fees paid in the case of incorrect calculations made by fee payors.

2.8 Indirect Avoidance of Rule — The Commission may examine arrangements or structures implemented by registrant firms and their affiliates that raise the suspicion of being structured for the purpose of reducing the fees payable under the Rule. For example, the Commission will be interested in circumstances in which revenues from registrable activities carried on by a corporate group are not treated as revenues of a registrant firm, thereby possibly artificially reducing the firm's specified Ontario revenues and, consequently, its participation fee.

PART 3 — PARTICIPATION FEES

3.1 Filing Forms under Section 2.6 — If the estimated participation fee paid under subsection 2.6(1) by a registrant firm does not differ from its true participation fee determined under subsection 2.6(2), the registrant firm is not required to file either a Form 13-503F1 or a Form 13-503F2 under subsection 2.6(3).

3.2 Late Fees — Section 2.7 of the Rule prescribes an additional fee if a participation fee is paid late. The Commission and the Director will, in appropriate circumstances, consider tardiness in the payment of fees as a matter going to the fitness for registration of a registrant firm.

3.3 "CFA Activities" — Calculation of the participation fee involves consideration of the CFA activities undertaken by a person or company. The term "CFA activities" is defined in section 1.1 of the Rule to include "activities for which registration under the CFA or an exemption from registration is required". The Commission is of the view that these activities include, without limitation, trading in commodity futures contracts, providing commodity futures contracts-related advice and portfolio management services involving commodity futures contracts.

This page intentionally left blank

Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
02/26/2009	1	Advantex Marketing International Inc. - Warrants	0.00	10,303.00
03/06/2009	6	Aecom Technology Corporation - Common Shares	32,247,907.50	125,000.00
05/11/2009	1	American Campus Communities Inc. - Common Shares	1,847,250.00	75,000.00
05/07/2009	10	Amerpro Resources Inc. - Common Shares	432,000.00	10,800,000.00
05/14/2009	3	BlueScope Steel Limited - Common Shares	3,089,224.00	2,254,908.00
04/27/2009	7	Boxxer Gold Corp. - Units	83,550.00	2,785,000.00
05/06/2009	2	C3 Resources Inc. - Common Shares	105,000.00	262,500.00
05/11/2009	1	Camden Property Trust - Common Shares	3,985,000.00	125,000.00
05/14/2009	67	Canacol Energy Inc. - Units	5,106,250.00	34,820,000.00
05/11/2009	68	Canadian Oil Sands Limited - Notes	578,344,535.99	N/A
04/23/2009	10	Canadian Shield Resources Inc. - Common Shares	617,715.00	3,985,261.00
12/01/2008	8	Canarc Resource Corp. - Units	100,000.00	1,000,000.00
05/01/2009	3	Capital Direct I Income Trust - Units	185,300.00	18,530.00
05/14/2009	1	Capital One Financial Corporation - Common Shares	32,542,400.00	1,000,000.00
02/26/2009 to 05/04/2009	3	CardioComm Solutions Inc. - Common Shares	406,250.00	8,047,021.00
05/04/2009 to 05/13/2009	40	Carpathian Gold Inc. - Units	5,517,299.80	23,988,260.00
05/05/2009	8	Central European Petroleum Ltd. - Units	262,998.00	87,666.00
02/09/2009	42	CGA Mining Limited - Common Shares	25,000,000.00	20,000,000.00
05/05/2009	1	City National Corporation - Common Shares	230,100.00	5,000.00
04/30/2009 to 05/10/2009	19	CMC Markets UK plc - Contracts for Differences	57,011.00	19.00
05/11/2009 to 05/20/2009	14	CMC Markets UK plc - Contracts for Differences	132,000.00	15.00
11/28/2008	1	Colt Resources Inc. - Flow-Through Units	15,500.00	6,200.00
04/29/2009	5	Coltstar Ventures Inc. - Common Shares	700,000.00	2,800,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
05/12/2009	60	Cortex Business Solutions Inc. - Units	2,200,000.00	11,000,000.00
05/04/2009	1	Credit Suisse - Notes	1,178,784.60	N/A
05/05/2009 to 05/12/2009	6	Davie Yards Inc. - Common Shares	24,400,000.50	N/A
05/11/2009	3	Dean Foods Company - Common Shares	16,391,250.00	775,000.00
05/05/2009	23	Donner Metals Ltd. - Flow-Through Shares	954,353.00	2,315,015.00
05/12/2009	4	East Coast Energy Inc. - Units	28,800.00	N/A
05/11/2009	1	Explor Resources inc. - Common Shares	104,000.00	400,000.00
05/13/2009	1	Explor Resources inc. - Common Shares	75,000.00	300,000.00
05/08/2009	58	Falkirk Resources Corp. - Units	450,000.00	4,500,000.00
05/01/2009	1	Firm Capital Mortgage Investment Corporation - Preferred Shares	200,000.00	200,000.00
05/01/2009 to 05/07/2009	2	First Leaside Fund - Trust Units	52,735.00	52,735.00
05/07/2009	1	First Leaside Fund - Trust Units	5,000.00	5,000.00
05/06/2009	1	First Leaside Fund - Trust Units	2,483.45	2,117.00
05/01/2009 to 05/08/2009	3	First Leaside Progressive Limited Partnership - Units	225,000.00	225,000.00
05/05/2009	38	First Pursuit Ventures Ltd. - Units	285,000.00	5,700,000.00
01/30/2008 to 08/20/2008	2	Fortis Global Equity Fund - Units	92,417.00	15,167.00
05/20/2009	1	Fortress Minerals Corp. - Common Shares	2,500,000.00	2,500,000.00
03/02/2009	1	Fortune Minerals Limited - Loans	2,925,000.00	1.00
05/07/2009 to 05/08/2009	53	Galena Capital Corp. - Common Shares	804,151.00	10,722,000.00
05/15/2009	14	Geminare Incorporated - Debentures	638,302.44	14.00
05/08/2009	11	Genco Resources Ltd. - Common Shares	3,751,920.00	15,633,000.00
12/09/2008	1	General Bio Energy - Common Shares	10,000.00	2,000.00
04/08/2009 to 04/09/2009	2	General Bio Energy Inc. - Common Shares	10,000.00	2,000.00
05/11/2009	21	Geo Minerals Ltd. - Units	141,440.00	176,800.00
04/15/2009	3	Golden Chalice Resources Inc. - Flow-Through Shares	112,200.00	N/A
04/30/2009	17	Goldtrain Resources Inc. - Common Shares	1,196,837.86	5,785,664.00
05/11/2009 to 05/16/2009	34	Gowest Amalgamated Resources Ltd. - Common Shares	657,000.00	N/A
05/11/2009 to	8	Group IV Semiconductor Inc. - Notes	1,400,000.00	N/A

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
05/15/2009				
05/08/2009	2	HCP Inc. - Common Shares	8,566,512.50	18,000,000.00
09/19/2008	2	Hy Lake Gold Inc. - Flow-Through Units	750,000.00	3,000,000.00
05/01/2009	1	III RVCS Redemption Vehicle Ltd. - Common Shares	0.00	N/A
04/30/2009	2	Ingles Markets Incorporated - Notes	6,916,698.72	N/A
05/15/2009	1	Inland Real Estate Corporation - Common Shares	2,674,000.00	350,000.00
04/08/2009	3	Kimco Realty Corporation - Common Shares	21,749,600.00	2,480,000.00
05/07/2009	1	KPL, LLC - Units	1,325,000.00	1,060,000.00
03/27/2009	1	Lamar Media Corp. - Notes	557,509.88	N/A
05/06/2009	2	Mack-Cali Realty Corporation - Common Shares	6,599,250.00	225,000.00
05/13/2009	1	MBB Trust - Units	1,895,000.00	200,752.00
02/20/2009	15	Medworxx Solutions Inc. - Debentures	410,000.00	N/A
04/29/2009 to 05/06/2009	14	Mint Offering Limited Partnership - Units	265,000.00	265.00
05/01/2009	58	Mullen Group Ltd. - Debentures	125,000,000.00	N/A
05/08/2009	77	Natcore Technology Inc. - Units	1,697,940.00	4,244,850.00
05/08/2009	1	Navios Maritime Partners L.P. - Common Shares	11,950.00	1,000.00
05/01/2009	1	Neilson Finance LLC and Neilson Finance Co. - Notes	2,418,600.00	N/A
04/25/2009 to 05/02/2009	28	Nelson Financial Group Ltd. - Notes	1,296,892.59	28.00
11/19/2008	1	Nerium Biotechnology, Inc. - Common Shares	59,011.20	48,000.00
02/01/2009 to 05/01/2009	4	New Haven Mortgage Income Fund (1) Inc. - Special Shares	286,900.00	N/A
05/01/2009	1	New Solutions Financial (II) Corporation - Debentures	149,466.57	1.00
05/04/2009	64	Nortec Ventures Corp. - Units	1,000,000.00	10,000,000.00
05/01/2009	12	Northern Shield Resources Inc. - Common Shares	875,500.00	9,727,777.00
10/24/2008	1	Nuinsco Resources Limited - Common Shares	47,000.00	204,347.00
05/05/2009	29	OMERS Realty CTT Holdings Inc. - Debentures	156,417,055.00	N/A
05/05/2009	47	OMERS Realty CTT Holdings Two Inc. - Debentures	179,951,400.00	N/A
10/29/2008	1	Opawica Explorations Inc. - Common Shares	89,600.00	560,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
05/08/2009	41	Oro Silver Resources Ltd. - Units	420,000.00	8,400,000.00
05/08/2009	5	Pelangio Exploration Inc. - Common Shares	16,242.00	64,968.00
05/05/2009	21	Penn West Petroleum Ltd. - Notes	189,000,000.00	N/A
11/14/2008	1	Pixman Media Nomade Inc. - Units	500,000.00	2,777,778.00
02/13/2009 to 02/17/2009	23	Polar Star Mining Corporation - Units	7,015,800.05	20,045,145.00
05/01/2009	4	Polaris Geothermal Inc. - Units	10,000,000.00	26,533,334.00
11/03/2008	13	Raymor Industries Inc. - Units	1,021,699.80	5,676,110.00
04/22/2009 to 04/30/2009	5	Redux Duncan City Centre Limited Partnership - Limited Partnership Units	385,000.00	385,000.00
05/05/2009 to 05/08/2009	7	Redux Duncan City Centre Limited Partnership - Limited Partnership Units	620,000.00	620,000.00
03/13/2009	6	Renventure One Limited Partnership - Limited Partnership Units	428,600.00	395.00
03/13/2009	5	Renventure Two Limited Partnership - Limited Partnership Units	300,900.00	282.64
05/04/2009	4	Retailcommon Inc. - Common Shares	125,000.00	295,000.00
05/15/2009	6	Revolution Technologies Inc. - Common Shares	11,523.00	11,523,000.00
10/14/2008	2	Richview Resources Inc. - Flow-Through Units	480,000.00	272,726.00
10/16/2008	1	Richview Resources Inc. - Flow-Through Units	475,000.00	4,750,000.00
12/03/2008	1	Roxmark Mines Limited - Units	350,025.00	4,667,000.00
12/08/2008	5	Roxmark Mines Limited - Units	1,000,000.00	14,285,712.00
02/06/2009	3	Rx Exploration Inc. - Units	28,000.00	140,000.00
03/02/2009	21	Rx Exploration Inc. - Units	1,973,000.00	9,865,000.00
04/23/2009	26	Sea NG Corporation - Units	3,160,000.00	3,160,000.00
05/14/2009	15	Selwyn Resources Ltd. - Flow-Through Shares	250,000.00	2,500,000.00
05/06/2009	23	Silvermet Inc. - Common Shares	842,500.00	16,850,000.00
05/12/2009	4	Simon Property Group, Inc. - Common Shares	4,436,880.00	76,000.00
04/30/2009	7	Skyline Gold Corporation - Units	136,500.00	1,706,250.00
05/15/2009	1	SL Green Realty Corp. - Common Shares	3,658,500.00	150,000.00
05/08/2009	13	Sulliden Exploration Inc. - Units	1,298,753.30	1,998,082.00
05/08/2009	52	Sustainable Energy Technologies Ltd. - Units	7,635,000.00	N/A
05/12/2009	10	The Dow Chemical Company - Common Shares	75,119,682.70	4,289,122.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
02/26/2009 to 05/05/2009	3	The Goodyear Tire & Rubber Company - Notes	31,560,170.88	N/A
05/14/2009	21	The PYXIS innovation inc. - Units	1,015,390.36	1,515,508.00
05/07/2009	440	Timbercreek Real Estate Investment Trust - Units	13,128,384.38	1,041,935.00
04/30/2009	34	Vertex Fund - Trust Units	2,505,605.85	N/A
05/15/2009	4	Virgin Metals Inc. - Units	550,000.00	13,750,000.00
05/06/2009	20	Western Lithium Canada Corporation - Units	5,500,000.00	N/A
05/05/2009 to 05/19/2009	69	WestFire Energy Ltd. - Common Shares	4,095,554.75	767,862.00
02/10/2009	1	X-Terra Resources Corporation - Common Shares	150,000.00	150,000.00
10/27/2008	2	Zab Resources Inc. - Common Shares	2,500.00	50,000.00

This page intentionally left blank

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Angle Energy Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated May 26, 2009
NP 11-202 Receipt dated May 26, 2009
Offering Price and Description:
$30,000,258.00 - 6,666,724 Common Shares issuable on exercise of outstanding Special Warrants
PRICE: $4.50 PER SPECIAL WARRANT
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Acumen Capital Finance Partners Limited
Dundee Securities Corporation
FirstEnergy Capital Corp.
Haywood Securities Inc.
National Bank Financial Inc.
Tristone Capital Inc.
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1426163

Issuer Name:
AQUILINE RESOURCES INC
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 20, 2009
NP 11-202 Receipt dated May 20, 2009
Offering Price and Description:
$ * - 6,000,000 Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
BMO Nesbitt Burns Inc.
Dundee Securities Corporation
Haywood Securities Inc.
Promoter(s):
-
Project #1423924

Issuer Name:
AQUILINE RESOURCES INC
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Prospectus dated May 21, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
$13,500,000.00 - 6,000,000 Common Shares Price: $2.25 per Common Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
BMO Nesbitt Burns Inc.
Dundee Securities Corporation
Haywood Securities Inc.
Promoter(s):
-
Project #1423924

Issuer Name:
Cogeco Cable Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Base Shelf Prospectus dated May 20, 2009
NP 11-202 Receipt dated May 20, 2009
Offering Price and Description:
Debt Securities - $500,000,000.00
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1423953

Issuer Name:
Cyberplex Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus (NI 44-101) dated May 20, 2009
NP 11-202 Receipt dated May 20, 2009
Offering Price and Description:
$15,000,000.00 - 9,375,000 Common Shares Price: $1.60 per Common Share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Paradigm Capital Inc.
M Partners Inc.
Genuity Capital Markets
Scotia Capital Inc.
Thomas Weisel Partners Canada Inc.
Promoter(s):
-
Project #1424055

Issuer Name:
Falcon Oil & Gas Ltd.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated May 25, 2009
NP 11-202 Receipt dated May 25, 2009
Offering Price and Description:
Up to $ * - * Units Each Unit consisting of one $900 Principal Amount 11% Convertible Unsecured Debenture due 2013 and * Common Shares
Underwriter(s) or Distributor(s):
SALMAN PARTNERS INC.
Promoter(s):
-
Project #1425672

Issuer Name:
Gabriel Resources Ltd.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 26, 2009
NP 11-202 Receipt dated May 26, 2009
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
RBC Dominion Securities Inc.
Promoter(s):
-
Project #1426189

Issuer Name:
iShares CDN MSCI Emerging Markets Index Fund
iShares CDN MSCI World Index Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated May 20, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Barclays Global Investors Canada Limited
Promoter(s):
-
Project #1424512

Issuer Name:
NewGrowth Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 25, 2009
Offering Price and Description:
$* - * Class B Preferred Shares, Series 2 Price: $ * per Class B Preferred Share, Series 2
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
Promoter(s):
Scotia Managed Companies Administration Inc.
Project #1425465

Issuer Name:
NxT EQ 35 Income & Growth Fund
NxT EQ 60 Balanced Fund
NxT EQ 75 Balanced Growth Fund
Principal Regulator - Manitoba
Type and Date:
Preliminary Simplified Prospectuses dated May 22, 2009
NP 11-202 Receipt dated May 22, 2009
Offering Price and Description:
Class A, F, I, T and FT Units
Underwriter(s) or Distributor(s):
Wellington West Capital Inc. and Wellington West Financial Services Inc.
Promoter(s):
-
Project #1425027

Issuer Name:
Sino-Forest Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 22, 2009
Offering Price and Description:
$330,000,000.00 - 30,000,000 Common Shares Price: $11.00 per Common Share
Underwriter(s) or Distributor(s):
Credit Suisse Securities (Canada) Inc.
Dundee Securities Corporation
Merrill Lynch Canada Inc.
Scotia Capital Inc.
TD Securities Inc.
Promoter(s):
-
Project #1425017

Issuer Name:
Student Transportation of America Ltd.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 20, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
$42,000,000.00 - 12,000,000 Common Shares Price: $3.50 per Common Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
Wellington West Capital Markets Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
Promoter(s):
-
Project #1424343

Issuer Name:
Tethys Petroleum Limited
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 22, 2009
Offering Price and Description:
Up to US$30,000,000.00 - Up to * Ordinary Shares Price: US$ * per Ordinary Share
Underwriter(s) or Distributor(s):
Fraser Mackenzie Limited
Promoter(s):
-
Project #1425405

Issuer Name:
Tonbridge Power Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 22, 2009
Offering Price and Description:
$5,002,500.00 - 21,750,000 Common Shares PRICE: $0.23 per Common Share
Underwriter(s) or Distributor(s):
Clarus Securities Inc.
Promoter(s):
-
Project #1425196

Issuer Name:
ZARGON ENERGY TRUST
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated May 20, 2009
NP 11-202 Receipt dated May 20, 2009
Offering Price and Description:
$32,250,000.00 - 2,150,000 Trust Units Price: $15.00 per Trust Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Scotia Capital Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
FirstEnergy Capital Corp.
Peters & Co. Limited
Raymond James Ltd.
Promoter(s):
-
Project #1424326

Issuer Name:
Anderson Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated May 21, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
$60,040,000.00 - 63,200,000 Common Shares PRICE: $0.95 PER OFFERED SHARE
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Cormark Securities Inc.
CIBC World Markets Inc.
GMP Securities L.P.
Promoter(s):
-
Project #1420585

Issuer Name:
Breaker Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated May 21, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
$23,460,000.00 - 5,100,000 Class A Shares Price: $4.60 per Class A Share
Underwriter(s) or Distributor(s):
FirstEnergy Capital Corp.
CIBC World Markets Inc.
Wellington West Capital Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Dundee Securities Corporation
Canaccord Capital Corporation
Tristone Capital Inc.
Promoter(s):
-
Project #1420397

Issuer Name:
Claymore Gold Bullion Trust
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated May 19, 2009
NP 11-202 Receipt dated May 20, 2009
Offering Price and Description:
Maximum - 400,000,000 (40,000,000 Units) @ $10.00 per Unit; Minimum - 200,000,000 (20,000,000 Units) @ $10.00 per Unit
Underwriter(s) or Distributor(s):
GMP Securities L.P.
TD Securities Inc.
Genuity Capital Markets
Canaccord Capital Corporation
Dundee Securities Corporation
Richardson Partners Financial Limited
Scotia Capital Inc.
Blackmont Capital Inc.
Desjardins Securities Inc.
Haywood Securities Inc.
Burgeonvest Securities Limited
FirstEnergy Capital Corp.
Research Capital Corporation
Rothenberg Capital Management Inc.
Wellington West Capital Markets Inc.
Promoter(s):
Claymore Investments, Inc.
Project #1406917

Issuer Name:
Coastal Energy Company
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated May 21, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
C$16,000,000.00 - 5,000,000 Common Shares Price: C$3.20 per Offered Share
Underwriter(s) or Distributor(s):
Thomas Weisel Partners Canada Inc.
Paradigm Capital Inc.
Canaccord Capital Corporation
Macquarie Capital Markets Canada Inc.
CIBC World Markets Inc.
Tristone Capital Inc.
Promoter(s):
-
Project #1419053

Issuer Name:
Crew Energy Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated May 21, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
$43,400,000.00 - 7,000,000 Common Shares Price: $6.20 per Common Share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Macquarie Capital Markets Canada Ltd.
Cormark Securities Inc.
Clarus Securities Inc.
TD Securities Inc.
Clarus Securities Inc.
TD Securities Inc.
FirstEnergy Capital Corp.
Tristone Capital Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Promoter(s):
-
Project #1420192

Issuer Name:
EnCana Corporation
Principal Regulator - Alberta
Type and Date:
Final Shelf Prospectus dated May 21, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
$2,000,000,000.00 - Medium Term Notes (unsecured)
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Promoter(s):
-
Project #1418296

Issuer Name:
Excel India Fund
Excel Chindia Fund
Excel Money Market Fund
Excel Latin America Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated May 13, 2009 to the Simplified Prospectuses and Annual Information Forms dated December 18, 2008
NP 11-202 Receipt dated May 22, 2009
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Excel Funds Management Inc.
Promoter(s):
Excel Funds Management Inc.
Project #1336920

Issuer Name:
First Uranium Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated May 25, 2009
NP 11-202 Receipt dated May 25, 2009
Offering Price and Description:
Cdn.$106,750,000.00 - 15,250,000 Common Shares Price: Cdn.$7.00 per Offered Share
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
Macquarie Capital Markets Canada Ltd.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Raymond James Ltd.
Promoter(s):
-
Project #1422154

Issuer Name:
FortisBC Inc.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Base Shelf Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 22, 2009
Offering Price and Description:
$300,000,000.00 - Medium Term Note Debentures (unsecured)
Underwriter(s) or Distributor(s):
CIBC World Market Inc.
HSBC Securities (Canada) Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
Promoter(s):
-
Project #1422262

Issuer Name:
Intact Financial Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Base Shelf Prospectus dated May 21, 2009
NP 11-202 Receipt dated May 22, 2009
Offering Price and Description:
$2,000,000,000.00:
Debt Securities
Class A Shares
Common Shares
Subscription Receipts
Warrants
Share Purchase Contracts
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1421171

Issuer Name:
Katanga Mining Limited
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 25, 2009
Offering Price and Description:
US$250,000,119.00 - Offering of Rights to Subscribe for Common Shares Subscription Price: 1.648281 Rights and US$0.35 per Common Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1418153

Issuer Name:
Keegan Resources Inc.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated May 20, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
$16,800,000.00 - 7,000,000 Common Shares Price: $2.40 per Common Share
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
Canaccord Capital Corporation
Clarus Securities Inc.
Paradigm Capital Inc.
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1418434

Issuer Name:
Offering Series A and F Securities (unless otherwise indicated) of:
Mackenzie Sentinel Short-Term Government Bond Fund
Mackenzie Sentinel North American Corporate Bond Class of Mackenzie Financial Capital Corporation
(also offering Series F6, J, J6, O and T6 Securities)
Mackenzie Sentinel Registered North American Corporate Bond Fund
(also offering Series J and O Securities)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated May 20, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
Series A, F, F6, J, J6, O and T Securities @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Mackenzie Financial Corporation
Project #1410094

Issuer Name:
Manulife Financial Corporation
Principal Regulator - Ontario
Type and Date:
Amended And Restated Short Form Base Shelf Prospectus dated May 8, 2009 Amending And Restating the Base Shelf Prospectus dated March 30, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
$10,000,000,000.00:
Debt Securities
Class A Shares
Class B Shares
Class 1 Shares
Common Shares
Subscription Receipts
Warrants
Share Purchase Contracts
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1374826

Issuer Name:
Navina/Lazard Strategic Trust
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 26, 2009
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Navina Capital Corp.
Project #1404655

Issuer Name:
Navina/Lazard U.S. High Yield Bond Fund
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 26, 2009
Offering Price and Description:
Class A Units and Class F Units:
Class A Units:
Price: $10 per unit
Maximum Offering; $50,000,000 (5,000,000 Units)
Minimum Offering; $8,000,000 (800,000 Units)
Minium Purchase: 200 Units
- and -
Class F Units:
Price: $10 per unit
Maximum Offering; $10,000,000 (1,000,000 Units)
Minimum Offering; $1,500,000 (150,000 Units)
Minium Purchase: 200 Units
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Blackmont Capital Inc.
Richardson Partners Financial Limited
Wellington West Capital Markets Inc.
Desjardins Securities Inc.
Manulife Securities Incorporated
Research Capital Corporation
Rothenberg Capital Management Inc.
Promoter(s):
Navina Capital Corp.
Project #1402288

Issuer Name:
North American Palladium Ltd.
Type and Date:
Final Short Form Base Shelf Prospectus dated May 15, 2009
Receipted on May 20, 2009
Offering Price and Description:
14,240,047 COMMON SHARES
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1388390

Issuer Name:
RONA inc.
Principal Regulator - Quebec
Type and Date:
Final Short Form Prospectus dated May 22, 2009
NP 11-202 Receipt dated May 22, 2009
Offering Price and Description:
$150,027,000.00 - 11,630,000 Common Shares Price: $12.90 per Common Share
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Desjardins Securities Inc.
CIBC World Markets Inc.
TD Securities Inc.
Promoter(s):
-
Project #1422381

Issuer Name:
UBS (Canada) Global Allocation Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus and Annual Information Form dated May 15, 2009
NP 11-202 Receipt dated May 21, 2009
Offering Price and Description:
Mutual fund units at net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1400984

Issuer Name:
Uranium Participation Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated May 20, 2009
NP 11-202 Receipt dated May 20, 2009
Offering Price and Description:
Common Shares
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Dundee Securities Corporation
Scotia Capital Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
GMP Securities L.P.
Raymond James Ltd.
Salman Partners Inc.
Promoter(s):
-
Project #1419494

Issuer Name:
The Economic Recovery Fund
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Long Form Prospectus dated April 28, 2009
Withdrawn on May 22, 2009
Offering Price and Description:
$ * - * Series A, F and L Units Price: $10.00 per Unit of a Series - Minimum Purchase: 200 Units of a Series
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Wellington West Capital Markets Inc.
Canaccord Capital Corporation
Manulife Securities Incorporated
Raymond James Ltd.
Blackmont Capital Inc.
Desjardins Securities Inc.
GMP Securities L.P.
Research Capital Corporation
Richardson Partners Financial Limited
Promoter(s):
First Asset Investment Management Inc.
Project #1409742

Issuer Name:
The Economic Recovery Fund

Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated April 28, 2009
Withdrawn on May 22, 2009
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1409742

Issuer Name:
Excellon Resources Inc.
Type and Date:
Rights Offering Circular dated May 8, 2009
Accepted on May 11, 2009
Offering Price and Description:
Offering of Rights to subscribe for Common Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1391638

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Dexia Asset Management Belgium S.A.	International Adviser (Investment Counsel & Portfolio Manager)	May 20, 2009
New Registration	Minvestec Capital Corp.	Limited Market Dealer	May 25, 2009
New Registration	Harvest Portfolios Group Inc.	Limited Market Dealer	May 25, 2009
Name Change	From: McKinley Capital Management, Inc. To: McKinley Capital Management, LLC	International Adviser (Investment Counsel and Portfolio Manager)	November 5, 2008
New Registration	Howard Weil Incorporated	International Dealer	May 26, 2009

This page intentionally left blank

Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Reschedules Hearing in the Matter of Purisima Dy

NEWS RELEASE
For immediate release

MFDA RESCHEDULES HEARING
IN THE MATTER OF PURISIMA DY

May 20, 2009 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Purisima Dy by Notice of Hearing dated October 21, 2008.

Following submissions by the parties today respecting scheduling and other procedural matters, the Hearing Panel rescheduled the Hearing on the Merits, previously scheduled to commence today, for November 9, 2009. The hearing will take place in the Hearing Room located at the Toronto offices of the MFDA and will commence at 10:00 a.m. (Eastern), or as soon thereafter as the hearing can be held.

The Hearing on the Merits will be open to the public, except as may be required for the protection of confidential matters.

A copy of the Notice of Hearing is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 149 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Yvette MacDougall
Hearings Coordinator
416-943-4606 or ymacdougall@mfda.ca

13.1.2 MFDA Hearing Panel Issues Reasons for Decision with Respect to Desjardins Financial Security Investments Inc. Settlement Hearing

NEWS RELEASE
For immediate release

MFDA HEARING PANEL ISSUES REASONS
FOR DECISION WITH RESPECT TO
DESJARDINS FINANCIAL SECURITY
INVESTMENTS INC.
SETTLEMENT HEARING

May 21, 2009 (Toronto, Ontario) – A Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada ("MFDA") has issued its Reasons for Decision in connection with the settlement hearing held in Toronto, Ontario on May 6, 2009 in the matter of Desjardins Financial Security Investments Inc.

A copy of the Reasons for Decision is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 149 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Shaun Devlin
Vice-President, Enforcement
416-943-4672 or sdevlin@mfda.ca

13.1.3 MFDA Hearing Panel Issues Reasons for Decision with Respect to Melvin Penney Settlement Hearing

NEWS RELEASE
For immediate release

MFDA HEARING PANEL ISSUES REASONS FOR DECISION WITH RESPECT TO MELVIN PENNEY SETTLEMENT HEARING

May 21, 2009 (Toronto, Ontario) – A Hearing Panel of the Atlantic Regional Council of the Mutual Fund Dealers Association of Canada ("MFDA") has issued its Reasons for Decision in connection with the settlement hearing held in Moncton, New Brunswick on April 15, 2009 in the matter of Melvin Robert Penney.

A copy of the Reasons for Decision is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 149 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Shaun Devlin
Vice-President, Enforcement
416-943-4672 or sdevlin@mfda.ca

13.1.4 MFDA Sets Date for Wayne Larson Hearing in Edmonton, Alberta

NEWS RELEASE
For immediate release

MFDA SETS DATE FOR WAYNE LARSON HEARING IN EDMONTON, ALBERTA

May 22, 2009 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Wayne Larson by Notice of Hearing dated July 2, 2008.

As specified in the News Release dated April 15, 2009, an appearance in this matter took place today by teleconference before a Hearing Panel of the MFDA's Prairie Regional Council. Following submissions by the parties, the hearing of this matter on its merits was scheduled to take place August 27-28, 2009 at 10:00 a.m. (Mountain) in Edmonton, Alberta, or as soon thereafter as the hearing can be held. The location of hearing venue will be announced at a later date.

The hearing on the merits will be open to the public, except as may be required for the protection of confidential matters.

A copy of the Notice of Hearing is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 149 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Yvette MacDougall
Hearings Coordinator
416-943-4606 or ymacdougall@mfda.ca

13.1.5 Technical Amendments to CDS Procedures – Housekeeping Items

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

HOUSEKEEPING ITEMS

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE CDS PROCEDURE AMENDMENT

Please find attached proposed amendments to CDS Participant Procedures concerning Housekeeping items.

The CDS Procedures marked for the amendments may be accessed at the CDS website at:

http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-blacklined?Open

Description of Proposed Amendments

The proposed amendments are housekeeping amendments made in the ordinary course of review of CDS's Participant Procedures. They include the following:

- Add Domestic Trade Reconciliation Reporting screen (WR727) to Chapter 3 of Trade and Settlement Procedures
- Standardize the cross-reference format for fees in International Services Procedures, Participating in CDS Services and Trade and Settlement Procedures
- Correct 1042S to 1042-S in CDSX Procedures and User Guide and CDS Reporting Procedures
- Style change e-mail to email in Participating in CDS Services, CDSX Procedures and User Guide, Money Market Issue and Entitlement Procedures and Transfer Agent Procedures (French excepted)
- Change DetNet to FINet in Participating in CDS Services and Trade and Settlement Procedures
- Change contact information to CAVALI (from Customer Service) in Chapter 5 of International Services Procedures.

CDS Procedure Amendments are reviewed and approved by CDS's Strategic Development Review Committee ("SDRC"). The SDRC determines or reviews, prioritizes and oversees CDS-related systems development and other changes proposed by participants and CDS. The SRDC's membership includes representatives from the CDS Participant community and it meets on a monthly basis.

These amendments were reviewed and approved by the SDRC on April 30, 2009.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as they are matters of a technical nature in routine operating procedures and administrative practices relating to the settlement services.

C. EFFECTIVE DATE OF THE CDS PROCEDURE AMENDMENT

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as amended on November 1, 2006, and Annexe A ("Protocole d'examen et d'approbation des Règles de Services de Dépot et de Compensation CDS Inc. par l'Autorité des marchés financiers") of AMF Decision 2006-PDG-0180, made effective on November 1, 2006, CDS has determined that the proposed amendments will become effective on a date subsequently determined by CDS, and as stipulated in the related CDS Bulletin.

D. QUESTIONS

Questions regarding this notice may be directed to:

Susan Cluff
Manager, Information Design & Documentation
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416-365-8503
Fax: 416-365-0842
e-mail: s.cluff@cds.ca

13.1.6 Technical Amendments to CDS Procedures Relating to Regulation SHO – SEC Interim Final Temporary Rule 204T

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

REGULATION SHO – SEC INTERIM FINAL TEMPORARY RULE 204T

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE CDS PROCEDURE AMENDMENT

In 2006, CDS's regulators approved amendments to the CDS Participant Rules related to Regulation SHO as adopted by the United States Securities and Exchange Commission ("SEC"). Under the rule amendments, CDS was granted the authority to close out a fail-to-deliver position of a participant using the cross-border services in certain equity securities trading in the U.S. that are on a U.S. SRO list of securities experiencing substantial and persistent failures to deliver. Regulation SHO's close-out requirements were designed to address problems with failures to deliver in certain equity securities.

In 2007, the SEC amended the close-out requirements for fails to deliver resulting from sales of threshold securities pursuant to Rule 144 of the Securities Act of 1933 (Securities Act). And CDS's regulators approved consequential technical amendments to CDS Participant Rule 10.2.3(b) in order to be consistent with the amended Regulation SHO.

On October 17, 2008, the SEC adopted Interim Final Temporary Rule 204T to expand the close-out requirements in Regulation SHO. Specifically, additional close-out requirements were enacted for fails to deliver resulting from sales of any equity securities, in addition to existing close-out requirements for threshold securities.

The CDS Procedures marked for the amendments may be accessed at the CDS website at:

http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-blacklined?Open.

Description of Proposed Amendments

New York Link Participant Procedures (Release 24.2)
Ch 1: About the New York Link Service, s 1.8: Regulation SHO (deleted)
Ch 2: Regulation SHO (new chapter)

CDS Reporting Procedures
Ch 1: Introduction to CDS reports, s 1.2: List of reports
Ch 23: Trade reports, s 23.6: Projected Threshold Close-Out report - New York Link Service

CDS Procedure Amendments are reviewed and approved by CDS's Strategic Development Review Committee ("SDRC"). The SDRC determines or reviews, prioritizes and oversees CDS-related systems development and other changes proposed by participants and CDS. The SRDC's membership includes representatives from the CDS Participant community and it meets on a monthly basis.

These amendments were reviewed and approved by the SDRC on April 30, 2009.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as amendments required to ensure consistency or compliance with an existing rule, securities legislation or other regulatory requirement.

C. EFFECTIVE DATE OF THE CDS PROCEDURE AMENDMENT

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as amended on November 1, 2006, and Annexe A ("Protocole d'examen et d'approbation des Règles de Services de Dépot et de Compensation CDS Inc. par l'Autorité des marchés financiers") of AMF Decision 2006-PDG-0180, made effective on November 1, 2006, CDS has determined that the proposed amendments will become effective on a date subsequently determined by CDS, and as stipulated in the related CDS Bulletin.

D. QUESTIONS

Questions regarding this notice may be directed to:

Mike Polak
Director, Operations Support
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416 365-3856
Fax: 416-365-7691
e-mail: mpolak@cds.ca

13.1.7 MFDA Sets Date to Resume Hearing on the Merits in the Matter of Marlene Legare

NEWS RELEASE
For immediate release

MFDA SETS DATE TO RESUME HEARING ON THE MERITS IN THE MATTER OF MARLENE LEGARE

May 27, 2009 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Marlene Legare by Notice of Hearing dated June 12, 2008.

As previously announced, the hearing of this matter on its merits resumed on May 25, 2009. The hearing has been scheduled to continue on May 28, 2009 at 10:00 a.m. (Pacific) in the hearing room located at the Wosk Centre for Dialogue, 580 West Hastings Street, Vancouver, British Columbia. The hearing is open to the public, except as may be required for the protection of confidential matters.

A copy of the Notice of Hearing is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 149 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Yvette MacDougall
Hearings Coordinator
416-943-4606 or ymacdougall@mfda.ca

13.1.8 MFDA Hearing Panel Reserves Judgment in Tony Tung-Yuan Lin Hearing

NEWS RELEASE
For immediate release

MFDA HEARING PANEL RESERVES JUDGMENT IN TONY TUNG-YUAN LIN HEARING

May 27, 2009 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Tony Tung-Yuan Lin by Notice of Hearing dated May 16, 2008.

The hearing of this matter on its merits concluded yesterday in Vancouver, British Columbia before a Hearing Panel of the MFDA's Pacific Regional Council. The Hearing Panel reserved its decision and advised that it would issue its decision and written reasons in due course.

A copy of the Notice of Hearing is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 149 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Shaun Devlin
Vice-President, Enforcement
416-943-4672 or sdevlin@mfda.ca

This page intentionally left blank

Chapter 25

Other Information

25.1 Permissions

25.1.1 Lloyds Banking Group plc – s. 38(3)

May 19, 2009

Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 2800, Commerce Court West
Toronto, ON M5L 1A9

Attention: Sophia Javed

Re: Lloyds Banking Group plc (Lloyds or the Filer)
Request for Permission under s. 38(3) of the Securities Act (Ontario)

Further to your letter of May 11, 2009 and email of May 19, 2009 (collectively, the Letter), we understand that:

1. Lloyds is proposing to make an international placing and open offer (the Lloyds Placing and Compensatory Open Offer) of new ordinary shares of Lloyds (Open Offer Shares) to existing holders of Lloyds ordinary shares (Ordinary Shares), the proceeds of which will be used to redeem outstanding HMT Preference Shares which were issued to HM Treasury in January 2009. Open Offer Shares which are not taken up will be placed in the market (the Placing). Holders of Ordinary Shares who do not take up (or are unable to take up) their entitlement to subscribe for Open Offer Shares under the Lloyds Placing and Compensatory Open Offer will receive pro-rata the proceeds of the Placing, to the extent that such Open Offer Shares are placed at a premium (after deducting related expenses) to the issue price of the Open Offer Shares.

2. Canadian holders of Ordinary Shares who are accredited investors (within the meaning of National Instrument 45-106 – *Prospectus and Registration Exemptions*) (Accredited Investors) will be permitted to participate in the Lloyds Placing and Compensatory Open Offer, as described in the Prospectus (defined below). Canadian residents that are not Accredited Investors will not be permitted to participate in the Lloyds Placing and Compensatory Open Offer.

3. Prospective purchasers, who must be Accredited Investors in Ontario and other relevant Canadian jurisdictions pursuant to the Lloyds Placing and Compensatory Open Offer, will have access by the internet to a Canadian offering memorandum that includes the U.K. prospectus (collectively, the Prospectus).

4. Lloyds will rely on appropriate exemptions from the prospectus and registration requirements of the *Securities Act* (Ontario) to distribute securities to residents of Ontario pursuant to the Lloyds Placing and Compensatory Open Offer.

5. The Ordinary Shares of Lloyds are currently admitted to the Official List of the UK Listing Authority and to trading on the London Stock Exchange

6. Lloyds intends to make applications to the UK Listing Authority for the Open Offer Shares to be admitted to the Official List and to the London Stock Exchange for the Open Offer Shares to be admitted to trading on the London Stock Exchange's main market for listed securities (Admission).

7. The Prospectus will contain one or more representations identical or substantially similar to the form of representation set out in the Letter (the Prospectus Listing Representation): *(a) applications will be made to the UK Listing Authority for the Open Offer Shares to be admitted to the Official List and to the London Stock Exchange for the Open Offer Shares to be admitted to trading on the London Stock Exchange's main market for listed securities; and (b) it is expected that admission of the Open Offer Shares will occur and that dealings in the Open Offer Shares on the London Stock Exchange will commence at 8:00 a.m. on June 9, 2009.* The Prospectus also includes (a) a table indicating the Ordinary Share ownership "interests of directors" and has a heading stating "*Interests immediately following Admission*", and (b) a table indicating "major shareholders of Lloyds Banking plc" with headings stating "*Prior to Admission of the Open Offer Shares*" and "*Following Admission of the Open Offer Shares*", where "Admission" is defined in the Prospectus as admission of the Open Offer Shares to the Official List and to trading on the London Stock Exchange's main market for listed securities.

8. The UK Listing Authority has not granted approval to the admission to the Official List of, and the London Stock Exchange has not granted approval to the listing of, the Open Offer Shares pursuant to the Lloyds Placing and Compensatory Open Offer, conditional or otherwise, nor have they consented

to, nor indicated that they do not object to the Prospectus Listing Representation.

9. The Prospectus discloses that the Lloyds Placing and Compensatory Open Offer is conditional on Admission. The conditions to the Open Offer Agreement (as defined in the Prospectus) are (among other things) that Admission becomes effective by not later than 8.00 a.m. on 7 July 2009.

10. The Filer seeks permission to include the Prospectus Listing Representation in the Prospectus to be provided to or made available to prospective Ontario purchasers.

Based upon the representations above and the representations contained in the Letter, permission is hereby granted pursuant to subsection 38(3) of the *Securities Act* (Ontario) to include the Prospectus Listing Representation in the Prospectus to be provided to or made available to prospective Ontario purchasers.

Yours very truly,

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

Index