The Ontario Securities Commission

OSC Bulletin

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Securities Act of Ontario (R.S.O. 1990, c. S.5) and the
Commodity Futures Act of Ontario (R.S.O. 1990, c. C.20)

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Table of Contents

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

DECEMBER 11, 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
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20 Queen Street West
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David L. Knight, FCA	—	DLK
Patrick J. LeSage	—	PJL
Carol S. Perry	—	CSP
Charles Wesley Moore (Wes) Scott	—	CWMS

SCHEDULED OSC HEARINGS

December 14-23, 2009, January 11-18, January 20-29, 2010 10:00 a.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
January 19, 2010 2:00 p.m.	Panel: JDC/KJK
December 16, 2009 9:00 a.m.	**Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson** s. 127(1) and 127(5) M. Boswell in attendance for Staff Panel: MGC/DLK
January 7, 2010 10:00 a.m.	**Paul Iannicca** s.127 H. Craig in attendance for Staff Panel: DLK
January 7, 2010 10:00 a.m.	**Nest Acquisitions and Mergers and Caroline Frayssignes** s. 127(1) and 127(8) C. Price in attendance for Staff Panel: TBA
January 7, 2010 10:00 a.m.	**IMG International Inc., Investors Marketing Group International Inc., and Michael Smith** s. 127 C. Price in attendance for Staff Panel: TBA

January 8, 2010 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: JEAT
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: DLK
January 12, 2010 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
January 12, 2010 10:30 a.m.	**Abel Da Silva** s. 127 M. Boswell in attendance for Staff Panel: DLK
January 14, 2010 10:00 a.m.	**Coventree Inc., Geoffrey Cornish and Dean Tai** s. 127 J. Waechter in attendance for Staff Panel: TBA
January 15, 2010 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, Angela Curry and Prosporex Forex SPV Trust** s. 127 H. Daley in attendance for Staff Panel: CSP
January 18, 2010; January 20-29, 2010 10:00 a.m. January 19, 2010 2:30 p.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: DLK/MCH
January 19, 2010 2:30 p.m.	**Borealis International Inc., Synergy Group (2000) Inc., Integrated Business Concepts Inc., Canavista Corporate Services Inc., Canavista Financial Center Inc., Shane Smith, Andrew Lloyd, Paul Lloyd, Vince Villanti, Larry Haliday, Jean Breau, Joy Statham, David Prentice, Len Zielke, John Stephan, Ray Murphy, Alexander Poole, Derek Grigor and Earl Switenky** s. 127 and 127.1 Y. Chisholm in attendance for Staff Panel: PJL/PLK
January 20-February 1, 2010; February 3-12, 2010 10:00 a.m. February 2, 2010 2:30 p.m.	

January 20, 2010 9:00 a.m.	**IBK Capital Corp. and William F. White** s. 127 M. Vaillancourt in attendance for Staff Panel: DLK
January 25-26, 2010 10:00 a.m.	**Lehman Cohort Global Group Inc., Anton Schnedl, Richard Unzer, Alexander Grundmann and Henry Hehlsinger** s. 127 H. Craig in attendance for Staff Panel: JEAT/CSP
February 2, 2010 2:30 p.m.	**Paladin Capital Markets Inc., John David Culp and Claudio Fernando Maya** s. 127 C. Price in attendance for Staff Panel: DLK
February 3, 2010 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: DLK
February 5, 2010 10:00 a.m.	**Hillcorp International Services, Hillcorp Wealth Management, Suncorp Holdings, 1621852 Ontario Limited, Steven John Hill, John C. McArthur, Daryl Renneberg and Danny De Melo** s. 127 A. Clark in attendance for Staff Panel: TBA
February 8-12, 2010 10:00 a.m.	**Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance** s. 127 J. Feasby in attendance for Staff Panel: TBA
February 17 – March 1, 2010 10:00 .m.	**M P Global Financial Ltd., and Joe Feng Deng** s. 127(1) M. Britton in attendance for Staff Panel: DLK/MCH
February 17, 2010 10:00 a.m.	**Maple Leaf Investment Fund Corp. and Joe Henry Chau** s. 127 J. Superina in attendance for Staff Panel: TBA
February 25, 2010 10:00 a.m.	**Tulsiani Investments Inc. and Sunil Tulsiani** s.127 J. Superina in attendance for Staff Panel: TBA
March 1-8, 2010 10:00 a.m.	**Teodosio Vincent Pangia** s. 127 J. Feasby in attendance for Staff Panel: TBA
March 3, 2010 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

March 10, 2010 10:00 a.m.	**Global Energy Group, Ltd. And New Gold Limited Partnerships** s. 127 H. Craig in attendance for Staff Panel: TBA
April 13, 2010 2:30 p.m.	**Axcess Automation LLC, Axcess Fund Management, LLC, Axcess Fund, L.P., Gordon Alan Driver and David Rutledge, Steven M. Taylor and International Communication Strategies** s. 127 M. Adams in attendance for Staff Panel: TBA
May 3-28, 2010 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: TBA
May 31 – June 4, 2010 10:00 a.m.	**Lyndz Pharmaceuticals Inc., James Marketing Ltd., Michael Eatch and Rickey McKenzie** s. 127(1) and (5) J. Feasby in attendance for Staff Panel: TBA
June 29, 2010 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: 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	**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: TBA
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: TBA

TBA **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: TBA

TBA **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: TBA

TBA **FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun**

s. 127

C. Price in attendance for Staff

Panel: TBA

TBA **Shane Suman and Monie Rahman**

s. 127 and 127(1)

C. Price in attendance for Staff

Panel: TBA

TBA **Berkshire Capital Limited, GP Berkshire Capital Limited, Panama Opportunity Fund and Ernest Anderson**

s. 127

E. Cole in attendance for Staff

Panel: TBA

TBA **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: TBA

TBA **Barry Landen**

s. 127

H. Craig in attendance for Staff

Panel: TBA

TBA **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: TBA

TBA **Gold-Quest International, Health and Harmoney, Iain Buchanan and Lisa Buchanan**

s. 127

H. Craig in attendance for Staff

Panel: TBA

TBA	**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
TBA	**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

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

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

Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boultbee and Peter Y. Atkinson

1.1.2 Alpha ATS LP – Notice of Implementation of CFO Functionality

ALPHA ATS LP

NOTICE OF IMPLEMENTATION OF CFO FUNCTIONALITY

On October 23, 2009, Alpha ATS LP published a notice regarding changes to its CFO functionality at (2009) 32 OSCB 8638. The Notice described the changes and reasons. Subscribers will be able to CFO orders to change price, increase order volume, or change the anonymous tag (from attributed to non-attributed or vice versa). Use of CFO functionality is at the discretion of the subscriber and vendor. No comment letters were received and no changes have been made to the proposed amendment since such publication. The changes will be implemented effective December 14, 2009, unless otherwise announced by Alpha through its usual notice dissemination process.

For any further questions, please contact clientservices @alphatradingsystems.ca.

1.2 Notices of Hearing

1.2.1 Coventree Inc. et al. – ss. 127(1), 127.1

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

AND

COVENTREE INC.,
GEOFFREY CORNISH AND DEAN TAI

NOTICE OF HEARING
(Subsections 127(1) and 127.1)

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to section 127(1) and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") at its offices at 20 Queen Street West, 17th Floor, Toronto, Ontario, commencing on January 14, 2010 or as soon thereafter as the hearing can be held:

TO CONSIDER whether, in the Commission's opinion, it is in the public interest for the Commission to make the following orders:

(a) that trading in any securities by Coventree Inc. ("Coventree"), Geoffrey Cornish ("Cornish") and Dean Tai ("Tai") cease permanently pursuant to paragraph 2 of section 127(1) of the Act;

(b) that acquisition of any securities by Coventree, Cornish and Tai is prohibited permanently pursuant to paragraph 2.1 of section 127(1) of the Act;

(c) that any exemptions contained in Ontario securities law do not apply to Coventree, Cornish and Tai pursuant to paragraph 3 of section 127(1) of the Act;

(d) that Coventree, Cornish and Tai be reprimanded pursuant to paragraph 6 of section 127(1) of the Act;

(e) that Cornish and Tai resign any positions that each of them holds as a director or officer of an issuer pursuant to paragraph 7 of section 127(1) of the Act;

(f) that Cornish and Tai are prohibited from becoming or acting as a director or officer of any issuer pursuant to paragraph 8 of section 127(1) of the Act;

(g) that Coventree is prohibited from becoming or acting as a registrant pursuant to paragraph 8.5 of section 127(1) of the Act;

(h) requiring Coventree, Cornish and Tai to each pay an administrative penalty of not more than $1 million for each failure to comply with Ontario securities law pursuant to paragraph 9 of section 127(1) of the Act;

(i) requiring Coventree, Cornish and Tai to each disgorge to the Commission any amounts obtained as a result of the non-compliance pursuant to paragraph 10 of section 127(1) of the Act;

(j) requiring Coventree, Cornish and Tai to jointly pay the costs of the investigation and the costs of or related to the hearing that are incurred by or on behalf of the Commission, pursuant to section 127.1 of the Act;

(k) such other order as the Commission may deem appropriate.

BY REASON OF the allegations set out in the Statement of Allegations of Staff of the Commission dated December 7, 2009 and such further allegations as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this 7th day of December, 2009.

"Daisy Aranha"
Per: John Stevenson
Secretary to the Commission

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

AND

COVENTREE INC.,
GEOFFREY CORNISH AND DEAN TAI

STATEMENT OF ALLEGATIONS

Staff of the Ontario Securities Commission (the "Commission") make the following allegations:

I. Overview

1. On August 13, 2007, the $35 billion Canadian non-bank sponsored asset-backed commercial paper ("ABCP") market collapsed, leaving investors holding illiquid investments that they could neither sell nor redeem. The collapse of the non-bank sponsored ABCP market (also referred to as the third-party ABCP market) sent shock waves through Canada's financial markets.

2. Coventree Inc. ("Coventree") was the largest sponsor of third-party ABCP in Canada. Coventree-sponsored ABCP made up 46 percent of the third-party ABCP market in Canada.

3. Coventree issued ABCP through separate legal entities that it created which were known as conduits. Coventree-sponsored conduits, in turn, sold ABCP in the prospectus-exempt market through investment dealers. ABCP investors included Crown corporations, pension funds, financial institutions, business corporations and individual retail investors. The Coventree operations and activities described below were conducted either by Coventree or its subsidiaries.

4. Third-party sponsored ABCP was a complex investment product. Little information was available about its underlying assets and it was sold in an exempt market which lacked transparency. As a result, investors purchased third-party ABCP based on the identity of the sponsor coupled with the approved credit ratings provided by Dominion Bond Rating Service Limited ("DBRS"), an approved credit rating agency.

5. There are four primary allegations against Coventree and related allegations against its President, Geoffrey Cornish ("Cornish") and its former Chief Executive Officer ("CEO"), Dean Tai ("Tai"):

   (a) Coventree failed to make full, true and plain disclosure in its prospectus by failing to disclose the fact that DBRS had adopted more restrictive credit rating criteria for ABCP in November 2006;

   (b) Coventree failed to meet its continuous disclosure obligations by failing to disclose that DBRS's decision in January 2007 to change its credit rating methodology resulted in a material change to Coventree's business or operations;

   (c) Coventree made misleading statements in April 2007 by telling the market that the total US subprime exposure in its sponsored conduits was 7.4 percent, but failing to provide investors with a breakdown of that exposure by conduit and ABCP note series. The exposure was higher than 15 percent in three conduits, and higher than 40 percent in one note series;

   (d) Coventree failed to meet its continuous disclosure obligations by failing to disclose liquidity and liquidity-related events and the risk of a market disruption in the days leading up to the market disruption on August 13, 2007.

II. The Respondents

6. Coventree was incorporated under the *Business Corporations Act*, R.S.O. 1990, c. B.16 (the "BCA") in 1998 as Coventree Capital Group Inc. and changed its name to Coventree Inc. effective October 6, 2006. Its registered office is in Toronto, Ontario. Coventree became a reporting issuer within the meaning of the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act") following an initial public offering in November 2006. Its shares traded on the Toronto Stock Exchange, under the symbol COF and were thinly traded at all material times.

7. Coventree Capital Inc., a subsidiary of Coventree which was commonly known as the Capital Markets Business Unit of Coventree, was registered with the Commission as a limited market dealer from October 16, 2006 to December 31, 2008.

8. Cornish was the President and a director of Coventree at all material times. In addition, Cornish was a member of Coventree's disclosure committee and a member of Coventree's strategic council. Cornish is also a control person of Coventree within the meaning of the Act.

9. Tai was the CEO and a director of Coventree at all material times. In addition, Tai was a member of Coventree's disclosure committee and a member of Coventree's strategic council. Tai is also a control person of Coventree within the meaning of the Act.

Other Relevant Entities

10. Coventree and its subsidiary, Nereus, sponsored ten conduits: Apollo Trust, Aurora Trust, Comet Trust, Gemini Trust, Planet Trust, Rocket Trust, Slate Trust, Venus Trust, Structured Investment Trust III (Nereus) and Structured Asset Trust (Nereus). These conduits are referred to collectively as Coventree-sponsored conduits.

11. The Coventree-sponsored conduits issued ABCP. Coventree structured each of its conduits as flow-through trusts so that the trusts were legally separate entities. However, Coventree carried out all of the business functions of the conduits, through agreements with the conduit trustees and others.

12. DBRS is a privately-owned independent credit rating organization. DBRS was Coventree's sole supplier of essential rating services.

13. Coventree-sponsored conduits sold ABCP to investors through investment dealers including: National Bank Financial ("NBF"), Scotia Capital Inc. ("Scotia"), CIBC World Markets Inc. ("CIBC"), RBC Dominion Securities Inc. ("RBC"), Deutsche Bank Securities Limited ("DBSL"), HSBC Bank Canada ("HSBC"), Laurentian Bank Securities Inc. ("Laurentian") and BNP Paribas (Canada) ("BNP"). This group was collectively known as the "dealer syndicate".

III. Background Information

A. Asset-Backed Commercial Paper

14. Coventree-sponsored ABCP was a short-term debt instrument backed by a pool of underlying assets, with typical maturities of 30 to 90 days. Coventree-sponsored ABCP offered a yield slightly better than the yield on short-term government issued debt instruments.

15. Coventree carried out the administration of the assets, was responsible for asset selection and for the arrangement of the sale of the ABCP notes. The conduits could exist indefinitely, and financial assets could be added to or removed from the conduits from time to time.

16. Due to the long term horizon of the underlying assets and the short-term nature of ABCP notes, there was an inherent timing mismatch between the cash flowing from the underlying assets and the cash needed to repay maturing ABCP notes. For many years, the Coventree-sponsored conduits successfully met their maturity obligations by selling newly issued ABCP, the proceeds of which were used to pay maturing ABCP.

17. To safeguard against difficulty meeting maturity obligations, ABCP was supported by liquidity agreements with liquidity providers which provided credit lines where certain conditions were met. In general, there were two main types of liquidity facilities: (1) General Market Disruption ("GMD") and (2) Global-style. GMD liquidity was also called "Canadian-style" liquidity since it was only available in the Canadian ABCP market. The Canadian-style liquidity facilities were more restrictive in nature than the Global-style liquidity facilities. Canadian-style liquidity facilities required specified "general market disruption" events and a credit rating affirmation before liquidity was provided to the affected conduit. By contrast, Global-style liquidity facilities had no similar conditions before payment was required.

18. Liquidity agreements were subject to confidentiality provisions. Many details of the pre-conditions required for liquidity support, including the definition of a "general market disruption event", were not known to the public, investors or to the distributors of ABCP who were not also liquidity providers.

19. As of September 2005, ABCP distributed in Canada was exempt from the requirement to file a prospectus under the short-term debt exemption set out in section 2.35 of National Instrument 45-106 – Prospectus and Registration Exemptions. ("NI 45-106"). Section 2.35 provided that no prospectus was required where the commercial paper being traded had an "approved credit rating" from an "approved credit rating organization".

20. DBRS was the sole approved credit rating organization which rated third-party ABCP that contained Canadian-style liquidity facilities.

B. Third-Party ABCP

21. Third-Party ABCP was first issued in Canada in or around 2000.

22. Historically, the underlying assets of conduits issuing ABCP consisted of traditional assets such as consumer loans, credit card receivables and residential mortgages. Over time Coventree began to acquire complex synthetic assets such as collateralized debt obligations ("CDO") for its sponsored conduits. By 2007, the majority of the assets underlying third-party ABCP consisted of non-traditional assets.

23. The assets held in traditional securitization conduits were a pool of cash-flow producing assets such as credit cards, equipment loans and leases, auto loans and leases, residential and commercial mortgages, corporate loans, trade receivables, insurance-backed loans, personal lines of credit and other cash-flow producing asset classes. In a traditional securitization, the originator would typically service and manage the underlying assets.

24. The assets held in credit arbitrage securitization conduits (or structured financial asset/CDO portfolios) were based on derivative concepts that were designed to transfer risk from one financial institution to another. Included in the credit arbitrage category were CDOs and asset backed securities (including residential mortgage backed securities and commercial mortgage backed securities). Coventree pioneered the structuring and purchase of credit arbitrage securitizations by ABCP conduits in Canada.

25. Certain credit arbitrage assets were leveraged and the conduit holding these leveraged assets could be required to post additional collateral if certain thresholds were met. The thresholds for posting additional collateral were set by the parties to the original transaction structuring the asset.

26. Coventree's conduits were either traditional securitization conduits, credit arbitrage conduits or hybrid conduits (including traditional assets and structured financial assets).

27. Coventree-sponsored ABCP was issued by a series of notes, the most common being Series "A" Notes and Series "E" Notes. The "A" Notes were supported by the Canadian-style liquidity facilities. The "E" Notes were not supported by liquidity facilities. Instead, "E" Notes could be extended up to 364 days after the original maturity date if certain conditions were met, typically if there was a general market disruption.

28. An ABCP investor earned interest on its investment, which was often described in terms of a basis point "spread" ("bps") above the Canadian Deposit Offering Rate ("CDOR"). Generally, the interest rate on all Coventree conduit A notes was the same for each daily offering of ABCP; similarly, all E notes had the same interest rate. There were different interest rates each day for different maturity lengths of the two series of ABCP. In ordinary market conditions, Coventree's A Notes were priced at CDOR plus two to four bps and its E notes were priced at CDOR plus 11 to 13 bps for 30 day maturities.

29. Coventree provided limited information regarding the composition of the underlying pool of assets in conduits issuing ABCP. The general asset classes were the only information publicly disclosed. There was no disclosure of the specific assets held in the conduits.

C. Coventree's Revenues

30. Coventree generated the following revenue from its conduits:

    (a) for traditional securitization assets, a structuring fee and program administration fees (being a percentage of either fundings outstanding or the value of assets purchased by the conduits). The program fees were paid monthly or quarterly throughout the life of the assets purchased by the conduits; and

    (b) for credit arbitrage assets, a spread between the return on the purchased assets and the conduit's cost of funds.

31. For traditional securitizations, Coventree's program fees were paid from cash flows received from the assets, after ABCP investors and swap counterparties had been paid. For credit arbitrage securitizations, Coventree was paid all amounts remaining after payment of ABCP investors, swap counterparties, trustee fees, rating agency fees, ABCP dealer fees, and fees of other service providers.

D. The Distribution of Third-Party ABCP

32. Coventree-sponsored ABCP was distributed to investors through the dealer syndicate group. One member of the dealer syndicate was appointed lead dealer. The lead dealer was responsible for the direction and supervision of the

distribution of the third-party ABCP by the dealer syndicate. Some of the lead dealer's daily duties included the allocation of ABCP notes to dealer syndicate members and setting the yield in consultation with Coventree and other dealers.

33. The dealer syndicate members maintained trading lines, up to a certain credit limit, for third-party ABCP to provide a market making function. Dealer syndicate members would typically purchase third-party ABCP that was not sold at the end of a trading day. These positions were intended to be held on a short-term basis, typically overnight, until the notes could be sold to investors. Further, dealer syndicate members purchased third-party ABCP from clients in the secondary market.

E. The Third-Party ABCP Market

34. Third-party ABCP traded in a dealer market, also known as an over-the-counter ("OTC") market. Unlike an auction market or exchange, the OTC market for third-party ABCP was not fully transparent to investors. Without a centralized quotation system and/or a centralized repository containing continuous disclosure information, investors had to rely mainly upon the dealer syndicate for information relating to issues such as pricing, market depth and market volume.

35. In its prospectus, Coventree acknowledged that "[t]his lack of information results in increased reliance being placed on the conduit sponsor."

36. The primary information readily, consistently and uniformly disclosed to investors was the yield and the credit rating of third-party ABCP.

F. The Market Freeze

37. On August 13, 2007, certain third-party ABCP conduits including the Coventree and Nereus conduits were unable to sell new ABCP to fund the repayment of maturing ABCP. Notwithstanding this funding difficulty, many of the conduits' liquidity providers did not agree that the conditions for liquidity funding had occurred and refused to provide liquidity to the affected conduits.

38. In light of the liquidity crisis, on August 16, 2007, a consortium representing banks, asset providers and major ABCP holders, agreed to take steps to establish normal operations in the ABCP market. This agreement became known as the Montreal Proposal.

39. As of August 13, 2007, the Canadian third-party ABCP market totalled approximately $35 billion, with ABCP issued by Coventree and Nereus conduits representing approximately 46% of the value of the third-party ABCP market.

40. A Pan-Canadian Investors Committee, including investors who were signatories to the Montreal Proposal plus other significant holders was established to oversee the orderly restructuring of third-party ABCP. It ultimately put forward the Plan of Compromise and Arrangement ("the Plan"), which was implemented on January 21, 2009.

41. Pursuant to the Plan, holders of the eligible third-party ABCP had their short-term notes exchanged for longer term notes to match more closely the maturity dates of the underlying assets.

IV. Allegations

A. Prospectus Disclosure

42. Coventree had an obligation under section 56 of the Act to provide full, true and plain disclosure in its prospectus of all material facts relating to the Coventree securities that it proposed to distribute.

43. In addition, Coventree's CEO, CFO and any two of its directors, on behalf of the board of directors were required under section 58 of the Act to certify that the prospectus contained full, true and plain disclosure.

44. Coventree filed its preliminary prospectus with the Commission on October 18, 2006 and filed its final prospectus (dated November 15, 2006) with the Commission on November 17, 2006. Its initial public offering consisted of a secondary offering of 22.81 percent of the then-issued and outstanding common shares held by certain shareholders of the company.

45. Cornish and Tai certified the prospectus as a director and CEO, respectively.

46. Coventree's final prospectus identified material risk factors relating to the business of Coventree, including that:

    (a) if a disruption in the ABCP market occurred and there was a cessation or fundamental adverse shift in the liquidity of the ABCP market, Coventree-sponsored conduits would be exposed to a demand for payment well in excess of Coventree's cash reserves. In its prospectus, Coventree acknowledged that "[a]lthough Coventree has no legal obligation to fund the conduits to buy back ABCP from investors in the event of a disruption, Coventree's reputation in the industry and ongoing ability to access the capital markets could be severely adversely impacted if it did not or could not do so.";

    (b) Coventree was heavily dependent on a sole supplier, DBRS, to provide credit rating services for the ABCP issued by Coventree-sponsored conduits;

    (c) Coventree relied on a small number of investors to purchase a relatively high percentage of the ABCP issued by its conduits. In particular, a substantial minority percentage of the ABCP issued by Coventree-sponsored conduits was purchased by the Caisse de dépôt et placement du Québec ("CDPQ") which also held a minority interest in Coventree's equity;

    (d) ABCP investors relied on Coventree because they were not provided with financial information about the assets underlying the conduits;

    (e) Coventree was exposed to basis risk, being the difference (or spread) between the CDOR rate and Coventree's ABCP interest rates;

    (f) the assets underlying the ABCP could perform at less than expected levels, such that cash flow generated by the assets would be insufficient to meet the conduit's outstanding obligations, including to its ABCP investors;

    (g) a default could occur by any counterparty to the Coventree-sponsored conduits' liquidity agreements, swaps, or other credit-related derivatives;

    (h) the supply of ABCP could exceed demand from investors in Canada, given the substantial growth in the ABCP market and given the possibility of investors moving their money to other money market investments;

    (i) there was a high degree of competition in the markets for Coventree's services; and

    (j) negative press or rumours regarding any ABCP industry participant could adversely affect the market and prevent the Coventree-sponsored conduits from re-issuing or rolling their commercial paper (ABCP).

47. Coventree did not disclose in its final prospectus that on November 10, 2006, DBRS had advised Coventree that, effective immediately, DBRS was taking a more restrictive approach to approving new structured financial asset-backed ("SFA") transactions (which Coventree described as credit arbitrage transactions) for ABCP conduits. DBRS had advised Coventree of this fact by email five days before Coventree filed its final prospectus with the OSC.

48. Coventree's final prospectus contained the same language about DBRS as the preliminary prospectus.

49. As discussed above, the ABCP issued by the conduits had to have an approved credit rating from an approved credit rating organization to qualify for the prospectus exemption contained in section 2.35(2) of NI 45-106.

50. All Coventree-sponsored ABCP had approved credit ratings from DBRS. No other credit rating organization was willing to provide those services. Coventree was therefore wholly dependent on DBRS as its sole supplier of credit rating services, a fact which was disclosed in Coventree's prospectus.

51. The final prospectus did not disclose that approximately 80 percent of Coventree's revenues were derived from credit arbitrage transactions.

52. Coventree's revenues were substantially derived from establishing, operating and administering securitization conduits. In the prospectus, Coventree described itself as "a niche investment bank specializing in structured finance using securitization-based financing technology". Coventree stated that it was also beginning to focus on an expanded vision of becoming "a financial services company focused on niches". This expanded corporate objective was in the early planning stage and the prospectus stated that there "is no assurance that all, or any, of current Coventree's growth experiments will be successful". The growth experiments had not yielded revenue when the final prospectus was filed, nor did they generate revenue subsequently.

53. The November 10, 2006 notification from DBRS was a material change for Coventree and, in any event, a material fact to Coventree.

54. Each of Cornish and Tai knew, or ought to have known, of the November 10, 2006 notice from DBRS when they certified that the final prospectus contained full, true and plain disclosure of all material facts.

55. Contrary to section 56 of the Act, Coventree failed to provide full, true and plain disclosure of all material facts relating to the Coventree securities that it proposed to distribute. In particular, the fact that on November 10, 2006, DBRS had advised Coventree that, effective immediately, DBRS was taking a more restrictive approach to approving new SFA transactions for ABCP conduits.

56. Each of Cornish and Tai being directors and officers of Coventree authorized, permitted or acquiesced in Coventree's failure to provide full, true and plain disclosure of all material facts in its prospectus contrary to section 129.2 of the Act.

B. Impact of the DBRS Change in Rating Criteria

57. As a reporting issuer, Coventree had continuous disclosure obligations and, in particular, where a material change occurred in Coventree's business, operations or capital it was required under section 75 of the Act to issue a press release forthwith.

58. When Coventree went public, it formed a disclosure committee that included Cornish and Tai. The disclosure committee was responsible for ensuring that all securities regulatory disclosure requirements were met and for overseeing the company's disclosure practices. Coventree's disclosure policy required the disclosure committee to meet "as conditions dictate, and at least quarterly" and to keep minutes of its meetings.

59. Coventree also had a strategic council that included Cornish and Tai. The strategic council was formed in the spring of 2007 and was Coventree's senior decision-making team. The members of the disclosure committee were represented on the strategic council.

60. On January 19, 2007, DBRS issued a press release announcing changes to its rating methodology for arbitrage-type transactions entered into by commercial paper issuers and funded by ABCP. The press release detailed specific new rating criteria, including that SFA transactions were required to be supported by Global-style liquidity.

61. The assets in the Coventree-sponsored conduits were not supported by Global-style liquidity, and Global-style liquidity was not available to Coventree. Consequently, Coventree experienced a change in its business or operations as it was no longer able to purchase credit arbitrage assets for its conduits because a credit rating from DBRS was required in order to continue to qualify for prospectus exemptions for the ABCP under section 2.35 of NI 45-106. DBRS was the sole supplier of essential credit rating services to Coventree.

62. As previously stated, Coventree's only business was related to securitization conduits. Approximately 80 percent of Coventree's revenues were derived from credit arbitrage transactions and its ongoing operations were substantially funded from this revenue source. Coventree had not disclosed this in either its prospectus or subsequently filed financial statements.

63. Since Coventree had not disclosed the fact that a substantial majority of its revenues were derived from credit arbitrage transactions, the market could not appreciate the change in DBRS rating criteria resulted in a change to Coventree's business or operations without elaboration by Coventree.

64. Each of Cornish and Tai knew, or ought to have known, that the change in DBRS rating criteria resulted in a change to Coventree's business or operations, but refused or failed to make disclosure.

65. On each day between January 19, 2007 and August 13, 2007, Coventree failed to comply with its continuous disclosure obligations contained in section 75(1) of the Act by failing to issue and file a news release disclosing the nature and substance of the material change namely, that the change in DBRS rating criteria resulted in a change to Coventree's business or operations.

66. On each day between January 19, 2007 and August 13, 2007, each of Cornish and Tai, being directors and officers of Coventree, authorized, permitted or acquiesced in Coventree's failures to comply with its continuous disclosure obligations contrary to section 129.2 of the Act.

67. On each day between January 19, 2007 and August 13, 2007, Coventree failed to file a report of a material change, namely that the change in DBRS rating criteria resulted in a change to Coventree's business or operations, contrary to section 75(2) of the Act.

68. On each day between January 19, 2007 and August 13, 2007, each of Cornish and Tai, being directors and officers of Coventree, failed to file a report of a material change, namely that the change in DBRS rating criteria resulted in a change to Coventree's business or operations, contrary to section 75(2) of the Act.

69. On each day between January 19, 2007 and August 13, 2007, each of Cornish and Tai, being directors and officers of Coventree, authorized, permitted or acquiesced in Coventree's failures to file a report of a material change, contrary to section 129.2 of the Act.

C. Misleading Statement

70. In early 2007, market participants became increasingly concerned about assets with US subprime exposure, including those underlying the ABCP. In this environment, Coventree gave a presentation "Coventree Investor Update" to a number of ABCP dealers and investors on April 25, 2007 in Toronto and gave the same presentation on April 26, 2007 in Montreal. In the portion of the presentation called "Demystifying the Subprime Market", Coventree told dealers and investors that the total US subprime exposure in its conduits was 7.4 percent but failed to provide a detailed breakdown by conduit and note series.

71. The US subprime exposure varied by conduit and note series and exceeded 15 percent in three conduits, and 40 percent in one note series. Coventree knew or ought to have known that the US subprime exposure in three of its ABCP note series was significantly higher than 7.4 percent.

72. By advising investors that there was 7.4 percent exposure to US subprime in its conduits, while failing to tell those same investors that the US subprime exposure was significantly higher than 7.4 percent in three ABCP note series, Coventree made a misleading statement to investors and dealers.

73. On each of April 25 2007 and April 26, 2007, Coventree made a statement contrary to section 126.2(1) of the Act that it knew or reasonably ought to have known, was in a material respect and at the time and in light of the circumstances under which it was made, misleading (namely that Coventree's total US subprime exposure was 7.4 percent), and did not state a fact that was required to be stated or necessary to make the statement not misleading (namely that the US subprime was significantly higher than 7.4 percent in three of its ABCP note series). This misleading statement would reasonably be expected to have a significant effect on the market price or value of at least three Coventree-sponsored ABCP note series.

74. On July 24, 2007, Coventree advised the dealer syndicate of the US subprime exposure per conduit and note series as of June 28, 2007 but did not generally disclose the facts required to be stated or necessary to make its April statements not misleading.

D. Liquidity and Liquidity-Related Issues Prior to August 13, 2007

75. As a reporting issuer, Coventree had continuous disclosure obligations and, in particular, where a material change occurred in Coventree's business, operations or capital it was required under section 75 of the Act to issue a press release forthwith.

76. In January 2007, Coventree put its US subprime transactions on its internal watchlist.

77. Beginning in February 2007, Coventree began making disclosure to some dealers and ABCP investors about the US subprime exposure in Coventree's sponsored conduits. Coventree's dealer syndicate members and a few ABCP investors began making increasingly detailed inquiries about the assets underlying Coventree's ABCP, and by July 2007, Coventree's disclosure to some dealers and ABCP investors became more frequent and detailed.

78. Two of these disclosures by Coventree were: (a) a July 11, 2007 email from Coventree to it a member of the dealer syndicate attaching a breakdown of the US subprime exposure in its conduits, and (b) a July 24, 2007 email from Coventree to its dealer syndicate attaching a similar breakdown.

79. The dealer sent the July 11, 2007 email to CDPQ on July 20, 2007. In the first half of 2007, CDPQ held up to 50 percent of Coventree-sponsored ABCP. In response to the facts disclosed in the July 11 email, on July 23, 2007 CDPQ began substantially reducing its holdings of Coventree ABCP with US subprime exposure. CDPQ's reduction of ABCP with US subprime exposure was of such a concern to Coventree that Coventree took steps to reallocate US subprime assets among its conduits to satisfy CDPQ. In doing so, Coventree did not take into account the interests of other ABCP investors.

80. On July 24, 2007, Coventree sent an email to the dealer syndicate with the following table summarizing the Coventree-sponsored conduits' US subprime exposure per conduit and note series as of June 28, 2007.

Conduit	Series A	Series E	Total ABCP	FRNs	Total ABCP and FRNs
Aurora Trust	0%	8%	3%	2%	3%
Comet Trust	0%	**42%**	16%	12%	16%
Planet Trust	**26%**	3%	17%	0%	15%
Slate Trust	0%	**16%**	13%	0%	13%
Apollo Trust Gemini Trust Rocket Trust Venus Trust	0%	0%	0%	0%	0%
SAT	0%	0%	0%	0%	0%
SIT III	1%	0%	1%	0%	1%
TOTAL	**3%**	**6%**	**5%**	**2%**	**4%**

81. After Coventree sent the July 24, 2007 email to its dealer syndicate, certain dealers reduced or temporarily eliminated their market-making lines and adjusted their inventory holdings of Coventree-sponsored ABCP, in order to minimize their exposure to losses in the third-party ABCP market.

82. On July 25, 2007, DBRS advised Coventree that it was getting daily calls on US subprime exposure in Canadian conduits and stated that Coventree's funding capacity might be affected.

83. By early August 2007, a number of material risks that Coventree had identified in its prospectus (see paragraph 46 above) had occurred:

(a) Coventree was experncing a sharp and substantial loss of demand for its ABCP products, which Coventree expected to continue. The loss of demand manifested itself in several ways, including that:

- by July 23, 2007, Coventree's dealers were reporting difficulty selling Coventree ABCP, especially ABCP with US subprime exposure;
- beginning on July 26, 2007 other members of Coventree's dealer syndicate had substantially reduced their participation in the market for Coventree-sponsored ABCP (by turning back unsold newly issued ABCP to the lead dealer, by declining to bid on Coventree's ABCP in the secondary market and by reducing their market making lines);
- on July 27, 2007, one of the dealers had resigned from Coventree's dealer syndicate;
- by July 27, 2007, Coventree was aware that CDPQ was reducing its holdings in Coventree-sponsored conduits with US subprime exposure and if it continued to do so it would cause a market disruption; and
- by August 1, 2007, spreads on Coventree-sponsored E notes were widening above 25 basis points over CDOR, which was well beyond historical levels, and the market conditions were adversely affecting Coventree's revenue. The spreads on A notes had also widened above 10 bps.

(b) by July 31, 2007, Coventree had sold assets in its conduits to accumulate funds so that it would be able to honour anticipated collateral calls. Coventree was doing daily calculations to determine whether a collateral call would occur.

(c) by August 7, 2007, Coventree was unable to purchase new assets from its asset suppliers and ultimately advised its asset suppliers that it did not know when it would be able to resume offering financing in the ordinary course. At that time, Coventree acknowledged that "the spread widening in the Canadian market [is]

beginning to adversely affect Coventree's revenues and will adversely affect future revenues of Coventree if those conditions persist."

The events described in subparagraphs (a) to (c) above, individually and collectively, constituted a material change in Coventree's business or operations.

84. Coventree's management convened an emergency board of directors meeting on August 1, 2007 to discuss deteriorating market conditions. After being briefed, the Board instructed Coventree's management to draft a press release about liquidity issues in the third-party ABCP market.

85. On August 2, 2007, Coventree management circulated a draft press release to the Coventree Board, together with a recommendation by Coventree management that the press release not be issued, but that it be held for future release. Cornish stated in the August 1, 2007 draft press release that "this spread widening has decreased the current revenues of Coventree and, if it were to continue, will result in a material decrease in the future revenues of the Company and therefore its profitability".

86. The decision by Coventree not to disclose the material change was substantially influenced by its perception that disclosure would have an adverse market impact.

87. On July 25, 2007, Coventree had an internal meeting to discuss market disruption procedures. By July 26, 2007, dealers had been asking Coventree for details of liquidity agreements and the liquidity drawdown protocols relating to the ABCP.

88. After August 1, 2007, the liquidity in the market for Coventree's ABCP continued to deteriorate, a clear indication that demand for Coventree's ABCP was disappearing, but a press release was not issued until after the third-party ABCP market froze on August 13, 2007.

89. On August 6, 2007, Coventree took comprehensive steps to prepare for a market disruption, including meeting with their counsel to prepare the necessary notices and notifying DBRS. The risk of a market disruption was also a material change requiring disclosure.

90. Cornish and Tai were aware of the liquidity and liquidity-related issues and the risk of a market disruption and, notwithstanding their roles as members of the disclosure committee, the strategic council and directors and officers of Coventree, refused or failed to make disclosure.

91. On each day between August 1, 2007 and August 13, 2007, Coventree failed to comply with its continuous disclosure obligations contained in section 75(1) of the Act by failing to issue and file a news release disclosing the nature and substance of the material change, namely the liquidity and liquidity-related issues and the risk of a market disruption.

92. On each day between August 1, 2007 and August 13, 2007, each of Cornish and Tai, being directors and officers of Coventree, authorized, permitted or acquiesced in Coventree's failures to comply with its continuous disclosure obligations contrary to section 129.2 of the Act.

93. On each day between August 1, 2007 and August 13, 2007, contrary to section 75(2) of the Act, Coventree failed to file a report of a material change, namely the liquidity and liquidity-related issues and the risk of a market disruption.

94. On each day between August 1, 2007 and August 13, 2007, each of Cornish and Tai, being directors and officers of Coventree, authorized, permitted or acquiesced in Coventree's failure to file a report of a material change, contrary to section 129.2 of the Act.

V. Conduct Contrary to Ontario Securities Law and the Public Interest

95. Based on the foregoing, Coventree, Cornish and Tai breached the Act and acted in a manner that is contrary to the public interest.

96. Such further and other allegations as Staff may advise and the Commission may permit.

December 7, 2009

1.4.1 Notices from the Office of the Secretary

1.4.1 IBK Capital Corp. and William F. White

FOR IMMEDIATE RELEASE
December 4, 2009

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

AND

IN THE MATTER OF
IBK CAPITAL CORP. AND
WILLIAM F. WHITE

TORONTO – The Commission issued an Order in the above named matter which provides that the hearing be adjourned to January 20, 2010 at 9:00 a.m. or such other date as is agreed by the parties and determined by the Office of the Secretary.

A copy of the Order dated December 3, 2009 is available at **www.osc.gov.on.ca**.

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1.4.2 Sulja Bros. Building Supplies, Ltd. et al.

FOR IMMEDIATE RELEASE
December 4, 2009

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

AND

IN THE MATTER OF
SULJA BROS. BUILDING SUPPLIES, LTD.,
PETAR VUCICEVICH, KORE INTERNATIONAL
MANAGEMENT INC., ANDREW DE VRIES,
STEVEN SULJA, PRANAB SHAH,
TRACEY BANUMAS, AND SAM SULJA

TORONTO – Following a hearing held today, the Commission issued an Order which provides that this matter is adjourned to January 8, 2010 at 10:00 a.m., at which time a date for a pre-hearing conference will be set whether or not new counsel has been retained for Vucicevich, Banumas, Kore International and Shah.

A copy of the Order dated December 4, 2009 is available at **www.osc.gov.on.ca**.

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1.4.3 Rex Diamond Mining Corporation et al.

FOR IMMEDIATE RELEASE
December 4, 2009

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

AND

IN THE MATTER OF
REX DIAMOND MINING CORPORATION,
SERGE MULLER AND BENOIT HOLEMANS

TORONTO – The Commission issued an Order which provides that the order of August 11, 2009 is stayed pending the disposition of the appeal by the Divisional Court to the following extent:

(a) Serge Muller and Benoit Holemans may continue to act as officers and/or directors of Rex Diamond Mining Corporation; and

(b) all monetary orders of the Commission made August 11, 2009 are stayed pending the disposition of the appeal by the Divisional Court.

A copy of the Order dated December 2, 2009 is available at **www.osc.gov.on.ca**.

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1.4.4 Coventree Inc. et al.

FOR IMMEDIATE RELEASE
December 7, 2009

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

AND

IN THE MATTER OF
COVENTREE INC., GEOFFREY CORNISH
AND DEAN TAI

TORONTO – The Office of the Secretary issued a Notice of Hearing today setting the matter down to be heard on January 14, 2010 or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Notice of Hearing dated December 7, 2009 and Statement of Allegations of Staff of the Ontario Securities Commission dated December 7, 2009 are available at **www.osc.gov.on.ca**.

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1.4.5 Tulsiani Investments Inc. and Sunil Tulsiani

FOR IMMEDIATE RELEASE
December 9, 2009

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

AND

IN THE MATTER OF
TULSIANI INVESTMENTS INC. AND
SUNIL TULSIANI

TORONTO – The Commission issued an Order in the above named matter which provides that (1) pursuant to subsection 127(8) of the Act that the hearing is adjourned to February 25, 2010 at 10:00 a.m.; and (2) pursuant to subsection 127(8) of the Act that the Temporary Order is extended until the close of business February 26, 2010 unless further extended by order of the Commission.

A copy of the Order dated December 9, 2009 is available at **www.osc.gov.on.ca**.

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1.4.6 Nest Acquisitions and Mergers and Caroline Frayssignes

FOR IMMEDIATE RELEASE
December 9, 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 – The Commission issued an Order in the above named matter which provides that (1) pursuant to section 127(8) that the Temporary Order is extended to January 8, 2010; and (2) the hearing is adjourned to January 7, 2010 at 10:00 a.m.

A copy of the Order dated December 9, 2009 is available at **www.osc.gov.on.ca**.

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1.4.7 IMG International Inc. et al.

FOR IMMEDIATE RELEASE
December 9, 2009

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

AND

IN THE MATTER OF
IMG INTERNATIONAL INC.,
INVESTORS MARKETING GROUP I
NTERNATIONAL INC. AND MICHAEL SMITH

TORONTO – The Commission issued an Order in the above named matter which provides that (1) pursuant to section 127(8) that the Temporary Order is extended to January 8, 2010; and (2) the hearing is adjourned to January 7, 2010 at 10:00 a.m.

A copy of the Order dated December 9, 2009 are available at **www.osc.gov.on.ca**.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 HSBC Global Asset Management (Canada) Limited et al.

Headnote

Multilateral Instrument MI 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 81-101 Mutual Fund Prospectus Disclosure, s. 6.1 – Securities Act s. 76 Prospectus Requirements – An issuer requires an extension of the lapse date of its funds' simplified prospectus – An issuer proposes implementing changes to the names and investment strategies of certain of its funds and to the manner in which it uses the funds to manage the investments of its clients; in connection with those changes, the issuer proposes to cease offering certain of the funds under the simplified prospectus; this requires changes to the recordkeeping and trade processing systems used by the issuer with respect to the funds; the issuer also intends to offer new funds under the simplified prospectus; the issuer will prepare and file a new simplified prospectus and annual information form reflecting the proposed changes.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am, ss. 62(5), 147.

November 20, 2009

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

AND

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

AND

IN THE MATTER OF
HSBC GLOBAL ASSET MANAGEMENT
(CANADA) LIMITED
(the Filer)

AND

IN THE MATTER OF
THE HSBC POOLED FUNDS LISTED
IN APPENDIX "A"
(collectively, the Funds)

DECISION

Background

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

(a) the time limits for the renewal of the simplified prospectus (Simplified Prospectus) and annual information form (Annual Information Form) of the Funds dated November 21, 2008, with the exception of the HSBC MM Canadian Growth Equity Pooled Fund, HSBC MM U.S. Growth Equity Pooled Fund and HSBC MM International Growth Equity Pooled Fund (Ceasing Funds), be extended to those time limits that would be applicable if the lapse date of the simplified prospectus and annual information form was December 17, 2009; and

(b) the time limit for the distribution of securities of the Ceasing Funds under the Simplified Prospectus and Annual Information Form be extended to permit the continued distribution of securities of the Ceasing Funds until December 7, 2009.

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

(a) the British Columbia Securities Commission is the principal regulator (Principal Regulator) for this application,

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, and Newfoundland and Labrador, and

(c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario pursuant to Section 104(2)(c) of the *Securities Act* (Ontario).

Interpretation

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

Representations

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

1. the Filer is a corporation governed by the *Canada Business Corporations Act*, with its head office in Vancouver, British Columbia; the Filer is the manager and investment advisor of the Funds;

2. the Funds are open-ended mutual fund trusts established under the laws of British Columbia;

3. the Funds are reporting issuers under the laws of each of the provinces of Canada other than Prince Edward Island (collectively, the Reporting Jurisdictions); none of the Funds is in default of any of the requirements of securities legislation of the Reporting Jurisdictions;

4. securities of the Funds are currently qualified for distribution in each of the provinces of Canada other than Prince Edward Island under the Simplified Prospectus and Annual Information Form;

5. in each Jurisdiction, provided a pro forma simplified prospectus is filed 30 days prior to November 21, 2009, a final version of the simplified prospectus is filed by December 1, 2009, and a receipt for the simplified prospectus is issued by the securities regulatory authorities by December 11, 2009, units of the Funds may be distributed without interruption throughout this prospectus renewal period;

6. the Funds are currently sold only to investors as part of a discretionary management service provided by the Filer or its affiliates;

7. the Filer intends to implement changes to the names and investment strategies of certain Funds and to the manner in which it uses the Funds to manage the investments of its clients;

8. the Filer also intends to cease offering the Ceasing Funds under the Simplified Prospectus by December 7, 2009 (together with the changes in representation 7, the Proposed Changes);

9. the Proposed Changes require changes to the recordkeeping and trade processing systems used by the Filer with respect to the Funds and these changes are expected to be completed by December 7, 2009;

10. in addition the Filer intends to offer two new funds, the HSBC Global Inflation Linked Bond Pooled Fund and the HSBC Emerging Markets Pooled Fund (together, the New Funds); in order to provide the maximum possible time for the two new funds to qualify as "mutual fund trusts" under the *Income Tax Act* (Canada) the Filer intends to establish the New Funds on or after December 15, 2009;

11. in order to avoid any potential confusion on the part of investors in the Funds, the Filer intends to prepare a new Simplified Prospectus and Annual Information Form reflecting the Proposed Changes; the granting of the Exemptive Relief Sought would also allow the Filer to incorporate the New Funds into the new Simplified Prospectus, which would avoid the costs of having to qualify the New Funds under a separate simplified prospectus and then subsequently having to incur the additional cost associated with adding the New Funds to the Simplified Prospectus at the time of the next Simplified Prospectus renewal in December 2010;

12. in the absence of this order, section 2.5 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* and section 62 of the *Securities Act* (Ontario) would require that the Funds file a final simplified prospectus and annual information form by December 1, 2009 and receive a final receipt by December 11, 2009;

13. since November 21, 2008, the date of the Simplified Prospectus and Annual Information Form, no undisclosed material change has occurred in respect of the Funds; accordingly, the Simplified Prospectus and Annual Information Form present up to date information regarding the Funds; the extension requested will not affect the currency or accuracy of the information contained in the Simplified Prospectus and Annual Information Form, and accordingly, would not be prejudicial to the public interest;

14. unless the Exemptive Relief Sought is granted, the Simplified Prospectus and Annual Information Form must be filed six days before the date of the Proposed Changes and fourteen days prior to the anticipated date for the establishment of the New Funds; requiring the Funds to file a simplified prospectus and annual information form and then amend the simplified prospectus and annual information form to reflect the Proposed Changes, and prepare a new simplified prospectus and annual information form in connection with the New Funds, within such a short period of time, would lead to increased costs borne by the Funds and the New Funds (and ultimately by investors in the Funds and the New Funds) and potentially lead to investor confusion.

Decision

4 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.

"Andrew S. Richardson, CA"
Acting Director, Corporate Finance
British Columbia Securities Commission

Appendix "A"

HSBC Pooled Funds

HSBC Canadian Money Market Pooled Fund
HSBC Mortgage Pooled Fund
HSBC Canadian Bond Pooled Fund
HSBC International Bond Pooled Fund
HSBC U.S. High Yield Bond Pooled Fund
HSBC Canadian Dividend Income Pooled Fund
HSBC Canadian Equity Pooled Fund
HSBC Canadian Small Cap Equity Pooled Fund
HSBC U.S. Equity Pooled Fund
HSBC International Equity Pooled Fund
HSBC MM Canadian Bond Pooled Fund
HSBC MM Canadian Value Equity Pooled Fund
HSBC MM Canadian Growth Equity Pooled Fund
HSBC MM Canadian Small Cap Equity Pooled Fund
HSBC MM U.S. Value Equity Pooled Fund
HSBC MM U.S. Growth Equity Pooled Fund
HSBC MM U.S. Small/Mid Cap Equity Pooled Fund
HSBC MM International Value Equity Pooled Fund
HSBC MM International Growth Equity Pooled Fund

2.1.2 Cardiome Pharma Corp.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Take-over Bids – Exemption from the proportionate take-up requirements in section 97.2(1) and from the extension take-up requirements in section 98.3(4) of the Securities Act (Ontario) – Dutch auction – An issuer conducting an issuer bid under a modified Dutch auction procedure requires relief from the requirement to take up and pay for securities deposited on a pro rata basis and the associated disclosure requirement – The issuer is disclosing the maximum number of shares it will acquire under the bid, and the minimum and maximum amount it will pay for shares tendered; as a result, the potential for confusion is minimal – the issuer will comply with the U.S. regime in connection with the Offer.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 97.2(1), 98.3(4),104(2)(c).
OSC Rule 62-504, s. 4.2(2).
Form 62-504 F2, items 2 and 8.

October 13, 2009

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

AND

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

AND

IN THE MATTER OF
CARDIOME PHARMA CORP.
(the Filer)

DECISION

Background

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

(a) to take up and pay for all the securities tendered to the Offer proportionately according to the number of securities deposited by each security holder (the Proportionate Take Up Requirements);

(b) to provide disclosure in the issuer bid circular of the Filer dated September 1, 2009 (the Circular) of such proportionate take up and payment; and

(c) that the Offer not be extended if all the terms and conditions of the Offer have been complied with or waived unless the Filer first takes up all Common Shares deposited under the Offer and not withdrawn (the Extension Take Up Requirements)

(collectively, the Exemptions Sought).

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

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

(b) the Filer has provided notice that Section 4.7(1) of Multilateral Instrument 11-102 Passport System (MI 11-102) is intended to be relied upon in the Yukon Territory and the Provinces of Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Newfoundland and Prince Edward Island; and

(c) this decision (the Decision) is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario pursuant to Section 104(2)(c) of the *Securities Act* (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.

Representations

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

1. the Filer is validly existing under the *Business Corporations Act* (Canada) and has its head office in Vancouver, British Columbia;

2. as of October 5, 2009, the authorized capital of the Filer consists of an unlimited number of Common Shares and an unlimited number of preferred shares without par value, issuable in series, of which 63,762,296 Common Shares (the Outstanding Common Shares) and 2,272,727 Series A Preferred Shares were issued and outstanding;

3. the Common Shares are listed and posted for trading on the Toronto Stock Exchange (the TSX) under the symbol "COM" and quoted on the NASDAQ Global Market (NASDAQ) under the symbol "CRME"; on August 25, 2009 (the day on which the Offer was announced), the closing price of the Common Shares was US$4.24 on NASDAQ and Cdn$4.59 on the TSX;

4. the Filer is a reporting issuer in the Yukon Territory and each of the Provinces of Canada and, to its knowledge, is not in default of any requirement of the securities legislation of any of the jurisdictions in which it is a reporting issuer;

5. the Offer is subject to Rule 13e-4 adopted under the *U.S. Securities Exchange Act of 1934*, as amended (the Exchange Act), and is not exempt therefrom;

6. as of October 5, 2009, Adage Capital Partners, L.P. (Adage) owns approximately 12.3% of the Outstanding Common Shares; to the knowledge of the Filer, based on publicly available information, no other shareholder of the Filer holds, or exercises control and direction over, more than 10% of the Outstanding Common Shares; Adage has informed the Filer that it does not currently intend on tendering any of its Common Shares to the Offer;

7. under the proposed terms of the Offer, a tendering shareholder will be permitted to select a price between US$4.25 per share and US$5.10 per share (the Price Range) at which the shareholder is willing to sell his, her or its Common Shares; the Filer proposes to purchase up to US$27.5 million of Common Shares; the Filer proposes to use cash on hand to acquire Common Shares tendered to the Offer; if the Offer is fully subscribed at the low end of the Price Range (US$4.25), the Filer will purchase 6,470,588 Common Shares (representing 10.1% of the Outstanding Common Shares); if the Offer is fully subscribed at the high end of the Price Range (US$5.10), the Filer will purchase 5,392,157 Common Shares (representing 8.4% of the Outstanding Common Shares);

8. the Offer will be made pursuant to a modified "Dutch Auction" procedure as follows:

   (a) the Circular specifies that the Filer intends to purchase up to US$27.5 million of Common Shares;

   (b) the Circular specifies that the Price Range will be US$4.25 per share to US$5.10 per share;

   (c) a shareholder may elect to tender Common Shares to the Offer pursuant to either an auction tender (an Auction Tender) or a purchase price tender (a Purchase Price Tender); a shareholder tendering Common Shares to the Offer pursuant to an Auction Tender may specify a price within the Price Range at which he, she or it is willing to sell all or a portion of such Common Shares; a shareholder tendering Common Shares pursuant to a Purchase Price Tender will be deemed to have tendered such Common Shares to the Offer at the Purchase Price (as calculated in accordance with subparagraph 8(f) below);

   (d) all Common Shares tendered by a shareholder who (A) fails to indicate whether the tendered Common Shares have been tendered pursuant to an Auction Tender or a Purchase Price Tender, (B) tenders Common Shares pursuant to an Auction Tender but fails to specify a purchase price for such Common Shares or (C)

indicates that the tendered Common Shares have been tendered pursuant to both an Auction Tender and a Purchase Price Tender, will be deemed to have tendered to the Offer pursuant to a Purchase Price Tender;

(e) a shareholder may tender Common Shares to the Offer subject to the condition that a specified minimum number of the tendered Common Shares must be purchased in order for any of such Common Shares to be purchased; the Filer is making this alternative available to shareholders in order to accommodate shareholders who wish to have the transaction treated as a sale of Common Shares, rather than the payment of dividends, under U.S. federal income tax rules;

(f) promptly following the expiry of the Offer, the Filer will determine a single price per share (the Purchase Price) that it will pay for Common Shares properly tendered to the Offer; the Purchase Price will be the lowest price in the Price Range that will enable the Filer to purchase US$27.5 million of Common Shares (unless the Offer is undersubscribed, in which case the Purchase Price will be the price that enables the Filer to purchase all Common Shares properly tendered to the Offer); the Purchase Price, which will not be less than US$4.25 per share or more than US$5.10 per share, will be determined on the basis of the number of Common Shares tendered to the Offer and, in the case of Auction Tenders, the prices specified by the tendering shareholders; Common Shares that are tendered by shareholders at a price that is outside the Price Range, or which are otherwise not properly deposited to the Offer, will be considered to have been improperly tendered, will be excluded from the determination of the Purchase Price and will be returned to shareholders in accordance with subparagraph (i);

(g) the Purchase Price and the aggregate number of Common Shares that the Filer will purchase under the Offer will not be determined until after the Offer expires, provided that the aggregate amount that the Filer will pay for Common Shares under the Offer will not exceed US$27.5 million;

(h) subject to the conditions of the Offer, including the conditions relating to conditional tenders described in subparagraph 8(e) above and conditions relating to pro-ration described in subparagraph 8(k) below, the Filer will purchase at the Purchase Price all Common Shares properly deposited or deemed to be deposited (and not withdrawn) at or below the Purchase Price;

(i) promptly after the Offer expires, the Filer will return all Common Shares that were (A) not properly tendered to the Offer or (B) properly tendered to the Offer but not taken up and paid for, including Common Shares deposited pursuant to Auction Tenders at prices greater than the Purchase Price and Common Shares not purchased because of pro-ration or because the tendering shareholder's minimum conditional tender conditions were not met;

(j) if the number of Common Shares properly tendered to the Offer (and not withdrawn) would result in an aggregate purchase price equal to or less than US$27.5 million, the Filer will purchase at the Purchase Price all Common Shares properly tendered to the Offer and not withdrawn;

(k) if the number of Common Shares properly deposited or deemed to be deposited for purchase at or below the Purchase Price (and not withdrawn) would result in an aggregate purchase price of more than US$27.5 million, the Filer will purchase Common Shares properly deposited and not withdrawn in the following priority:

  (i) without pro-ration, all Common Shares deposited or deemed to be deposited for purchase at or below the Purchase Price by holders of "odd lots" of less than 100 Common Shares who have tendered all of their Common Shares to the Offer;

  (ii) on a pro rata basis, all other Common Shares deposited or deemed to be deposited for purchase at or below the Purchase Price (subject to the conditional tender provisions described in subparagraph 8(e) above and adjustments to avoid the purchase of fractional shares); and

  (iii) if necessary to ensure that the Common Shares purchased under the Offer have an aggregate purchase price of more than US$27.5 million, by random lot, but only to the extent feasible, all Common Shares deposited or deemed to be deposited for purchase at or below the Purchase Price subject to the condition that a specified minimum number of such Common Shares be purchased (and for whom such condition was not initially satisfied); and

(l) if the number of Common Shares properly deposited or deemed to be deposited for purchase at or below the Purchase Price (and not withdrawn) would result in an aggregate purchase price of more than US$27.5 million, the Filer may extend the Offer;

9. under the Legislation, the Proportionate Take Up Requirements:

   (a) do not apply so as to prohibit an issuer from acquiring securities under the terms of an issuer bid that, if not acquired, would constitute less than a standard trading unit (i.e. an odd lot); and

   (b) do not apply to securities deposited by security holders who (A) are entitled to elect a minimum price per security within a range of prices at which they are willing to sell their securities to an issuer bid and (B) elect a minimum price which is higher than the price that the issuer pays for the securities under the issuer bid;

10. if the effect of pro-ration as described in subparagraph 8(k) would be to reduce the number of Common Shares deposited pursuant to a conditional tender to a number which is less than the minimum number of Common Shares specified by the tendering shareholder, the conditional tender will automatically be regarded as withdrawn; it is therefore possible, under the proposed terms of the Offer, that a shareholder could deposit or be deemed to deposit Common Shares at or below the Purchase Price and not have such Common Shares purchased under the Offer; the Legislation does not contain an exemption from the Proportionate Take Up Requirements in such circumstances; as noted in subparagraph 8(e), the Filer is structuring the Offer in this manner in order to accommodate shareholders who wish to have the transaction treated as a sale of Common Shares, rather than the payment of dividends, under U.S. federal income tax rules;

11. under the Legislation, an issuer may not extend an issuer bid if all the terms and conditions of the issuer bid have been complied with or waived unless the issuer first takes up all the securities deposited under the issuer bid and not withdrawn; Rule 13e-4 of the Exchange Act requires an issuer to take up all securities deposited under an issuer bid concurrently and, as a consequence, prohibits an issuer from taking up securities prior to the expiry of an issuer bid;

12. there is a "liquid market" in the Common Shares, as such term is defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (MI 61-101), because:

   (a) there is a published market for the Common Shares (the TSX and NASDAQ);

   (b) during the 12 months before September 1, 2009:

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

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

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

      (iv) the aggregate value of the trades in the Common Shares on NASDAQ was at least Cdn$15,000,000; and

   (c) the market value of the Common Shares on NASDAQ was at least Cdn$75,000,000 for August 2008;

13. based on the facts set forth in paragraph 12 and the maximum number of Common Shares that may be purchased under the Offer, the Filer has determined that there is a liquid market for the Common Shares and that it is reasonable to conclude that, following the completion of the Offer, there will be a market for holders of Common Shares who do not tender all of their Common Shares to the Offer that is not materially less liquid than the market that existed at the time the Offer was announced;

14. based on the facts set forth in paragraphs 12 and 13, the Filer relied upon the "liquid market" exemption (the Liquid Market Exemption) from the formal valuation requirements otherwise applicable to issuer bids under MI 61-101;

15. the Circular:

   (a) discloses the mechanics for the take up of and payment for or, where applicable, the return of Common Shares tendered to the Offer as described in paragraph 8 above;

   (b) explains that, by tendering Common Shares at the lowest price in the Price Range, shareholders can reasonably expect that the Common Shares so tendered will be purchased at the Purchase Price (subject to pro-ration and the conditional tender procedures);

(c) discloses the fact that the Filer has filed for an exemption from the Proportionate Take Up Requirements and Extension Take Up Requirements;

(d) discloses the facts supporting the Filer's reliance on the Liquid Market Exemption; and

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

16. prior to the expiry of the Offer, all information regarding the number of Common Shares tendered and the prices at which such Common Shares are tendered shall be kept confidential, and the Filer's depository for the Offer will be directed by the Filer to maintain such confidentiality until the Purchase Price has been determined.

Decision

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

The decision of the Decision Makers under the Legislation is that the Exemptions Sought are granted provided that:

(a) Common Shares deposited under the Offer and not withdrawn are taken up and paid for or, where applicable, returned to shareholders in the manner described in paragraph 8 of this Decision;

(b) the Filer is eligible to rely on the Liquid Market Exemption and complies with the representations contained in paragraph 12 of this Decision; and

(c) the Filer complies with the requirements of the Exchange Act in respect of the conduct of the Offer.

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

2.1.3 Franklin Templeton Investments Corp. et al.

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – exemptions granted from the mutual fund conflict of interest investment restrictions and management reporting requirements of the Securities Act (Ontario) and self-dealing prohibition of National Instrument 31–103 – Registration Requirements to permit pooled funds to invest with fund-on-fund structure – variation of prior relief to expand top funds and bottom funds

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 111(2)(b), 111(2)(c), 111(3), 113, 117(1)(a), 117(1)(d), 117(2).
National Instrument 31-103 Registration Requirements, ss. 13.5(2)(a), 15.1.

November 27, 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 THE
FRANKLIN TEMPLETON INVESTMENTS CORP.
(the "Manager")

AND

FRANKLIN TEMPLETON CAPITAL PRESERVATION POOLED PORTFOLIO AND THE OTHER POOLED FUNDS LISTED ON SCHEDULE "A" (collectively, the "Existing Pooled Funds") AND BISSETT BOND FUND AND THE OTHER RETAIL MUTUAL FUNDS LISTED ON SCHEDULE "B" (collectively, the "Existing Underlying Retail Mutual Funds")
(collectively with the Manager, the "Filers")

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the "**Application**") from the Filers for a decision:

(i) under the securities legislation of Ontario and Alberta for an exemption from the restriction prohibiting a mutual fund in Ontario or a mutual fund, as the case may be, from knowingly making or holding an investment in any person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial security holder, or in any issuer in which any officer or director of the mutual fund, its management company or distribution company or an associate of any of them, or any person or company who is a substantial security holder of the mutual fund, its management company or its distribution company, has a significant interest (the "**Investment Restriction**");

(ii) under the securities legislation of the Passport Jurisdictions (defined below) for an exemption from the restriction prohibiting a registered adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as adviser, to invest in the securities of any issuer in which a responsible person or an associate of a responsible person is a partner, officer or director, unless the fact is disclosed to the client and the written consent of the client to the investment is obtained before the purchase (the "**Consent Requirement**"); and

(iii) under the securities legislation of the Underlying Retail Mutual Fund Jurisdictions (defined below) for an exemption from the requirement of a management company or, in the case of British Columbia, a mutual fund manager, to file a report of every transaction of purchase or sale of securities between a mutual fund it manages and any related person or company and any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, a mutual fund is a joint participant with one or more of its related persons or companies, in respect of each mutual fund to which it provides services or advice, within 30 days after the end of the month in which it occurs (the "**Reporting Requirement**");

(collectively, the "**Requested Relief**").

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 Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Price Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* and MI 11-102 have the same meaning in this decision unless they are defined in this decision. The following additional terms shall have the following meanings:

"ASA" means the *Securities Act* (Alberta);

"OSA" means the *Securities Act* (Ontario);

"Existing Pooled Funds" means each of the funds set out in Schedule "A" hereto;

"Existing Underlying Funds" means each of the funds set out in Schedule "B" hereto;

"FTIF" means Franklin Templeton Investment Funds, a SICAV (as defined below) with UCITS status (as defined below) under the laws of Luxembourg, managed by affiliates of the Manager;

"Manager" means Franklin Templeton Investments Corp., a corporation existing under the laws of the Province of Ontario;

"Pooled Funds" means, collectively, the Existing Pooled Funds and the other open-end mutual fund trusts established or to be created under the laws of Ontario or Alberta and the classes of shares of mutual fund corporations incorporated or to be incorporated in Canada under federal or provincial law that are managed now or in the future by the Manager and that are or will be offered for sale on a private placement basis pursuant to available prospectus exemptions;

"Passport Jurisdictions" means each of the provinces and territories of Canada;

"SICAV" means Société d'Investissment à Capital Variable, an open-end investment company, governed by the laws of Luxembourg;

"SICAV Funds" means each of the existing sub-funds of FTIF and other similar FTIF sub-funds established in the future under FTIF;

"Tapestry Corporate Class Pooled Funds" means, collectively, Tapestry Diversified Income Private Portfolio Corporate Class, Tapestry Balanced Income Private Portfolio Corporate Class, Tapestry Balanced Growth Private Portfolio Corporate Class, Tapestry Global Balanced Private Portfolio Corporate Class, Tapestry Growth Private Portfolio Corporate Class and Tapestry Global Growth Private Portfolio Corporate Class;

"Tapestry Pooled Funds" means, collectively, Franklin Templeton Capital Preservation Pooled Portfolio, Franklin Templeton Balanced Income Pooled Portfolio, Franklin Templeton Domestic Balanced Growth Pooled Portfolio, Franklin Templeton Global Balanced Growth Pooled Portfolio, Franklin Templeton International Balanced Growth Pooled Portfolio, Franklin Templeton Domestic Growth Pooled Portfolio, Franklin Templeton Global Growth Pooled Portfolio, Franklin Templeton International Growth Pooled Portfolio, Franklin Templeton International Maximum Growth Pooled Portfolio, Franklin Templeton Domestic Maximum Growth Pooled Portfolio and Franklin Templeton Global Maximum Growth Pooled Portfolio;

"UCITS" means *Undertakings for Collective Investment in Transferable Securities* and refers to the investment funds authorized by the European Union as investment funds suitable to be distributed in more than one country of Europe;

"Underlying Funds" means, collectively, the Underlying Retail Mutual Funds, the Existing Underlying Funds, the Pooled Funds and the SICAV Funds;

"Underlying Retail Mutual Funds" means, collectively, the Existing Underlying Funds and the other open-end mutual fund trusts established or to be created under the laws of Ontario or Alberta and the classes of shares of mutual fund corporations incorporated or to be incorporated in Canada under federal or provincial law that are managed now or in the future by the Manager and that are or will be offered for sale pursuant to simplified prospectuses and annual information forms; and

"Underlying Retail Mutual Fund Jurisdictions" means Ontario, British Columbia, Alberta, Saskatchewan, Nova Scotia, New Brunswick and Newfoundland and Labrador.

Representations

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

1. The Manager is the manager of the Existing Pooled Funds, Existing Underlying Funds and the Tapestry Pooled Funds and the Manager or an affiliate is or will be the manager of the Pooled Funds and the Underlying Funds.

2. The Manager is registered as a portfolio manager in Ontario as well as British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Yukon and as a mutual fund dealer in Ontario and Alberta.

3. The Filers are not in default of securities legislation in any of the provinces and territories of Canada.

4. The Filers were granted exemptive relief similar to the Requested Relief on April 26, 2006 (the "**Previous Decision**"). The Previous Decision granted exemptive relief from (a) the prohibitions contained in securities legislation to allow the Existing Pooled Funds to make investments in the Existing Underlying Funds, and (b) the associated reporting requirements contained in securities legislation.

5. The Filers would like to continue to make certain fund-on-fund investments and are seeking the Requested Relief to vary the Previous Decision to expand the list of top funds from the Existing Pooled Funds to the Pooled Funds (which includes the Tapestry Corporate Class Pooled Funds) and to expand the list of underlying funds from the Existing Underlying Funds to the Underlying Funds (which includes the SICAV Funds and classes of shares of mutual fund corporations incorporated or to be incorporated in Canada under federal or provincial law that are managed now or in the future by the Manager and that are or will be offered for sale on a private placement basis pursuant to available prospectus exemptions).

6. The Tapestry Pooled Funds are open-end mutual fund trusts established under the laws of Ontario that are managed by the Manager and offered for sale on a private placement basis pursuant to available prospectus exemptions. The Tapestry Pooled Funds invest substantially all of their assets in one or more mutual funds, pooled funds and alternative investment funds. The Manager proposes to restructure the Tapestry Pooled Funds into the new Tapestry Corporate Class Pooled Funds, effective shortly following the close of business on December 4, 2009. The Tapestry Corporate Class Pooled Funds will be classes of shares of a mutual fund corporation incorporated in Canada under federal or provincial law that will be managed by the Manager and will be offered for sale on a private placement basis pursuant to available prospectus exemptions.

7. The Filers submit that varying the Previous Decision to include the Tapestry Corporate Class Pooled Funds as top funds will enable investors to switch from one fund to another within the same corporate class structure on a tax deferred basis.

8. The SICAV Funds are managed by affiliates of the Manager. The SICAV Funds are conventional mutual funds which may not invest more than 10% of their respective net assets in other mutual funds. The SICAV Funds are subject to investment restrictions and practices that are substantially similar to National Instrument 81–102 – Mutual Funds. The SICAV Funds qualify as UCITS. An FTIF prospectus has been filed with the Commission de Surveillance du Secteur Financier, the Luxembourg financial sector regulator.

9. The Filers submit that varying the Previous Decision to include the SICAV Funds as underlying funds will enable the Pooled Funds to benefit from greater portfolio diversification, to better capitalize on global economic trends and to better respond to market conditions.

10. The terms and conditions of this decision are substantially the same as those of the Previous Decision except for new terms and conditions that conform with more recent decisions which have granted exemptive relief similar to the Requested Relief.

11. As of the date of this decision, the Filers will no longer rely on the Previous Decision.

12. The Existing Pooled Funds are pooled investment funds established by declarations of trust under the laws of Ontario or Alberta. Securities of the Existing Pooled Funds are offered for sale on a private placement basis pursuant to available prospectus exemptions in each of the provinces and territories of Canada. The Existing Pooled Funds are mutual funds in Ontario, (in the case of the OSA) or mutual funds (in the case of the ASA), but are not reporting issuers.

13. Each of the Pooled Funds are or will be mutual funds in Ontario (in the case of the OSA) or mutual funds (in the case of the ASA), but are not and will not be reporting issuers. Securities of the Pooled Funds are or will be offered for sale on a private placement basis pursuant to available prospectus exemptions in each of the provinces and territories of Canada.

14. The Existing Underlying Funds are open-end mutual fund trusts governed by declaration of trust under the laws of Ontario or Alberta, or are classes of shares of mutual fund corporations incorporated in Canada under federal or provincial law. Securities of the Existing Underlying Funds are offered for sale to the public pursuant to a simplified prospectus and annual information form each dated June 18, 2009, qualified in each of the provinces and territories of Canada (in the case of Existing Underlying Funds that are retail mutual funds) or on a private placement basis pursuant to available prospectus exemptions in each of the provinces and territories of Canada (in the case of Existing Underlying Pooled Funds set out in Schedule "B" hereto).

15. The Underlying Retail Mutual Funds are or will be open-end mutual funds, the securities of which are or will be offered for sale to the public pursuant to simplified prospectuses and annual information forms, fund fact sheets or analogous offering documents qualified in each of the provinces and territories of Canada.

16. Each Pooled Fund intends to invest a portion of its assets in securities of one or more of the Underlying Funds. The percentage invested in an Underlying Fund may fluctuate on a daily basis based on the investment decisions made by the portfolio advisor in order to meet the investment objectives of the Pooled Fund.

17. The actual weighting of the investment by each Pooled Fund in an Underlying Fund will be reviewed on a regular basis and adjusted to ensure that the investment weightings continue to be appropriate for that Pooled Fund's investment objectives. The portfolio advisor will actively manage the investment made by each Pooled Fund in an Underlying Fund on a regular basis.

18. The annual financial statements of the Pooled Funds, which are or will be provided to securityholders in accordance with securities legislation, together with an auditors report, will include summary disclosure of the securities held by the applicable Underlying Funds.

19. Pooled Fund securityholders may obtain a copy of the applicable Underlying Fund's disclosure documents, if any, or, once available, the annual or semi-annual financial statements, free of charge upon request to the Manager.

20. Investors in each Pooled Fund receive or have received the written disclosure which discloses: (i) the intent of the Pooled Fund to invest its assets in securities of the Underlying Funds; (ii) that the Underlying Funds are managed by the Manager or an affiliate of the Manager; (iii) what percentage of net assets of the Pooled Fund is dedicated to the investment in securities of the Underlying Funds; and (iv) the process or criteria used to select the Underlying Funds.

21. Through investing in the Underlying Funds, the Pooled Funds will be able to achieve greater diversification at a lower cost than investing directly in the securities held by the applicable Underlying Funds. This investment structure will also allow investors with smaller investments to have access to a larger variety of investments than would otherwise be available.

22. Investment by the Pooled Funds in the Underlying Funds will increase the asset base of the Underlying Funds, enabling the Underlying Funds to further diversify their portfolios to the benefit of all their investors. The larger asset base will also benefit investors in the Underlying Funds through achieving favourable pricing and transaction costs on portfolio trades, increased access to investments where there is a minimum subscription or purchase amount and economies of scale through greater administrative efficiency.

23. No charges will be payable in connection with the acquisition or disposition by the Pooled Funds of securities of the Underlying Funds.

24. No management or other fee will be payable by the Pooled Funds that, to a reasonable person, would duplicate a fee payable by the applicable Underlying Funds for the same service.

25. Where a matter relating to an Underlying Fund requires a vote of securityholders of the Underlying Fund, the Manager will not cause the securities of the Underlying Fund held by a Pooled Fund to be voted at such meeting.

26. The investment by a Pooled Fund in the applicable Underlying Fund is or will be compatible with the investment objectives of the Pooled Fund.

27. Any investment by the Pooled Funds in securities of an Underlying Fund will represent the business judgement of "responsible persons" uninfluenced by considerations other than the best interests of the Pooled Funds and Underlying Funds.

28. In the absence of the Pooled Fund Investment Relief, each of the Pooled Funds would be prohibited from knowingly making or holding an investment in an Underlying Fund in which it, alone or together with one or more related mutual funds, is a substantial securityholder, and from knowingly making or holding an investment in an issuer in which any person or company who is a substantial securityholder of the Pooled Fund has a significant interest.

29. In the absence of the Pooled Fund Consent Relief, the portfolio manager of the Pooled Funds would be prohibited from knowingly causing the Pooled Funds to invest in Underlying Funds in which a responsible person or an associate of a responsible person is an officer or director unless the specific fact is disclosed to the securityholders of the Pooled Funds and the written consent of the securityholders of the Pooled Funds to the investment is obtained before the purchase.

30. In the absence of the Underlying Retail Mutual Fund Reporting Relief, the Manager would be required to file a report on every purchase or sale of securities of the Underlying Retail Mutual Funds by the Pooled Funds.

Decision

The principal regulator is satisfied that the test contained in the securities legislation of the Jurisdiction (the "**Legislation**") for the principal regulator to make the decision has been met.

The decision of the principal regulator under the Legislation is that the Requested Relief is granted as follows:

(a) in Ontario and Alberta under the OSA and the ASA, respectively, the Investment Restriction shall not apply to the Pooled Funds in respect of each Pooled Fund's investment in securities of the Underlying Funds;

(b) in the Passport Jurisdictions under the legislation of the Passport Jurisdictions, the Consent Requirement shall not apply to the Manager, the portfolio manager of the Pooled Funds;

(c) in the Underlying Retail Mutual Fund Jurisdictions under the legislation of the Underlying Retail Mutual Fund Jurisdictions, the Reporting Requirement shall not apply to the Manager or its applicable affiliate in respect of each Pooled Fund's purchase or sale of securities of the Underlying Retail Mutual Funds; and

provided that, in each case:

(i) securities of each Pooled Fund are distributed only on a private placement basis pursuant to available prospectus exemptions;

(ii) the investment by each Pooled Fund in an Underlying Fund is compatible with the fundamental investment objectives of the Pooled Fund;

(iii) each Pooled Fund does not vote any of the securities it holds of an Underlying Fund except that the Pooled Fund may, if the Manager so chooses, arrange for all the securities it holds of an Underlying Fund to be voted by the beneficial holders of securities of the Pooled Fund;

(iv) no management fees or incentive fees are payable by a Pooled Fund that, to a reasonable person, would duplicate a fee payable by an Underlying Fund for the same service;

(v) as each Underlying Fund is managed by the Manager or an affiliate of the Manager, no sales or redemption fees are payable by the Pooled Fund in relation to its purchases or redemptions of securities of an Underlying Fund;

(vi) investors in each Pooled Fund receive or have received the written disclosure which discloses:

(1) the intent of the Pooled Fund to invest its assets in securities of the Underlying Funds;

(2) that the Underlying Funds are managed by the Manager or an affiliate of the Manager;

(3) what percentage of net assets of the Pooled Fund is dedicated to the investment in securities of the Underlying Funds;

(4) the process or criteria used to select the Underlying Funds; and

(vii) investors in each Pooled Fund are entitled to receive from the Manager or its affiliate, on request and free of charge, a copy of the offering memorandum or other disclosure documents (if any) relating to all Underlying Funds in which the Pooled Fund may invest its assets.

"Darren McKall"
Assistant Manager
Ontario Securities Commission

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

"James Carnwath"
Commissioner
Ontario Securities Commission

Schedule "A"
Existing Pooled Funds

Franklin Templeton Balanced Income Pooled Portfolio
Franklin Templeton Capital Preservation Pooled Portfolio
Franklin Templeton Domestic Balanced Growth Pooled Portfolio
Franklin Templeton Global Balanced Growth Pooled Portfolio
Franklin Templeton International Balanced Growth Pooled Portfolio
Franklin Templeton Domestic Growth Pooled Portfolio
Franklin Templeton Global Growth Pooled Portfolio
Franklin Templeton International Growth Pooled Portfolio
Franklin Templeton Domestic Maximum Growth Pooled Portfolio
Franklin Templeton Global Maximum Growth Pooled Portfolio
Franklin Templeton International Maximum Growth Pooled Portfolio

Bissett Core Equity Trust
Bissett Institutional Balanced Trust

Templeton International Equity Trust
Templeton Global Equity Trust
Templeton International Stock Trust
Templeton Global Stock Trust

Templeton Master Trust

Franklin Templeton 2020 Conservative Portfolio
Franklin Templeton 2020 Moderate Portfolio
Franklin Templeton 2020 Growth Portfolio
Franklin Templeton 2030 Conservative Portfolio
Franklin Templeton 2030 Moderate Portfolio
Franklin Templeton 2030 Growth Portfolio
Franklin Templeton 2040 Conservative Portfolio
Franklin Templeton 2040 Moderate Portfolio
Franklin Templeton 2040 Growth Portfolio
Franklin Templeton Retirement Portfolio

SCHEDULE "B"
EXISTING UNDERLYING FUNDS

Existing Underlying Retail Mutual Funds

Templeton Growth Fund, Ltd.
Templeton Growth Corporate Class
Templeton International Stock Fund
Templeton International Stock Corporate Class
Templeton Emerging Markets Fund
Templeton Emerging Markets Corporate Class
Templeton Global Smaller Companies Fund
Templeton Global Smaller Companies Corporate Class
Templeton Global Bond Fund
Templeton Canadian Stock Fund
Templeton Canadian Stock Corporate Class
Templeton Canadian Balanced Fund
Templeton Global Income Fund
Templeton European Corporate Class
Templeton BRIC Corporate Class
Franklin Flex Cap Growth Fund
Franklin Flex Cap Growth Corporate Class
Franklin World Growth Corporate Class
Franklin Japan Corporate Class
Franklin High Income Fund
Franklin Strategic Income Fund
Franklin Global Real Estate Corporate Class
Franklin U.S. Core Equity Fund
Franklin U.S. Rising Dividends Fund
Franklin U.S. Rising Dividends Corporate Class
Franklin MENA Fund
Bissett Canadian Equity Fund
Bissett Canadian Equity Corporate Class
Bissett Small Cap Fund
Bissett Small Cap Corporate Class
Bissett Microcap Fund
Bissett Multinational Growth Fund
Bissett Multinational Growth Corporate Class
Bissett International Equity Fund
Bissett Canadian Balanced Fund
Bissett Canadian Balanced Corporate Class
Bissett Dividend Income Fund
Bissett Bond Fund
Bissett Bond Corporate Class
Bissett Income Fund
Bissett Corporate Bond Fund
Bissett Canadian Dividend Fund
Bissett Canadian Short Term Bond Fund
Bissett All Canadian Focus Fund
Bissett All Canadian Focus Corporate Class
Bissett Energy Corporate Class
Bissett U.S. Focus Corporate Class
Bissett Focus Balanced Fund
Bissett Focus Balanced Corporate Class
Mutual Beacon Fund
Mutual Beacon Corporate Class
Mutual Discovery Fund
Mutual Discovery Corporate Class
Quotential Diversified Income Portfolio
Quotential Diversified Income Corporate Class Portfolio
Quotential Balanced Income Portfolio
Quotential Balanced Income Corporate Class Portfolio
Quotential Balanced Growth Portfolio

Quotential Balanced Growth Corporate Class Portfolio
Quotential Growth Portfolio
Quotential Growth Corporate Class Portfolio
Quotential Canadian Growth Portfolio
Quotential Canadian Growth Corporate Class Portfolio
Quotential Global Balanced Portfolio
Quotential Global Balanced Corporate Class Portfolio
Quotential Global Growth Portfolio
Quotential Global Growth Corporate Class Portfolio
Quotential Maximum Growth Portfolio
Quotential Maximum Growth Corporate Class Portfolio
Franklin Templeton Global Blend Fund
Franklin Templeton Global Blend Corporate Class
Franklin Templeton Canadian Small Cap Fund
Franklin Templeton Global Aggregate Bond Fund
Franklin Templeton Managed Yield Class
Franklin Templeton Managed Corporate Yield Class
Franklin Templeton Short-Term Yield Class
Franklin Templeton U.S. Short-Term Yield Class
Franklin Templeton Treasury Bill Yield Class
Franklin Templeton Treasury Bill Fund
Franklin Templeton U.S. Money Market Fund
Franklin Templeton U.S. Money Market Corporate Class
Franklin Templeton Money Market Fund
Franklin Templeton Money Market Corporate Class
Templeton European Fund
Franklin World Growth Fund
Franklin Japan Fund
Franklin Global Real Estate Fund
Bissett U.S. Focus Fund
Franklin Templeton Canadian Large Cap Fund
Franklin Templeton Canadian Core Equity Fund

Existing Underlying Pooled Funds

Bissett Core Equity Trust
Bissett Institutional Balanced Trust

Templeton International Equity Trust
Templeton Global Equity Trust
Templeton International Stock Trust
Templeton Global Stock Trust

Templeton Master Trust

2.1.4 Front Street Capital 2004 et al.

Headnote

Approval of mutual fund merger – merger part of amalgamation of mutual fund corporations – approval required because mergers do not meet all the criteria for pre-approval outlined in section 5.6 of NI 81-102 – current simplified prospectus and financial statements of continuing fund not delivered to shareholders of corresponding terminating fund as merger, in substance, merely the transfer of terminating fund, as it exists, from one company to empty share class of new company – amalgamation may not technically constitute a wind-up of the terminating fund for the purposes of section 5.6(1)(c).

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(b), 5.6, 5.6(1)(a)(ii), 5.6(1)(f)(ii), 5.7(1)(b).

November 27, 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
FRONT STREET CAPITAL 2004 (the Manager),
FRONT STREET MUTUAL FUNDS LIMITED (MFL)
AND FRONT STREET SPECIAL OPPORTUNITIES
CANADIAN FUND LTD. (SOCF)
(collectively, the Filers)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) approving the proposed merger by way of amalgamation of Front Street Special Opportunities Canadian Fund (the **Terminating Fund**) into New Front Street Special Opportunities Canadian Fund (the **Continuing Fund**) to be effective December 1, 2009 (the **Merger)** pursuant to clause 5.5(1)(b) of National Instrument 81-102 – *Mutual Funds* (**NI 81-102**) (the **Merger Approval**).

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 Filers have provided notice that Section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon 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 Filers:

The Filers

1. The head office of each of the Filers is located at 33 Yonge Street, Suite 600, Toronto, Ontario. The Filers are not in default of securities legislation in any jurisdiction.

2. Each of MFL and SOCF is, and new Front Street Mutual Funds Limited (New MFL) will be, a mutual fund corporation incorporated under the laws of Canada. MFL currently offers multiple fund classes, each of which is considered a separate mutual fund for securities law purposes. The principal advantage to investors of the multiple fund class structure is the ability of taxable investors to switch their investments between different mutual fund classes within the corporation on a tax deferred basis.

3. Following the amalgamation of MFL and SOCF to form New MFL, the Continuing Fund will be a reporting issuer as defined in the securities legislation of each province and territory of Canada. The Terminating Fund is a class of shares of SOCF and operates in accordance with NI 81-102 and distributes its shares to the public under a simplified prospectus (**SP**) and annual information form (**AIF**), and has been a reporting issuer for at least 12 months. The Continuing Fund will be a class of shares of New MFL and will operate in accordance with NI 81-102. It has filed a preliminary SP and AIF and will file a final SP and AIF in due course to qualify its shares for distribution to the public. The Continuing Fund's preliminary and final SP and AIF will be combined with the pro forma and final SP and AIF of the other funds of MFL, which are continuing in New MFL. The Terminating Fund currently has three series of shares: Series A, Series B, and Series F shares and the Continuing Fund will have Series

A, Series X, Series B, Series Y and Series F shares.

4. The Manager, a partnership established under the laws of Ontario, is the manager of SOCF. The Manager currently indirectly manages MFL through its 100% ownership of the voting shares of MFL and elects the directors of MFL. All of the senior management and directors of MFL, with the exception of the Chief Financial Officer, are members of the senior management of the Manager. The Manager will be the manager of the Continuing Fund.

The Merger

5. On October 5, 2009, the Manager and the management of MFL and SOCF announced the calling of a special meeting (the **Meeting**) to consider the amalgamation of MFL and SOCF to form New MFL. The Terminating Fund will be continued as the Continuing Fund.

6. As a result of the Merger, investors in the Terminating Fund will be provided with a broader choice of mutual funds into which they may switch their investments on a tax-deferred basis. The Merger may also benefit investors as a result of the increased economies of scale resulting from the consolidation of sales, marketing and management activities that are expected to reduce fund expenses.

7. A press release dated October 5, 2009, a material change report dated October 5, 2009, and an amendment to the prospectus for the Terminating Fund dated October 5, 2009 were filed on SEDAR in connection with the Meeting.

8. A notice of meeting and management information circular (the **Circular**) were mailed to shareholders of the Filers in connection with the Meeting on November 3, 2009.

9. MFL and SOCF held special meetings of shareholders on November 24, 2009 and obtained the required approval of each class of shareholders for the Merger. The Filers intend to effect the Merger on or about December 1, 2009.

10. The Merger will be effected pursuant to an amalgamation agreement (the **Amalgamation Agreement**) to be entered into between MFL and SOCF as contemplated by section 182 of the *Canada Business Corporations Act* (the **CBCA**).

11. Pursuant to the Amalgamation Agreement, for each share of the Terminating Fund that they hold as at the close of business on the day prior to the effective date of the Amalgamation (the **Effective Date**), shareholders will receive one share of a corresponding class and series of the Continuing Fund.

12. Shareholders of the Terminating Fund will continue to have the right to redeem securities of the Terminating Fund for cash at any time up to the close of business on the day prior to the Effective Date.

13. Shareholders of MFL and SOCF are permitted to dissent from the Merger pursuant to the provisions of the CBCA. A shareholder who dissents will be entitled, in the event the Merger becomes effective, to be paid by New MFL the fair value of the shares of the Terminating Fund held by such shareholder determined as at the close of business on the day before the resolution approving the Amalgamation was passed.

14. The Merger will be a tax-deferred transaction under subsection 87(1) of the *Income Tax Act* (Canada).

15. The Circular included disclosure about the Merger and prospectus-like disclosure concerning the Continuing Fund including information regarding fees, expenses, investment objective and investment strategy of the Continuing Fund, valuation procedures, the manager, the investment manager, redemptions, income tax considerations, dividend policy and net asset value. The Circular also disclosed that shareholders can obtain the most recent financial statements that have been made public reflecting the portfolio assets of the existing funds of MFL and the Terminating Fund from the Manager upon request or on SEDAR at www.sedar.com and that investors can also review the provisions of the current SP and AIF of MFL and SOCF, available from the Manager upon request or on SEDAR at www.sedar.com.

16. The Circular also described the tax implications of the Merger, shareholders' right to redeem if they did not wish to participate in the Merger, shareholders' right to dissent to the Merger and indicated that the Funds' IRC had concluded that submitting the proposed Merger to shareholders for their consideration and approval achieved a fair and reasonable result for shareholders.

17. The costs of the Merger will be paid for by the Manager.

18. The Filers and the Terminating Fund require approval of the Merger because they cannot rely on section 5.6(1) of NI 81-102 for the following reasons:

    (a) The materials sent to shareholders of the Terminating Fund did not include a copy of the current SP of the Continuing Fund or a copy of the financial statements of the Continuing Fund; and

(b) A statutory amalgamation may not technically constitute a wind-up of the Terminating Fund.

19. Upon the Merger, the portfolio assets of the Terminating Fund will be transferred to the Continuing Fund. Prior to the Merger, the Continuing Fund will be an empty share class of New MFL with no portfolio assets of its own. The investment objectives, investment strategies, and fee structure of the Continuing Fund applicable to the current shareholders will be identical to the Terminating Fund. The Merger will have no material impact on the shareholders of the Terminating Fund. The substance of the Merger is merely to move the Terminating Fund from SOCF to New MFL.

20. Upon the Merger, the portfolio assets referable to each series of shares of the Terminating Fund will become referable to a corresponding series of shares of the Continuing Fund (each such series, a Replacement Series). The rights associated with each Replacement Series will be identical in all respects to the rights formerly associated with the corresponding series of shares of the Terminating Fund. Upon the Merger, for each share they held of the Terminating Fund, shareholders will receive a share of the Replacement Series. The net asset value (NAV) of each such share of the Replacement Series will be equal to the NAV per share of the corresponding series of shares of the Terminating Fund.

21. The Continuing Fund will be managed substantially similarly to the Terminating Fund. The Continuing Fund will have the same manager and portfolio manager as the Terminating Fund. The Continuing Fund will have a substantially similar management fee and redemption fee structure as the Terminating Fund. As at the Effective Date, the Continuing Fund will hold the same portfolio assets as the Terminating Fund.

22. The Continuing Fund's prospectus will state that the start date for each Replacement Series of the New Fund is based upon the start date of the corresponding series of SOCF.

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 Merger Approval is granted.

"Darren McKall"
Assistant Manager, Investment Funds Branch

2.1.5 Marquest Asset Management Inc.

Headnote

One time trade of securities between pooled funds, both advised by the same portfolio manager, to implement a merger – costs of the merger borne by the manager – sale of securities exempt from the self–dealing prohibitions in paragraph s.13.5(2)(b)(iii), National Instrument 31-103 – Registration Requirements and Exemptions.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements and Exemptions, ss. 13.5(2)(b)(iii), 15.1.

November 30, 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 JURISDICTION

AND

IN THE MATTER OF
MARQUEST ASSET MANAGEMENT INC.
(Marquest or 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 subclause 13.5(2)(b)(iii) of National Instrument 31-103 *Registration Requirements and Exemptions* (NI 31-103), which prohibits a registered adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as an adviser, to purchase or sell a security from or to the investment portfolio of an investment fund for which a responsible person acts as an adviser, in order to effect the merger (the **Merger**) of the Marquest Bridge Fund (the **Terminating Fund**) into Marquest Equity Growth Fund (the **Continuing Fund**, together with the Terminating Fund, the **Funds**) (the **Requested Relief**).

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, 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 in this decision unless they are defined in this decision.

Representations

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

The Filer

1. Marquest is a corporation governed under the laws of Canada. Marquest is registered in the provinces of Alberta, Ontario, British Columbia, Quebec and Saskatchewan as an adviser in the category of portfolio manager and in the province of Ontario as a dealer in the category of exempt market dealer.

2. Marquest acts as manager and portfolio manager of the Terminating Fund and the Continuing Fund.

3. The Filer is not in default of securities legislation in any jurisdiction.

The Funds

4. Each of the Terminating Fund and Continuing Fund is an open-end mutual fund trust established under the laws of Ontario by a trust deed dated October 1, 1997 and as amended and restated on April 3, 2000 (the **Trust Deed**). The Funds are not reporting issuers in any jurisdiction.

5. The Funds are not in default of securities legislation in any jurisdiction.

6. The Funds are utilized by Marquest as part of its portfolio management on behalf of pooled fund clients (the **Clients**). Each Client of Marquest either meets the definition of an "accredited investor" under National Instrument 45-106 *Prospectus and Registration Exceptions* or qualifies to purchase units of the Funds under an exemption from the prospectus and registration requirements.

The Merger

7. The Filer proposes to merge the Terminating Fund into the Continuing Fund. In accordance with the Trust Deed of the Funds, 60 days' prior written notice of the Merger has been provided to the Funds' unitholders. The notice is dated September 3, 2009.

8. As at September 3, 2009, distribution of the new units of the Terminating Fund ceased and the Filer ceased accepting new purchases and redemption of units of the Terminating Fund by its unitholders.

9. Subject to the required approval of the principal regulator, the Merger is expected to occur on or about November 30, 2009 or such later date as may be determined by Marquest, but in no event later than December 31, 2009.

10. It is the opinion of the Filer that the Terminating Fund and the Continuing Fund have substantially similar investment objectives. Each of the Funds has an investment objective of providing long-term capital appreciation through the investment in small capitalization growth companies. The Continuing Fund will maintain full eligibility for registered plans.

11. As a result of the Merger, unitholders of the Terminating Fund will pay a reduced management fee of 1.75% and there will be no change in performance fees paid by unitholders of the Terminating Fund.

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

13. Units of the Continuing Fund and Terminating Fund are sold without sales charges.

14. The costs associated with the Merger will be paid by the Filer. The Terminating Fund will realize a capital gain (or capital loss) as a result of the disposition of its assets on the Merger. The Terminating Fund is expected to have sufficient loss carryforwards to shelter any net realized capital gains resulting from the Merger. It is expected that a loss carryforward of the Terminating Fund will expire on the Merger.

15. Based on the current and anticipated size of the Continuing Fund and the Terminating Fund, at the time the Merger occurs, for the moment in time after the Terminating Fund has transferred its assets in exchange for units of the Continuing Fund and before the units of the Terminating Fund are distributed to its unitholders, the Terminating Fund may hold in excess of 20.0% of the issued and outstanding units of the Continuing Fund.

16. The portfolio of assets of the Terminating Fund to be acquired by the Continuing Fund arising from the Merger will be acceptable to the portfolio adviser of the Continuing Fund and will be consistent with the respective investment objectives of the Continuing Fund.

17. The Continuing Fund will have valuation procedures that are identical to the valuation procedures of the Terminating Fund.

18. The following steps will be carried out to effect the Merger:

    (a) the value of the Terminating Fund's portfolio and other assets will be determined at the close of business on the effective date of the Merger in accordance with its Trust Deed;

    (b) the Continuing Fund will acquire the portfolio assets and other assets of the Terminating Fund in exchange for units of the Continuing Fund;

    (c) the Continuing 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;

    (d) the units of the Continuing Fund received by the Terminating Fund will have an aggregate net asset value equal to the value of the Terminating Fund's portfolio assets and other assets that the Continuing Fund is acquiring, which units will be issued at the applicable series net asset value per security as of the close of business on the effective date of the Merger;

    (e) the Terminating Fund will distribute a sufficient amount of its income and capital gains, if any, to ensure that the Terminating Fund will not be liable for income tax under Part I of the *Income Tax Act* (Canada), other than alternative minimum tax, for its current taxation year. Currently, it is expected that there will not be any distributions;

    (f) immediately thereafter, the units of the Continuing Fund received by the Terminating Fund will be distributed to unitholders of the Terminating Fund on a dollar-for-dollar basis in exchange for their units in the Terminating Fund; and

    (g) as soon as reasonably possible following the Merger, the Terminating Fund will be wound up.

19. In the opinion of the Filer, the Merger will be in the best interests of its Clients as it will allow Clients greater portfolio diversification, will reduce portfolio transaction costs and tax impact associated with rebalancing each Client's portfolio.

20. The desired end result of the Merger could be achieved by each Client redeeming his/her units of the Terminating Fund and using the proceeds to purchase the units of the Continuing Fund. Executing the trades in this manner could result in negative consequences to the Funds by incurring unnecessary brokerage charges in forcing the sale and repurchase of portfolio holdings.

21. Marquest is or will be a "responsible person" as a result of being the portfolio manager for the Funds.

22. Unless the Requested Relief is granted, the Filer would be prohibited from causing the Terminating Fund to purchase units of the Continuing Fund in connection with 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 Requested Relief is granted.

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

2.1.6 Man Canada AHL DP Investment Fund and Man Investments Canada Corp.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted to a commodity pool from paragraph 2.5(2)(a) and (c) of National Instrument 81-102 Mutual Funds to permit a commodity pool to gain exposure to another commodity pool implementing a two tiered structure, subject to certain conditions. The underlying commodity pool has not filed a prospectus under National Instrument 81-101 Mutual Fund Prospectus Disclosure, but has filed a non-offering long form prospectus and will be a reporting issuer subject to National Instrument 81-106 – Investment Fund Continuous Disclosure and National Instrument 81-102 – Mutual Funds, as modified by National Instrument 81-104 – Commodity Pools.

Applicable Legislative Provisions

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

November 9, 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
MAN CANADA AHL DP INVESTMENT FUND
(the "Filer")

AND

IN THE MATTER OF
MAN INVESTMENTS CANADA CORP.
(the "Manager")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Manager, on behalf of the Filer, for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "**Legislation**") for exemptive relief (the "**Requested Relief**") from subparagraphs 2.5(2)(a) and (c) of National Instrument 81-102 *Mutual Funds* ("**NI 81-102**") to permit the Filer to invest indirectly in securities of the AHL Investment Strategies SPC – Class D Man AHL Diversified 2 CAD Notes (the "**AHL SPC Class D**") provided that:

(a) the Filer and AHL SPC Class D are commodity pools subject to NI 81-102 and National Instrument 81-104 *Commodity Pools* ("**NI 81-104**");

(b) the exposure of the Filer to securities of the AHL SPC Class D is in accordance with the fundamental investment objectives of the Filer;

(c) the preliminary prospectus (the "**Preliminary Prospectus**") of the Filer dated July 3, 2009 discloses and the final prospectus of the Filer will disclose that the Filer will obtain exposure to securities of the AHL SPC Class D and, to the extent applicable, the risks associated with such an investment;

(d) no securities of the AHL SPC Class D are distributed in Canada other than to the Counterparty (as hereinafter defined) under the Forward Agreement (as hereinafter defined); and

(e) the indirect investment by the Filer in securities of the AHL SPC Class D is made in compliance with each provision of paragraph 2.5 of NI 81-102, except paragraph 2.5(a) and (c) of NI 81-102.

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

(a) the Ontario Securities Commission (the "**Commission**") is the principal regulator for this application; and

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Northwest Territories, Nunavut and Yukon (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 an investment trust established under the laws of the Province of Ontario pursuant to a declaration of trust.

2. The Manager is the manager, trustee and promoter of the Filer. The Manager will be responsible for providing or arranging for the provision of administrative services required by the Filer. The principal office of the Manager is

located at Suite 1202, 70 York Street, Toronto, Ontario M5J 1S9.

3. The Filer filed the Preliminary Prospectus on SEDAR (the System for Electronic Document Analysis and Retrieval, found at www.sedar.com) with respect to the proposed offering (the "**Offering**") of Class A Units, Class B Units, Class C Units, Class F Units, Class I Units, Class O Units, Class P Units, Class Q Units and Class R Units (together, the "**Units**") of the Filer, a receipt for which was issued by the Commission on July 3, 2009.

4. The Filer is a commodity pool as such term is defined in section 1.1 of NI 81-104, in that the Filer has adopted fundamental investment objectives that permit the Filer to gain exposure to or use or invest in specified derivatives in a manner that is not permitted under NI 81-102.

5. The Filer is subject to NI 81-102, NI 81-104 and the *Securities Act* (Ontario), subject to any exemptions therefrom that may be granted by securities regulatory authorities. NI 81-104 also grants exemptions from certain investment restrictions of NI 81-102 to commodity pools.

6. The Filer's investment objectives are: (i) to provide holders of Units (the "**Unitholders**") with the opportunity to realize capital appreciation through investment returns that have a low correlation to traditional forms of stock and bond securities; and (ii) starting in 2010, to pay to holders of Class O Units, Class P Units, Class Q Units and Class R Units quarterly cash distributions in each calendar year equal to 6% of the NAV of such Units calculated as at the last valuation date of the preceding year. The investment objectives of the Filer, as well as its investment strategy, are disclosed in the Preliminary Prospectus.

7. To pursue its investment objectives, the Filer will obtain exposure to the returns of an investment portfolio that ultimately invests in financial instruments across a range of global markets including, without limitation, stocks, bonds, currencies, short-term interest rates, energies, metals and agricultural commodities using a predominantly trend-following trading program (the "**AHL Diversified Programme**") that employs futures, options, forward contracts, swaps and other financial derivative instruments.

8. The Filer will obtain exposure to the AHL SPC Class D through one or more forward purchase and sale agreements (collectively, the "**Forward Agreement**") to be entered into with one or more Canadian chartered banks and/or their affiliates.

9. The AHL SPC Class D is a segregated portfolio established by AHL Investment Strategies SPC, a segregated portfolio company incorporated with limited liability in the Cayman Islands and registered as a segregated portfolio company under the *Companies Law* (2007 Revision). The assets of the AHL SPC Class D will be managed by Man Investments Limited (the "**Investment Manager**").

10. The Investment Manager is a company incorporated in England and Wales with limited liability (No. 2093429) whose registered address is Sugar Quay, Lower Thames Street, London EC3R 6DU, and is regulated in the conduct of regulated activities in the United Kingdom by the Financial Services Authority of the United Kingdom.

11. The AHL SPC Class D has filed a preliminary non-offering prospectus dated July 16, 2009 with securities regulatory authorities in the provinces of Ontario and Québec, a receipt for which was issued by the Commission on July 17, 2009, and intends to file and obtain a receipt for a final non-offering prospectus from the Commission and the Autorité des marchés financiers, pursuant to which it will become a reporting issuer under the *Securities Act* (Ontario) and the *Securities Act* (Québec). Accordingly, the financial statements and other reports required to be filed by the AHL SPC Class D will be available through SEDAR.

12. The AHL SPC Class D is a commodity pool as such term is defined in section 1.1 of NI 81-104. The AHL SPC Class D has adopted and is subject to the investment restrictions and practices contained in NI 81-102, and will be managed in accordance with these restrictions and practices, except as otherwise permitted by NI 81-104; however, the AHL SPC Class D is a mutual fund that is not subject to National Instrument 81-101 *Mutual Fund Distributions* ("**NI 81-101**") and whose securities are not qualified for distribution in the local jurisdiction, as required by the provisions of paragraph 2.5(a) and (c) of NI 81-102.

13. An investment by the Filer in securities of the AHL SPC Class D will be made in accordance with the provisions of paragraph 2.5 of NI 81-102, except for the Requested Relief.

14. None of the Manager, the Filer or the AHL SPC Class D is in default of any securities legislation in any of the Jurisdictions.

15. As part of the AHL SPC Class D structure, the AHL SPC Class D employs a trading subsidiary, Class D Man AHL Diversified 2 CAD Notes Trading Limited, a wholly-owned subsidiary of the AHL SPC Class D incorporated with limited liability on September 10, 2009 in the Cayman Islands (the "**Trading Subsidiary**"), through which dealings in investments for the account of the AHL SPC Class D are conducted. The proceeds from

the issuance of securities of the AHL SPC Class D are contributed to the Trading Subsidiary, which, in turn, invests such proceeds in accordance with the AHL Diversified Programme. The directors of the AHL Investment Strategies SPC also serve as directors of the Trading Subsidiary.

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 Requested Relief is granted provided that:

(a) the Filer and the AHL SPC Class D are commodity pools subject to NI 81-102 and NI 81-104;

(b) the exposure of the Filer to securities of the AHL SPC Class D is in accordance with the fundamental investment objectives of the Filer;

(c) the Preliminary Prospectus discloses and the final prospectus of the Filer will disclose that the Filer will obtain exposure to securities of the AHL SPC Class D and, to the extent applicable, the risks associated with such an investment;

(d) AHL SPC Class D is a reporting issuer subject to National Instrument 81-106 – Investment Fund Continuous Disclosure;

(e) no securities of the AHL SPC Class D are distributed in Canada other than to the Counterparty under the Forward Agreement; and

(f) the indirect investment by the Filer in securities of the AHL SPC Class D is made in compliance with each provision of paragraph 2.5 of NI 81-102, except paragraph 2.5(a) and (c) of NI 81-102.

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

2.1.7 Genuity Fund Management Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from NI 31-103 to permit pooled top and bottom funds managed by the same manager to participate in a fund-on-fund structure – Each Top Fund is a class of a corporation and each bottom fund is a limited partnership – the general partner of each underlying fund is an affiliate of the portfolio adviser of the top and bottom funds – each Top Fund will invest all of its assets in a separate Underlying Fund - relief subject to standard conditions for fund-on-fund-structures.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements, ss. 13.5(2)(a), 15.1.

November 30, 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
GENUITY FUND MANAGEMENT INC.
(the Filer)

AND

GFM 130/30 FUND CLASS

AND

GFM MARKET NEUTRAL FUND CLASS

DECISION

Background

The principal regulator in the Jurisdiction (the **Decision Maker**) has received an application from the Filer on its behalf and on behalf of GFM 130/30 Fund Class and GFM Market Neutral Fund Class (together, the **First Top Funds**) and other mutual fund share classes of Genuity Fund Corp. to be established by the Filer from time to time (together with the First Top Funds, the **Top Funds**), which will invest their assets in GFM 130/30 Fund L.P. and GFM Market Neutral Fund L.P. (together, the **First Underlying Funds**) and other limited partnerships which are not reporting issuers established, advised or managed by the Filer after the date hereof (together with the First Underlying Funds,

the **Underlying Funds**), for a decision under the securities legislation of the principal regulator (the **Legislation**) exempting the Top Funds and the Filer from:

(a) the restriction in the Legislation which prohibits a mutual fund from knowingly making an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial security holder (the **Related Issuer Relief**);

(b) the restriction in the Legislation which prohibits a mutual fund, its management company or its distribution company from knowingly holding an investment described in paragraph (a) above (also the **Related Issuer Relief**); and

(c) the restriction in the Legislation which prohibits a registered adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as an adviser, to purchase a security of an issuer in which a responsible person or an associate of a responsible person is a partner, officer or director unless this fact is disclosed to the client, and the written consent of the client to the purchase is obtained before the purchase (the **Related Party Relief**).

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) in respect of the Related Issuer Relief, 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.

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

1. The Filer is a corporation established under the laws of Ontario with its head office located in Toronto, Ontario.

2. The Filer is registered with the Ontario Securities Commission as an adviser in the category of portfolio manager and as a dealer in the category of exempt market dealer.

3. The Filer will be the investment fund manager and portfolio manager for the Underlying Funds under the terms of one or more management agreements (the **Management Agreements**).

4. The Filer will be the investment fund manager and portfolio manager for the Top Funds. As such, the Filer will be responsible for managing the business and affairs of the Top Funds and for making investment decisions on behalf of the Top Funds. Furthermore, the Filer will assist in the marketing of the Top Funds, and will act as a distributor of securities of the Top Funds not otherwise sold through another registered dealer.

5. The Filer is not a reporting issuer in any jurisdiction and is not in default of securities legislation in any province or territory of Canada. The Top Funds and the Underlying Funds are not in default of securities legislation in any province or territory of Canada.

Underlying Funds

6. Each Underlying Fund will be a limited partnership established under the laws of Ontario by a declaration of limited partnership. Each Underlying Fund's sole limited partner will be a Top Fund.

7. The general partner of each Underlying Fund (each, a **General Partner** and together, the **General Partners**) will be an affiliate of, or otherwise related to, the Filer and will delegate to the Filer responsibility for managing the ongoing business and administrative affairs of the respective Underlying Fund pursuant to the Management Agreements. One or more of the officers and directors of the Filer will also be an officer and director of each general partner of an Underlying Fund.

8. Each of the Underlying Funds will have a separate investment objective, strategies and/or restrictions.

9. Securities of the Underlying Funds will be issued pursuant to prospectus exemptions in accordance with National Instrument 45-106 *Prospectus and Registration Exemptions*. Securities of the Underlying Funds will only be held by the Top Funds.

10. The Underlying Funds will not be reporting issuers in any jurisdiction of Canada.

Top Funds

11. The Top Funds will be sold in private placement markets pursuant to prospectus exemptions and each Top Fund will not be a reporting issuer in any jurisdiction.

12. Each Top Fund will be a class of shares of Genuity Fund Corp., a mutual fund corporation to be incorporated under the laws of Ontario in or around December, 2009.

13. Genuity Fund Corp. will be formed for the purpose of providing shareholders with the opportunity to invest in different investment strategies by the purchase of shares in one or more Top Funds, and the ability to switch their investments in whole or in part from time to time from one strategy to another. Each separate strategy will be offered through the offering of a separate Top Fund. The assets in each Top Fund will be held in a separate Underlying Fund.

Fund-on-Fund Structure

14. The Top Funds will allow investors to obtain indirect exposure to the investment portfolios of the Underlying Funds and their investment strategies through, primarily, direct investments by a Top Fund in securities of an Underlying Fund (the "**Fund-on-Fund Structure**"). The Fund-on-Fund Structure is being created so that the different investment strategies will be implemented through separate limited partnerships. In this way, the potential liabilities associated with each investment strategy within a limited partnership will be kept separate from the other investment strategies within the other limited partnerships.

15. Genuity Fund Corp. is being formed as a mutual fund corporation for the purpose of accessing a broad base of investors, including registered retirement savings plans, and to allow investors the ability to switch their investments in whole or in part from time to time from one strategy to another in a tax-efficient manner.

16. For the purpose of implementing the Fund-on-Fund Structure, the Filer shall ensure that:

    a. the arrangements between or in respect of the Top Funds and the Underlying Funds are such as to avoid the duplication of management fees or incentive fees;

    b. no sales fees or redemption fees are payable by a Top Fund in relation to its purchases or redemptions of securities of an Underlying Fund;

    c. since a Top Fund will be the sole owner of units of an Underlying Fund, the Filer will arrange for the securities of the Underlying Fund held by a Top Fund to be voted by the beneficial owners of securities of the Top Fund (the **Shareholders**);

    d. the offering memorandum of the Top Funds will describe the Top Funds' intent, or ability, to invest in securities of the Underlying Funds and that the Filer is the investment adviser for the Underlying Funds; and

    e. financial information which investors would be given if they were invested directly in the Underlying Funds will be provided by the Top Funds.

17. Because a Top Fund will be the sole limited partner of each Underlying Fund, such Top Fund will become a substantial security holder of the Underlying Fund.

Generally

18. In the absence of this Decision, the Top Funds would be precluded from implementing the Fund-on-Fund Structure due to certain investment restrictions contained in the Legislation.

19. The Fund-on-Fund Structure represents the business judgement of responsible persons uninfluenced by considerations other than the best interests of the Top Funds.

Decision

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

The decision of the principal regulator under the Legislation is that the Related Party Relief is granted provided that, in connection with the Top Funds:

(a) securities of the Top Funds are distributed in Canada solely pursuant to exemptions from the prospectus requirements;

(b) the investment by the Top Funds in the Underlying Funds is compatible with the fundamental investment objectives of the Top Funds;

(c) no management fees or incentive fees are payable by a Top Fund that, to a reasonable person, would duplicate a fee payable by an Underlying Fund for the same service;

(d) no sales fees or redemption fees are payable by a Top Fund in relation to its purchases or redemptions of securities of an Underlying Fund;

(e) the Filer will arrange for the securities of the Underlying Fund held by a Top Fund to be voted by the Shareholders; and

(f) if available, the offering memorandum (or other similar document) of the Top Funds will disclose:

(i) that the Top Funds may purchase units of the Underlying Funds;

(ii) the fact that the Filer is the investment adviser to both the Top Funds and the Underlying Funds; and

(iii) that substantially all of the net assets of the Top Funds will be invested in securities of Underlying Funds.

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

2.1.8 Genuity Fund Management Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions - Relief granted from the Act to permit pooled top and bottom funds managed by the same manager to participate in a fund-on-fund structure – Each Top Fund is a class of a corporation and each bottom fund is a limited partnership – the general partner of each underlying fund is an affiliate of the portfolio adviser of the top and bottom funds – each Top Fund will invest all of its assets in a separate Underlying Fund - relief subject to standard conditions for fund-on-fund-structures.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 111(2)(b), 111(3), 113.

December 1, 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
GENUITY FUND MANAGEMENT INC.
(the Filer)

AND

GFM 130/30 FUND CLASS

AND

GFM MARKET NEUTRAL FUND CLASS

DECISION

Background

The principal regulator in the Jurisdiction (the **Decision Maker**) has received an application from the Filer on its behalf and on behalf of GFM 130/30 Fund Class and GFM Market Neutral Fund Class (together, the **First Top Funds**) and other mutual fund share classes of Genuity Fund Corp. to be established by the Filer from time to time (together with the First Top Funds, the **Top Funds**), which will invest their assets in GFM 130/30 Fund L.P. and GFM Market Neutral Fund L.P. (together, the **First Underlying Funds**) and other limited partnerships which are not reporting issuers established, advised or managed by the Filer after the date hereof (together with the First Underlying Funds, the **Underlying Funds**), for a decision under the securities

legislation of the principal regulator (the **Legislation**) exempting the Top Funds and the Filer from:

(a) the restriction in the Legislation which prohibits a mutual fund from knowingly making an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial security holder (the **Related Issuer Relief**);

(b) the restriction in the Legislation which prohibits a mutual fund, its management company or its distribution company from knowingly holding an investment described in paragraph (a) above (also the **Related Issuer Relief**); and

(c) the restriction in the Legislation which prohibits a registered adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as an adviser, to purchase a security of an issuer in which a responsible person or an associate of a responsible person is a partner, officer or director unless this fact is disclosed to the client, and the written consent of the client to the purchase is obtained before the purchase (the **Related Party Relief**).

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) in respect of the Related Issuer Relief, 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.

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

1. The Filer is a corporation established under the laws of Ontario with its head office located in Toronto, Ontario.

2. The Filer is registered with the Ontario Securities Commission as an adviser in the category of portfolio manager and as a dealer in the category of exempt market dealer.

3. The Filer will be the investment fund manager and portfolio manager for the Underlying Funds under the terms of one or more management agreements (the **Management Agreements**).

4. The Filer will be the investment fund manager and portfolio manager for the Top Funds. As such, the Filer will be responsible for managing the business and affairs of the Top Funds and for making investment decisions on behalf of the Top Funds. Furthermore, the Filer will assist in the marketing of the Top Funds, and will act as a distributor of securities of the Top Funds not otherwise sold through another registered dealer.

5. The Filer is not a reporting issuer in any jurisdiction and is not in default of securities legislation in any province or territory of Canada. The Top Funds and the Underlying Funds are not in default of securities legislation in any province or territory of Canada.

Underlying Funds

6. Each Underlying Fund will be a limited partnership established under the laws of Ontario by a declaration of limited partnership. Each Underlying Fund's sole limited partner will be a Top Fund.

7. The general partner of each Underlying Fund (each, a **General Partner** and together, the **General Partners**) will be an affiliate of, or otherwise related to, the Filer and will delegate to the Filer responsibility for managing the ongoing business and administrative affairs of the respective Underlying Fund pursuant to the Management Agreements. One or more of the officers and directors of the Filer will also be an officer and director of each general partner of an Underlying Fund.

8. Each of the Underlying Funds will have a separate investment objective, strategies and/or restrictions.

9. Securities of the Underlying Funds will be issued pursuant to prospectus exemptions in accordance with National Instrument 45-106 *Prospectus and Registration Exemptions*. Securities of the Underlying Funds will only be held by the Top Funds.

10. The Underlying Funds will not be reporting issuers in any jurisdiction of Canada.

Top Funds

11. The Top Funds will be sold in private placement markets pursuant to prospectus exemptions and each Top Fund will not be a reporting issuer in any jurisdiction.

12. Each Top Fund will be a class of shares of Genuity Fund Corp., a mutual fund corporation to be incorporated under the laws of Ontario in or around December, 2009.

13. Genuity Fund Corp. will be formed for the purpose of providing shareholders with the opportunity to invest in different investment strategies by the purchase of shares in one or more Top Funds, and the ability to switch their investments in whole or in part from time to time from one strategy to another. Each separate strategy will be offered through the offering of a separate Top Fund. The assets in each Top Fund will be held in a separate Underlying Fund.

Fund-on-Fund Structure

14. The Top Funds will allow investors to obtain indirect exposure to the investment portfolios of the Underlying Funds and their investment strategies through, primarily, direct investments by a Top Fund in securities of an Underlying Fund (the "**Fund-on-Fund Structure**"). The Fund-on-Fund Structure is being created so that the different investment strategies will be implemented through separate limited partnerships. In this way, the potential liabilities associated with each investment strategy within a limited partnership will be kept separate from the other investment strategies within the other limited partnerships.

15. Genuity Fund Corp. is being formed as a mutual fund corporation for the purpose of accessing a broad base of investors, including registered retirement savings plans, and to allow investors the ability to switch their investments in whole or in part from time to time from one strategy to another in a tax-efficient manner.

16. For the purpose of implementing the Fund-on-Fund Structure, the Filer shall ensure that:

    a. the arrangements between or in respect of the Top Funds and the Underlying Funds are such as to avoid the duplication of management fees or incentive fees;

    b. no sales fees or redemption fees are payable by a Top Fund in relation to its purchases or redemptions of securities of an Underlying Fund;

    c. since a Top Fund will be the sole owner of units of an Underlying Fund, the Filer will arrange for the securities of the Underlying Fund held by a Top Fund to be voted by the beneficial owners of securities of the Top Fund (the **Shareholders**);

    d. the offering memorandum of the Top Funds will describe the Top Funds' intent, or ability, to invest in securities of the Underlying Funds and that the Filer is the investment adviser for the Underlying Funds; and

    e. financial information which investors would be given if they were invested directly in the Underlying Funds will be provided by the Top Funds.

17. Because a Top Fund will be the sole limited partner of each Underlying Fund, such Top Fund will become a substantial security holder of the Underlying Fund.

Generally

18. In the absence of this Decision, the Top Funds would be precluded from implementing the Fund-on-Fund Structure due to certain investment restrictions contained in the Legislation.

19. The Fund-on-Fund Structure represents the business judgement of responsible persons uninfluenced by considerations other than the best interests of the Top Funds.

Decision

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

The decision of the principal regulator under the Legislation is that the Related Issuer Relief is granted provided that, in connection with the Top Funds:

(a) securities of the Top Funds are distributed in Canada solely pursuant to exemptions from the prospectus requirements;

(b) the investment by the Top Funds in the Underlying Funds is compatible with the fundamental investment objectives of the Top Funds;

(c) no management fees or incentive fees are payable by a Top Fund that, to a reasonable person, would duplicate a fee payable by an Underlying Fund for the same service;

(d) no sales fees or redemption fees are payable by a Top Fund in relation to its purchases or redemptions of securities of an Underlying Fund;

(e) the Filer will arrange for the securities of the Underlying Fund held by a Top Fund to be voted by the Shareholders; and

(f) if available, the offering memorandum (or other similar document) of the Top Funds will disclose:

(i) that the Top Funds may purchase units of the Underlying Funds;

(ii) the fact that the Filer is the investment adviser to both the Top Funds and the Underlying Funds; and

(iii) that substantially all of the net assets of the Top Funds will be invested in securities of Underlying Funds.

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

"James D. Carnwath"
Commissioner
Ontario Securities Commission

2.1.9 Front Street Capital 2004 et al.

Headnote

National Instrument 81-101 Mutual Fund Prospectus Disclosure, section 6.1 – exemption from requirement in section 2.1 and Item 5(b) of Form 81-101F1 to permit the Continuing Fund to disclose the start date of the Terminating Fund as its start date.

National Instrument 81-102 Mutual Funds, section 19.1 – exemption from sections 15.3(2), 15.6(a)(i), 15.6(b), 15.6(d), 15.8(2)(a), 15.8(3)(a) and 15.9(2)(d) to permit the Continuing Fund to use performance data of the Terminating Fund in sales communications and reports to securityholders.

National Instrument 81-106 Mutual Fund Continuous Disclosure, section 17.1 – exemption from requirements in Section 4.2 and 5.2(1)(a) and Section 4.4 and Items 3.1(1), 3.1(2), 3.1(7), 3.1(8), 4.1(1) in respect of the requirement to comply with sections 15.3(2) and 15.9(2)(d) of NI 81-102, 4.1(2), 4.2(1), 4.2(2), 4.3(1)(a) and 4.3(2) of Part B and Items 3(1) and 4 of Part C of Form 81-106F1 to permit the Continuing Fund to include in its annual and interim management reports of fund performance the financial highlights and past performance of the Terminating Fund.

Continuing Fund effectively a continuation of Terminating Fund whose track record since its start date is significant information which can assist investors in determining whether to purchase or hold shares of Continuing Fund with merger and any significant differences between funds appropriately disclosed.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, s. 6.1.
National Instrument 81-102 Mutual Funds, s. 19.1.
National Instrument 81-106 Mutual Fund Continuous Disclosure, s. 17.1.

December 1, 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
FRONT STREET CAPITAL 2004
(the "Manager")

AND

IN THE MATTER OF
FRONT STREET MUTUAL FUNDS LIMITED ("MF"),
FRONT STREET SPECIAL OPPORTUNITIES
CANADIAN FUND LTD. ("SOCF"), AND THE
ENTITY RESULTING FROM THE AMALGAMATION
OF MF AND SOCF NAMED FRONT STREET
MUTUAL FUNDS LIMITED ("New MF", together with
the Manager, the "Filers")

AND

IN THE MATTER OF
FRONT STREET SPECIAL OPPORTUNITIES
CANADIAN FUND CLASS OF SHARES OF SOCF
(the "Terminating Fund")

AND

IN THE MATTER OF
FRONT STREET SPECIAL OPPORTUNITIES
CANADIAN FUND CLASS OF SHARES OF NEW MF
(the "Continuing Fund")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers on behalf of themselves and the Continuing Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "**Legislation**") granting an exemption from:

(a) Sections 15.3(2), 15.6(a)(i), 15.6(b), 15.6(d), 15.8(2)(a), 15.8(3)(a) and 15.9(2)(d) of National Instrument 81-102 – *Mutual Funds* ("**NI 81-102**") to permit the Continuing Fund to use performance data of the Terminating Fund in sales communications and reports to securityholders (collectively, the "**Fund Communications**");

(b) Section 2.1 of National Instrument 81-101 – *Mutual Fund Prospectus Disclosure* ("**NI 81-101**") for the purposes of the relief requested from Form 81-101F1 – *Contents of Simplified Prospectus* ("**Form 81-101F1**"); and

(c) Item 5(b) of Part B of Form 81-101F1 to permit the Continuing Fund to disclose the start date of the Terminating Fund as its start date;

(collectively, the "**Exemption Sought**").

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

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

(b) the Filers have provided notice that Section 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon and Nunavut.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, NI 81-102 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 Filers on behalf of themselves and the Continuing Fund:

The Filers

1. The head office of the Filers is located at 33 Yonge Street, Suite 600, Toronto, Ontario. The Filers are not in default of securities legislation in any jurisdiction.

2. Each of MF and SOCF was, and New MF will be, a mutual fund corporation subsisting under the laws of Canada and offering mutual fund classes of shares.

3. The Manager was the manager of MF and FSOF and will be the manager of New MF.

The Amalgamation and Merger

4. On November 24, 2009, each of MF and SOCF obtained shareholder approval to amalgamate to form a single mutual fund corporation.

5. On December 1, 2009, MF and SOCF will be amalgamated to form New MF (the "**Amalgamation**"). As part of the Amalgamation, the Terminating Fund merged with the Continuing Fund (the "**Merger**"). The Filers received regulatory approval for the Merger on November 27, 2009.

6. The Amalgamation is intended to benefit investors by giving them a broader choice of mutual funds between which they may switch their investments on a tax-deferred basis. The Amalgamation may also benefit investors as a result of increased economies of scale which result from the consolidation of sales, marketing and management activities that are expected to reduce fund expenses.

7. Upon the Merger, the portfolio assets of the Terminating Fund will be transferred to the Continuing Fund. The portfolio assets of the Continuing Fund will be maintained as a separate portfolio by New MF for the exclusive benefit of the shareholders of the Continuing Fund.

8. Upon the Merger, the portfolio assets referable to each series of shares of the Terminating Fund will become referable to a corresponding series of shares of the Continuing Fund (each such series, a "**Replacement Series**"). The rights associated with each Replacement Series will be identical in all respects to the rights formerly associated with the corresponding series of shares of the Terminating Fund. Upon the Merger, for each share they hold of the Terminating Fund, shareholders received a share of the Replacement Series. The net asset value ("**NAV**") of each such share of the Replacement Series will be equal to the NAV per share of the corresponding series of shares of the Terminating Fund.

9. Prior to the Merger, the Terminating Fund was operated in accordance with the requirements of National Instrument 81-102 and distributed its shares to the public pursuant to a prospectus and had been a reporting issuer for at least 12 months.

10. New MF has filed with the securities regulatory authorities in all of the provinces and territories of Canada a preliminary simplified prospectus and annual information form and will file a final simplified prospectus and annual information form in due course to qualify the shares of the Continuing Fund for distribution to the public.

11. The Continuing Fund is a new fund and does not have any assets (other than a nominal amount to establish it) or liabilities and will not have its own performance data or information derived from financial statements (collectively, the "**Financial Data**") as at the effective date of the Merger. In order for the Merger to be as seamless as possible for investors in the Terminating Fund and the Continuing Fund:

    (a) Notwithstanding the Amalgamation and Merger, the Continuing Fund will be managed substantially similarly to the Terminating Fund. The Continuing Fund has substantially similar investment objectives and investment strategies, the same manager and portfolio investment manager, substantially the same management fee and redemption fee structure applicable to current shareholders as the Terminating Fund and, as at the effective date of the Amalgamation and Merger, the Continuing Fund will hold the same portfolio assets as the Terminating Fund;

    (b) The Filers propose that the Continuing Fund's Fund Communications include the performance data of the Terminating Fund;

    (c) The Filers propose that the Continuing Fund's simplified prospectus:

        i. incorporate by reference the following financial statements and management reports of fund performance ("**MRFPs**") of the Terminating Fund (collectively, the "**Terminating Fund Disclosure**"):

            1. the annual financial statements and MRFP for the year ended October 31, 2008 and the interim financial statements and MRFP for the six months ended April 30, 2009; and

            2. when available, the annual financial statements and MRFP for the year ended October 31, 2009

        until such Terminating Fund Disclosure is superseded by more current financial statements and MRFPs of the Continuing Fund; and

        ii. states that the start date for each Replacement Series of the Continuing Fund is based upon the start date of the corresponding series of the Terminating Fund.

12. The Financial Data of each series of the Terminating Fund is significant information which can assist investors in determining whether to purchase or hold shares of the corresponding Replacement Series.

13. The Filers have filed a separate application for exemptive relief from certain provisions of National Instrument 81-106 – *Investment Fund Continuous Disclosure* ("**NI 81-106**") to enable the Continuing Fund to include in its annual and

interim MRFPs Financial Data presented in the Terminating Fund's annual MRFP for the year ended October 31, 2009, when available, and for other financial statement relief in connection with the Amalgamation (the "**NI 81-106 Relief**").

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 so long as:

(a) The Continuing Fund's Fund Communications include the performance data of the Terminating Fund prepared in accordance with Part 15 of NI 81-102, including section 15(1) of NI 81-102.

(b) The Continuing Fund's simplified prospectus:

(i) incorporates by reference the Terminating Fund Disclosure, until such Terminating Fund Disclosure is superseded by more current financial statements and MRFPs of the Continuing Fund;

(ii) states that the start date for each Replacement Series is the start date of the corresponding series of the Terminating Fund; and

(iii) discloses the Merger where the start date of each Replacement Series of the Continuing Fund is stated.

(c) The Continuing Fund prepares its MRFP in accordance with the NI 81-106 Relief.

"Rhonda Goldberg"
Assistant Manager, Investment Funds Branch

2.1.10 Canadian Capital Auto Receivables Asset Trust

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 – issuer has no publicly held securities – issuer did not provide the British Columbia Securities Commission with a notice of surrender of its reporting issuer status due to the applicable waiting period – issuer is in default of certain continuous disclosure obligations.

Applicable Legislative Provisions

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

December 4, 2009

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, MANITOBA, ONTARIO,
QUEBEC, NEW BRUNSWICK, NOVA SCOTIA,
PRINCE EDWARD ISLAND 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
CANADIAN CAPITAL AUTO RECEIVABLES
ASSET TRUST
(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) that the Filer is not a reporting issuer (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 special purpose trust created pursuant to a declaration of trust made as of March 18, 2003 under the laws of the Province of Ontario, the beneficiaries of which are one or more charities registered under the *Income Tax Act* (Canada).

2. The issuer trustee is CIBC Mellon Trust Company, which carries out its administrative functions as issuer trustee at 320 Bay Street, P.O. Box 1, Toronto, Ontario, M5H 4A6.

3. The Filer carries on the business activities of purchasing, acquiring, administering and selling financial assets acquired from General Motors Acceptance Corporation of Canada, Limited ("GMACCL"), an indirectly wholly owned subsidiary of GMAC Inc. ("GMAC"), and GMACCL affiliates, including Canadian Securitized Auto Receivables One Corporation. The Filer would finance such acquisitions through the borrowing funds or the issuance of securities and other obligations.

4. The Filer is a reporting issuer in each of the provinces of Canada

5. The Filer has issued Series 2003-1 Notes pursuant to a prospectus dated April 30, 2003, Series 2004-1 Notes pursuant to a prospectus dated January 13, 2004, Series 2004-2 Notes pursuant to a prospectus dated November 18, 2004, and Series 2005-1 Notes pursuant to a prospectus dated June 21, 2005. All outstanding obligations in respect of notes were discharged on or prior to June 17, 2008, and there are no longer any notes outstanding.

6. The Filer is no longer indebted under any VPR Loans, including VPR Loans that formed part of the Series 2005-1 debt obligations. These amounts ($34,166,444 as at September 30, 2009) were fully repaid as of October 19, 2009. The Filer, therefore, has no outstanding debt.

7. The Filer has no outstanding securities, including debt securities, in any Jurisdiction in Canada.

8. Since June 17, 2008, the Filer has not had any public holders of its securities.

9. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.

10. The Filer does not anticipate that it will seek public market financing for any future acquisitions of receivables from GMACCL.

11. 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.

12. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, except for the fact that the Filer's Management Discussion and Analysis (the "MD&A") for the year ending December 31, 2008 was not compliant with certain form and disclosure requirements pursuant to National Instrument 51-102 *Continuous Disclosure Obligations*.

13. The Filer did not surrender its status as a reporting issuer in British Columbia pursuant to BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* (the "BC Instrument") in order to avoid the 10-day waiting period under the BC Instrument.

14. As a result of paragraphs 12 and 13, the Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* in order to apply for the Exemptive Relief Sought.

15. 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.

"Kevin J. Kelly"
Commissioner
Ontario Securities Commission

"James D. Carnwath"
Commissioner
Ontario Securities Commission

2.1.11 Front Street Capital 2004 et al.

Headnote

National Instrument 81-101 Mutual Fund Prospectus Disclosure, section 6.1 – exemption from requirement in section 2.1 and Item 5(b) of Form 81-101F1 to permit the Continuing Fund to disclose the start date of the Terminating Fund as its start date.

National Instrument 81-102 Mutual Funds, section 19.1 – exemption from sections 15.3(2), 15.6(a)(i), 15.6(b), 15.6(d), 15.8(2)(a), 15.8(3)(a) and 15.9(2)(d) to permit the Continuing Fund to use performance data of the Terminating Fund in sales communications and reports to securityholders.

National Instrument 81-106 Mutual Fund Continuous Disclosure, section 17.1 – exemption from requirements in Section 4.2 and 5.2(1)(a) and Section 4.4 and Items 3.1(1), 3.1(2), 3.1(7), 3.1(8), 4.1(1) in respect of the requirement to comply with sections 15.3(2) and 15.9(2)(d) of NI 81-102, 4.1(2), 4.2(1), 4.2(2), 4.3(1)(a) and 4.3(2) of Part B and Items 3(1) and 4 of Part C of Form 81-106F1 to permit the Continuing Fund to include in its annual and interim management reports of fund performance the financial highlights and past performance of the Terminating Fund.

Continuing Fund effectively a continuation of Terminating Fund whose track record since its start date is significant information which can assist investors in determining whether to purchase or hold shares of Continuing Fund with merger and any significant differences between funds appropriately disclosed.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, s. 6.1.
National Instrument 81-102 Mutual Funds, s. 19.1.
National Instrument 81-106 Mutual Fund Continuous Disclosure, s. 17.1.

December 2, 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
FRONT STREET CAPITAL 2004
(the "Manager")

AND

IN THE MATTER OF
FRONT STREET MUTUAL FUNDS LIMITED ("MF"),
FRONT STREET SPECIAL OPPORTUNITIES CANADIAN FUND LTD. ("SOCF"), AND THE ENTITY RESULTING FROM THE AMALGAMATION OF MF AND SOCF NAMED FRONT STREET MUTUAL FUNDS LIMITED ("New MF", together with the Manager, the "Filers")

AND

IN THE MATTER OF
FRONT STREET SPECIAL OPPORTUNITIES CANADIAN FUND CLASS OF SHARES OF SOCF (the "Terminating Fund")

AND

IN THE MATTER OF
FRONT STREET SPECIAL OPPORTUNITIES CANADIAN FUND CLASS CLASS OF SHARES OF NEW MF (the "Continuing Fund")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers on behalf of themselves and the Continuing Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "**Legislation**") granting an exemption from the following provisions of the Legislation to enable the Continuing Fund to include in its annual and interim management reports of fund performance ("**MRFPs**") the performance data and information derived from the financial statements of the Terminating Fund (collectively, the "**Financial Data**") that are presented in the Terminating Fund's annual MRFP for the year ended October 31, 2009, when available (the "**Terminating Fund's 2009 annual MRFP**"):

(a) Section 4.4 of NI 81-106 for the purposes of the relief requested from Form 81-106F1 – *Contents of Annual and Interim Management Report of Fund Performance* ("**Form 81-106F1**") for the Continuing Fund;

(b) Items 3.1(1), 3.1(2), 3.1(7), 3.1(8), 4.1(1) in respect of the requirement to comply with subsections 15.3(2) and 15.9(2)(d) of National Instrument 81-102 – *Mutual Funds* ("**N1 81-102**"), 4.1(2), 4.2(1), 4.2(2), 4.3(1)(a) and 4.3(2) of Part B of Form 81-106F1 for the Continuing Fund; and

(c) Items 3(1) and 4 of Part C of Form 81-106F1 for the Continuing Fund.

(collectively, the "**Exemption Sought**")

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

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

(b) the Filers have provided notice that Section 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon and Nunavut.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, NI 81-102 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 Filers on behalf of themselves and the Terminating fund and the Continuing Fund:

The Filers

1. The head office of the Filers is located at 33 Yonge Street, Suite 600, Toronto, Ontario. The Filers are not in default of securities legislation in any jurisdiction.

2. Each of MF and SOCF was, and New MF will be, a mutual fund corporation subsisting under the laws of Canada and offering mutual fund classes of shares.

3. The Manager was directly or indirectly the manager of MF and SOCF and will be the manager of New MF.

The Amalgamation and Merger

4. On November 24, 2009, each of MF and SOCF obtained shareholder approval to amalgamate to form a single mutual fund corporation.

5. On or around December 1, 2009, MF and SOCF will be amalgamated to form New MF (the "**Amalgamation**"). As part of the Amalgamation, the Terminating Fund will merge with the Continuing Fund (the "**Merger**"). The Filers received regulatory approval for the Merger on November 27, 2009.

6. The Amalgamation is intended to benefit investors by giving them a broader choice of mutual funds between which they may switch their investments on a tax-deferred basis. The Amalgamation may also benefit investors as a result of increased economies of scale which result from the consolidation of sales, marketing and management activities that are expected to reduce fund expenses.

7. Upon the Merger, the portfolio assets of the Terminating Fund will be transferred to the Continuing Fund. The portfolio assets of the Continuing Fund will be maintained as a separate portfolio by New MF for the exclusive benefit of the shareholders of the Continuing Fund.

8. Upon the Merger, the portfolio assets referable to each series of shares of the Terminating Fund will become referable to a corresponding series of shares of the Continuing Fund (each such series, a "**Replacement Series**"). The rights associated with each Replacement Series will be identical in all respects to the rights formerly associated with the corresponding series of shares of the Terminating Fund. Upon the Merger, for each share they hold of the Terminating Fund, shareholders will receive a share of the Replacement Series. The net asset value ("**NAV**") of each such share of the Replacement Series will be equal to the NAV per share of the corresponding series of shares of the Terminating Fund.

9. Prior to the Merger, the Terminating Fund was operated in accordance with the requirements of National Instrument 81-102 and distributed its shares to the public pursuant to a prospectus and had been a reporting issuer for at least 12 months.

10. New MF has filed with the securities regulatory authorities in all of the provinces and territories of Canada a preliminary simplified prospectus and annual information form and will file a final simplified prospectus and annual information form in due course to qualify the shares of the Continuing Fund for distribution to the public.

11. The Continuing Fund is a new fund and does not have any assets (other than a nominal amount to establish it) or liabilities and does not have its own Financial Data as at the effective date of the Merger. In order for the Merger to be as seamless as possible for investors in the Terminating Fund and the Continuing Fund:

    (a) Notwithstanding the Amalgamation and Merger, the Continuing Fund will be managed substantially similarly to the Terminating Fund. The Continuing Fund has substantially similar investment objectives and investment strategies, the same manager and portfolio investment manager, substantially the same management fee and redemption fee structure applicable to current shareholders as the Terminating Fund and, as at the effective date of the Amalgamation and Merger, the Continuing Fund will hold the same portfolio assets as the Terminating Fund.

    (b) The Manager proposes that the Continuing Fund's MRFPs include the Financial Data presented in the Terminating Fund's 2009 annual MRFP.

12. The Amalgamation will cause SOCF and the Terminating Fund to have a year end of November 30, 2009 for tax purposes. SOCF will prepare annual financial statements for the one month period ended November 30, 2009 for tax purposes. The Terminating Fund will file these financial statements, but not deliver them to securityholders. The Terminating Fund will file and deliver annual financial statements and an annual MRFP for its financial year ended October 31, 2009 within 90 days as required under NI 81-106.

13. The Continuing Fund's financial year-end going forward will be October 31. The Continuing Fund will prepare comparative interim and annual financial statements for 2010 under section 2.1 of NI 81-106 using the Terminating Fund's annual financial statements for the year ended October 31, 2009. The Continuing Fund will file its first comparative interim financial statements within 60 days of April 30, 2010 as required under NI 81-106.

14. The Financial Data of each series of the Terminating Fund is significant information which can assist investors in determining whether to purchase or hold shares of the corresponding Replacement Series.

15. The Filers have filed a separate application for exemptive relief from certain provisions of (a) NI 81-102 to permit the Continuing Fund to use performance data of the Terminating Fund in sales communications and reports to securityholders ("**Fund Communications**") and (b) National Instrument 81-101 – *Mutual Fund Prospectus Disclosure* and Form 81-101F1 – *Contents of Simplified Prospectus* to permit the Continuing Fund to disclose the start date of the Terminating Fund as its start date (the "**NI 81-102 and NI 81-101 Relief**").

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 so long as:

    (a) The Continuing Fund prepares comparative interim and annual financial statements for 2010 under section 2.1 of NI 81-106 using the Terminating Fund's annual financial statements for the year ended October 31, 2009.

(b) The MRFP for each Replacement Series includes the Financial Data of the corresponding series of the Terminating Fund and discloses the Merger for the relevant time periods.

(c) The Continuing Fund prepares its simplified prospectus and other Fund Communications in accordance with the NI 81-102 and NI 81-101 Relief.

"Rhonda Goldberg"
Manager, Investment Funds Branch

2.1.12 T. Boone Pickens Energy Fund

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption from National Instrument 81-106 Investment Fund Continuous Disclosure granted to permit a fund that uses specified derivatives to calculate its NAV weekly and not on a daily basis, subject to certain conditions.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 14.2(3)(b), 17.1.

December 7, 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
T. BOONE PICKENS ENERGY 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 relief from section 14.2(3)(b) of National Instrument 81-106 – *Investment Fund Continuous Disclosure* (**NI 81-106**), which requires that the net asset value of an investment fund that uses specified derivatives (as defined in National Instrument 81-102 – *Mutual Funds*) be calculated at least once every business day (the **Exemption Sought**).

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

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

(b) the Filer has provided notice that Section 4.7(1) of Multinational Instrument 11-102 – *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Prince Edward Island, Nova Scotia, 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.

(a) **Unit** means a Class A Unit, a Class F Unit or a Class U Unit of the Filer.

(b) **Warrant** means a Class A Warrant, a Class F Warrant or a Class U Warrant of the Filer.

Representations

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

1. The Filer is an investment fund to be established under the laws of the Province of Ontario.

2. BMO Nesbitt Burns Inc. (the **Administrator**), is the administrator of the Filer and is responsible for the management and administration of the Filer. The head office of the Administrator is located at 1 First Canadian Place, 54th Floor, Toronto, Ontario, M5X 1H3.

3. The Filer filed a preliminary prospectus dated November 5, 2009 and an amended and restated preliminary prospectus dated November 13, 2009 (the **Preliminary Prospectus**) with respect to a public offering of Class A Combined Units, Class F Combined Units and Class U Combined Units of the Filer in each of the provinces and territories of Canada. Each Combined Unit of a class consists of one Unit and one Warrant. The offerings are one-time offerings and the Filer does not intend to be in continuous distribution.

4. The Filer is authorized to issue an unlimited number of Class A Units, Class F Units, Class I units and Class U Units. The Class I units are an institutional class of units that may be offered on a prospectus-exempt basis. No Class I units are presently outstanding.

5. The Filer has been created to provide investors with the opportunity for long-term capital growth by providing access to the energy-related investment strategies of TBP Investments Management, LLC (the **Portfolio Manager**). The Portfolio Manager and its management team are led by Mr. T. Boone Pickens, who brings to the Filer years of energy-related investment experience.

6. The Filer will invest the net proceeds of the offerings in an actively managed portfolio (the **Portfolio**) consisting primarily of equity and commodity-related investments within the energy and energy-related sectors. Portfolio investments will include traditional or conventional energy sector investments but may also include alternative energy investments including non-traditional uses for natural gas and renewable energy that are consistent with energy themes and policies espoused by the Portfolio Manager.

7. The Filer will generally acquire commodity exposure through liquid futures and option contracts that trade on the New York Mercantile Exchange or over-the-counter.

8. The Filer may have significant U.S. dollar exposure. The Filer intends to hedge approximately 100% of the value of the Portfolio's U.S. dollar currency exposure back to the Canadian dollar in respect of Class A Units and Class F Units, both of which are denominated in Canadian dollars. The Filer will not hedge its currency exposure in respect of Class U Units, which are denominated in U.S. dollars.

9. The Filer may also purchase or write equity options, and/or other financial contracts in respect of exchange-listed securities. The net obligations of the Filer under such instruments may not exceed 30% of the net asset value (**NAV**) of the Filer.

10. Although the Filer will be a mutual fund trust for the purposes of the I*ncome Tax Act* (Canada), it will not be a mutual fund for the purposes of Canadian securities legislation.

11. The operations of the Filer will differ in some respects from those of a conventional mutual fund, including the following:

(a) unlike a conventional mutual fund, in which the fund's securities are offered to the public on a continuous basis, the Filer does not intend to continuously offer its Units once it is out of primary distribution; and

(b) the Class A Units and the Class U Units are expected to be listed and posted for trading on the Toronto Stock Exchange (**TSX**). This is unlike securities of a conventional mutual fund where there is normally no such market and where, as a result, holders of securities who wish to liquidate their holdings must cause the fund to redeem them. In the present case, because the Class A Units and the Class U Units are expected to be listed for trading on the TSX, holders of Class A Units or Class U Units will not have to rely solely on the redemption features of such Units to provide liquidity for their investment.

12. The Class F Units will not be listed on a stock exchange but will be convertible into Class A Units. It is expected that liquidity for the Class F Units will be obtained by means of conversion into Class A Units and the sale of those Class A Units through the facilities of the TSX.

13. In addition, a holder of Class U Units may convert Class U Units into Class A Units and a holder of Class A Units may convert Class A Units into Class U Units. Units will be converted on a basis determined by reference to the NAV of the exchanged Units. During the period in which Warrants are outstanding, a Unit of a class may only be converted concurrently with a Warrant of the same class. Such Warrants will be converted on a one-for-one basis.

14. The Class A Combined Units, Class A Units, Class A Warrants, Class U Combined Units, Class U Units and Class U Warrants have received conditional listing approval from the TSX.

15. Commencing in 2011, Units may be redeemed on the last business day of June of each year (but must be surrendered for redemption on a business day during the period from the first day of June until the last business day prior to the 11th day of June in each year), at the option of the holder for a redemption price per Unit equal to 100% of the NAV per Unit of the applicable class, less any costs and expenses incurred by the Filer to fund such redemption.

16. In addition to such annual redemption right, Units may be redeemed on the last business day of each month, other than in the month of June of the year 2011 or any year thereafter (but must be surrendered for redemption on a business day during the period from the first day of a month until the last business day prior to the 11th day of such month), at the option of the holder at a price determined by reference to the market price of the Units.

17. The Filer will calculate and publish a basic and, as required, a diluted NAV per Unit of each class of Units on the Friday of each week (or if a Friday is not a business day, the immediately following business day).

18. The Preliminary Prospectus discloses, and the final prospectus of the Filer will disclose, that the basic and diluted NAV per Unit of each class of Units will be calculated and made available at no cost on a weekly basis on a website established for such purpose.

19. The Filer is not in default of any of its obligations under securities legislation in any of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Yukon, Northwest Territories or Nunavut.

Decision

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

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

(a) the Class A Units are listed on the TSX; and

(b) the Filer calculates the NAV per Unit of each class of Units at least weekly.

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

2.2 Orders

2.2.1 Tilting Capital Corp. (formerly Ignition Point Technologies Corp.) – s. 144

Headnote

Application by an issuer for a revocation of a cease trade order – cease trade order issued because the issuer had failed to file certain continuous disclosure materials required by Ontario securities law – defaults subsequently remedied by bringing continuous disclosure filings up-to-date – cease trade order revoked.

Statutes Cited

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

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

AND

IN THE MATTER OF
TILTING CAPITAL CORP.
(FORMERLY IGNITION POINT
TECHNOLOGIES CORP.)

ORDER
(Section 144)

WHEREAS the securities of Tilting Capital Corp. (the "**Applicant**") are subject to a temporary cease trade order made by the Director dated February 4, 2009 under paragraph 2 and paragraph 2.1 of subsection 127(1) and subsection 127(5) of the Act and a further cease trade order made by the Director dated February 17, 2009 under paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act directing that trading in the securities of the Applicant cease until the order is revoked by the Director (the "**Cease Trade Order**");

AND WHEREAS the Cease Trade Order was made on the basis that the Applicant was in default of certain filing requirements under Ontario securities law as described in the Cease Trade Order;

AND WHEREAS the Applicant has applied to the Commission for an order pursuant to Section 144 of the Act to revoke the Cease Trade Order;

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was originally formed on August 1, 1996 through an amalgamation pursuant to the *Company Act* (British Columbia) of several predecessor corporations. The Applicant was continued under the *Canada Business Corporations Act* ("**CBCA**") on April 24, 2001.

2. The Applicant's registered office and mailing address is located at Suite 900, 555 Burrard Street, Vancouver, British Columbia, V7X 1M8.

3. The Applicant is a reporting issuer or the equivalent under the securities legislation of the Provinces of Ontario, British Columbia and Alberta. The Applicant is not a reporting issuer in any other jurisdiction in Canada.

4. The Applicant's authorized share capital consists of an unlimited number of common shares (the "**Common Shares**"). The Applicant currently has 4,985,548 Common Shares issued and outstanding. Other than the Common Shares, the Applicant has no securities, including debt securities, outstanding.

5. The Cease Trade Order was issued as a result of the Applicant's failure to file audited annual financial statements for the year ended September 30, 2008. Subsequently, the Applicant failed to file its interim financial statements and related management's discussion and analysis and officer's certificates for the three months ended December 31, 2008, the six months ended March 31, 2009, and the nine months ended June 30, 2009 (collectively, the "**Interim Filings**"). The Applicant's failure to file these documents was due to a lack of working capital.

6. The Applicant is also subject to cease trade orders issued by the British Columbia Securities Commission on February 2, 2009 and the Alberta Securities Commission dated May 12, 2009. The Applicant has concurrently filed applications with each of the British Columbia Securities Commission and the Alberta Securities Commission for a full revocation of their cease trade orders.

7. Prior to the Cease Trade Order, the Applicant was a broadband communications company. The Applicant's partially owned operating subsidiary was TeraSpan Networks Inc. ("**TeraSpan**").

8. On January 30, 2009, the Applicant received notice of the commencement of foreclosure action by the holders of its secured convertible debentures. The Applicant had been in default of its interest payment obligations under the debentures since May 2008. The foreclosure action resulted in the seizure by the secured creditors of the Applicant's shareholdings in TeraSpan and the extinguishment of the debt owed to those creditors. All of the directors and officers of the Applicant resigned immediately prior to January 30, 2009.

9. On February 3, 2009, the TSX Venture Exchange ("**TSXV**") suspended trading of the Common Shares for failure to meet certain Tier Maintenance Requirements. On July 6, 2009 the

Common Shares were accepted for listing on the NEX board of the TSXV. In order to qualify for the NEX board, the Applicant must, among other conditions, be a reporting issuer in good standing with all relevant securities regulatory authorities and under corporate law. The Applicant intends to apply for reinstatement of trading on the NEX Board of the TSXV as soon as the Cease Trade Order is revoked. The Applicant has no securities, including debt securities that are currently listed or quoted on any exchange or market in Canada or elsewhere.

10. An extraordinary general meeting of the shareholders of the Applicant was held on June 23, 2009. The Applicant's shareholders were asked to approve, among other items, (i) the election of N. Ross Wilmot, Kurt Lahey and Kenneth Taylor as directors, (ii) a stock consolidation on a basis of one new Common Share for every three old Common Shares (the "**Stock Consolidation**"), and (iii) a change of name from "Ignition Point Technologies Corp." to "Tilting Capital Corp." These resolutions were passed by the shareholders of the Applicant.

11. The June 23, 2009 meeting was a special shareholders meeting and did not constitute an annual meeting under the CBCA. The Applicant is in default of the annual meeting requirements under the CBCA as it has not held an annual shareholders meeting since March 2008.

12. The Cease Trade Order was partially revoked by an order of the Director dated August 13, 2009 solely to permit the Stock Consolidation and the issuance of Common Shares pursuant to a private placement to raise gross proceeds of $75,000 (the "**Private Placement**"). At such time the Applicant represented that it intended to use the proceeds from the Private Placement to bring its continuous disclosure record up to date and to apply to the Commission and to the other securities regulatory authorities where cease trade orders are in effect for a full revocation of the Cease Trade Order and those orders.

13. The Applicant completed the Stock Consolidation and Private Placement and on November 27, 2009 filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") the audited annual financial statements for the years ended September 30, 2008 and September 30, 2009 and related management's discussion and analysis and officer's certificates.

14. The Applicant has not filed the Interim Filings as it requested that the Commission exercise its discretion in accordance with subsection 3.1(2) of National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order* and elect not to require the Applicant to file these documents, and the Commission so agreed.

15. Except for the failure to file the Interim Filings, the Applicant is not in default of any of its obligations as a reporting issuer under the Act.

16. The Applicant has paid all required outstanding participation fees, filing fees and late fees to the Commission.

17. The Applicant's SEDAR and SEDI profiles are up-to-date.

18. The Applicant has undertaken to hold an annual meeting of shareholders within three months after the date of this order.

19. Upon the issuance of this order, the Applicant will issue and file a news release and a material change report on SEDAR that announces the revocation of the Cease Trade Order and outlines the Applicant's future plans.

20. Once the Applicant is back in good standing with the TSXV it plans to seek out new business opportunities.

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

AND UPON the Director being satisfied that it would not be prejudicial to the public interest to revoke the Cease Trade Order;

IT IS ORDERED, pursuant to Section 144 of the Act, that the Cease Trade Order is revoked.

DATED at Toronto this 2nd day of December, 2009.

"Michael Brown"

2.2.2 Rogers Communications Inc. – s. 104(2)(c)

Headnote

Clause 104(2)(c) – Issuer bid – relief from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act – Issuer proposes to purchase, at a discounted purchase price, approximately 2,200,000 of its Class B Non-Voting shares from one shareholder and/or its affiliate – due to discounted purchase price, proposed purchases cannot be made through TSX trading system – but for the fact that the proposed purchases cannot be made through the TSX trading system, the Issuer could otherwise acquire the subject shares in reliance upon the issuer bid exemption available under section 101.2 of the Act and in accordance with the TSX rules governing normal course issuer bid purchases – no adverse economic impact on or prejudice to issuer or public shareholders – proposed purchases exempt from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act, subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 94 to 94.8, 97 to 98.7, 104(2)(c).

November 13, 2009

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

AND

IN THE MATTER OF
ROGERS COMMUNICATIONS INC.

ORDER
(Clause 104(2)(c))

UPON the application (the "**Application**") of Rogers Communications Inc. (the "**Issuer**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to clause 104(2)(c) of the Act exempting the Issuer from sections 94 to 94.8 and 97 to 98.7 of the Act (the "**Issuer Bid Requirements**") in connection with the proposed purchases ("**Proposed Purchases**") by the Issuer of up to 2,000,000 (the "**Subject Shares**") of the Issuer's Class B Non-Voting shares (the "**Shares**") from BMO Nesbitt Burns Inc. and/or its affiliates (the "**Selling Shareholder**");

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

AND UPON the Issuer having represented to the Commission that:

1. The Issuer is a corporation governed by the *Business Corporations Act* (British Columbia).
2. The head office of the Issuer is located at 333 Bloor Street East, 10th Floor, Toronto, Ontario, M4W 1G9.
3. The Issuer is a reporting issuer in each of the provinces of Canada and the Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") and the New York Stock Exchange. The Issuer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.
4. As of October 31, 2009, the authorized common share capital of the Issuer consists of 112,462,014 Class A Voting shares and 1,400,000,000 Shares, of which 493,291,703 Shares were issued and outstanding as at that date.
5. The executive and head office of the Selling Shareholder is located in Toronto, Ontario.
6. The Selling Shareholder has advised the Issuer that it does not directly or indirectly own more than 5% of the issued and outstanding Shares.
7. To the knowledge of the Issuer after reasonable inquiry, the Selling Shareholder owns the Subject Shares and the Subject Shares were not acquired in anticipation of resale pursuant to the Proposed Purchases.
8. Pursuant to a "Notice of Intention to Make a Normal Course Issuer Bid" filed with the TSX, dated February 18, 2009 and amended as of May 19, 2009 (the "**Notice**"), the Issuer is permitted to make normal course issuer bid (the "**Bid**") purchases (each a "**Bid Purchase**") to a maximum of the lesser of 48,000,000 Shares and that number of Shares that can be purchased under the Bid for an aggregate purchase price of C$1,500,000,000 in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX Rules**"). As at October 31, 2009, 30,340,800 Shares have been purchased under the Bid.
9. In addition to making Bid Purchases by means of open market transactions, the Notice contemplates that the Issuer may purchase Shares by way of exempt offer.
10. The Issuer and the Selling Shareholder intend to enter into one or more agreements of purchase and sale (each, an "**Agreement**") pursuant to which the Issuer will agree to acquire, by trades occurring on or prior to December 31, 2009, the Subject Shares from the Selling Shareholder for purchase prices (the "**Purchase Price**") that will be negotiated at arm's length between the Issuer and the Selling Shareholder. The Purchase Price will be at a discount to the prevailing market price and below the prevailing bid-ask price for the Shares.

11. The purchase of the Subject Shares by the Issuer pursuant to the Agreement will constitute an "issuer bid" for purposes of the Act to which the Issuer Bid Requirements would apply.

12. Because the Purchase Price will be at a discount to the prevailing market price and below the bid-ask price for the Shares at the time of each trade, the Proposed Purchases cannot be made through the TSX trading system and, therefore, will not occur "through the facilities" of the TSX. As a result, the Issuer will be unable to acquire the Subject Shares from the Selling Shareholder in reliance upon the exemption from the Issuer Bid Requirements that is available pursuant to Section 101.2(1) of the Act.

13. But for the fact that the Purchase Price will be at a discount to the prevailing market price and below the bid-ask price for the Shares at the time of the trade, the Issuer could otherwise acquire the Subject Shares as a "block purchase" (a "**Block Purchase**") in accordance with Section 629(l)7 of the TSX Rules and Section 101.2(1) of the Act.

14. The Selling Shareholder is at arm's length to the Issuer and is not an "insider" of the Issuer, an "associate" of an "insider" of the Issuer or an "associate" or "affiliate" of the Issuer, as such terms are defined in the Act. In addition, the Selling Shareholder is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus and Registration Exemptions* ("**NI 45-106**").

15. The Issuer will be able to acquire the Subject Shares from the Selling Shareholder in reliance upon the exemption from the dealer registration requirements of the Act that is available as a result of the combined effect of section 3.16 of NI 45-106 and Section 4.1(a) of Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*.

16. Management is of the view that the Issuer will be able to purchase the Subject Shares at a lower price than the price at which the Issuer will be able to purchase the Shares under the Bid and management is of the view that this is an appropriate use of the Issuer's funds.

17. The purchase of Subject Shares will not adversely affect the Issuer or the rights of any of the Issuer's securityholders. As the Subject Shares are non-voting shares, the Proposed Purchases will not affect control of the Issuer. The Proposed Purchases will be carried out with a minimum of cost to the Issuer.

18. To the best of the Issuer's knowledge, as of October 31, 2009 the public float for the Shares consisted of approximately 91.25% for purposes of the TSX Rules.

19. The market for the Shares is a "liquid market" within the meaning of Section 1.2 of Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions.

20. Other than the Purchase Price, no additional fee or other consideration will be paid in connection with the Proposed Purchases.

21. At the time that an Agreement is entered into by the Issuer and the Selling Shareholder and at the time of each Proposed Purchase, neither the Issuer nor the Selling Shareholder will be aware of any "material change" or "material fact" (each as defined in the Act) in respect of the Issuer that has not been generally disclosed.

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that the Issuer be exempt from the Issuer Bid Requirements in connection with the Proposed Purchases, provided that:

(a) the Proposed Purchases will be taken into account by the Issuer when calculating the maximum annual aggregate limit for the Bid Purchases in accordance with the TSX Rules;

(b) the Issuer will refrain from conducting a Block Purchase in accordance with the TSX Rules during the calendar week it completes each Proposed Purchase and may not make any further Bid Purchases for the remainder of that calendar day;

(c) the Purchase Price is not higher than the last "independent trade" (as that term is used in paragraph 629(l)1 of the TSX Rules) of a board lot of Shares immediately prior to the execution of each Proposed Purchase;

(d) the Issuer will otherwise acquire any additional Shares pursuant to the Bid and in accordance with the TSX Rules;

(e) immediately following its purchase of the Subject Shares from the Selling Shareholder, the Issuer will report the purchase of the Subject Shares to the TSX and issue and file a news release disclosing the purchase of the Subject Shares; and

(f) at the time that the Agreement is entered into by the Issuer and the Selling Shareholder and at the time of each Proposed Purchase, neither the Issuer nor the Selling Shareholder will be aware of any "material change" or "material fact"

(each as defined in the Act) in respect of the Issuer that has not been generally disclosed.

"David L. Knight"
Commissioner
Ontario Securities Commission

"Carol S. Perry"
Commissioner
Ontario Securities Commission

2.2.3 Shaw Communications Inc. – s. 104(2)(c)

Headnote

Clause 104(2)(c) – Issuer bid – relief from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act – Issuer proposes to purchase, at a discounted purchase price, approximately 10,000,000 of its Class B Non-Voting Participating shares from two shareholders and/or their affiliates – due to discounted purchase price, proposed purchases cannot be made through TSX trading system – but for the fact that the proposed purchases cannot be made through the TSX trading system, the Issuer could otherwise acquire the subject shares in reliance upon the issuer bid exemption available under section 101.2 of the Act and in accordance with the TSX rules governing normal course issuer bid purchases – no adverse economic impact on or prejudice to issuer or public shareholders – proposed purchases exempt from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act, subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 94 to 94.8, 97 to 98.7, 104(2)(c).

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

AND

IN THE MATTER OF
SHAW COMMUNICATIONS INC.

ORDER
(Clause 104(2)(c))

UPON the application (the "**Application**") of Shaw Communications Inc. (the "**Issuer**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to clause 104(2)(c) of the Act exempting the Issuer from the requirements of sections 94 to 94.8 and 97 to 98.7 of the Act (the "**Issuer Bid Requirements**") in connection with the proposed purchases ("**Proposed Purchases**") by the Issuer of up to 10,000,000 of its Class B Non-Voting Participating Shares (the "**Class B Shares**") from one or more of (i) the Royal Bank of Canada (or one of its affiliates) and (ii) The Toronto-Dominion Bank (or one of its affiliates) (collectively, the "**Selling Shareholders**"), subject to maximum aggregate proposed purchases totalling 10,000,000 Class B Shares (the "**Subject Shares**");

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

AND UPON the Issuer having represented to the Commission that:

1. The Issuer is a corporation governed by the *Business Corporations Act* (Alberta).

2. The head office and registered office of the Issuer are located at Suite 900, 630 – 3rd Avenue SW, Calgary, Alberta, T2P 4L4.

3. The Issuer is a reporting issuer in each of the provinces of Canada and the Class B Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") and the New York Stock Exchange. The Issuer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

4. The authorized share capital of the Issuer consists, among others, of an unlimited number of Class B Shares, of which 414,218,183 Class B Shares were issued and outstanding as of October 30, 2009.

5. The executive head office of each Selling Shareholder is located in Toronto, Ontario.

6. The Selling Shareholders have advised the Issuer that they do not directly or indirectly own more than 5% of the issued and outstanding Class B Shares.

7. To the knowledge of the Issuer after reasonable enquiry, the Selling Shareholders own the Subject Shares and the Subject Shares were not acquired in anticipation of resale pursuant to the Proposed Purchases.

8. Pursuant to a "Notice of Intention to Make a Normal Course Bid" filed with the TSX and dated November 12, 2009 (the "**Notice**"), the Issuer is permitted to make normal course issuer bid (the "**Bid**") purchases (each a "**Bid Purchase**") up to a maximum of 35,000,000 Class B Shares in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX Rules**") during the period from November 19, 2009 to November 18, 2010. To date, no Class B Shares have been purchased under the Bid.

9. In addition to making Bid Purchases by means of open market transactions, the Notice contemplates that the Issuer may purchase Class B Shares by way of exempt offer.

10. The Issuer and the Selling Shareholders intend to enter into one or more agreements of purchase and sale (the "**Agreement**"), pursuant to which the Issuer will agree to acquire, by one or more trades, occurring prior to February 28, 2010, the Subject Shares from the Selling Shareholders for a purchase price (the "**Purchase Price**") that will be negotiated at arm's length between the Issuer and the Selling Shareholders. The Purchase Price will be at a discount to the prevailing market price and below the prevailing bid-ask price for the Class B Shares at the time of each Proposed Purchase.

11. The purchase of the Subject Shares by the Issuer pursuant to the Agreement will constitute an "issuer bid" for purposes of the Act, to which the Issuer Bid Requirements would apply.

12. Because the Purchase Price will be at a discount to the prevailing market price and below the bid-ask price for the Class B Shares at the time of each trade, the Proposed Purchases cannot be made through the TSX trading system and, therefore, will not occur "through the facilities" of the TSX. As a result, the Issuer will be unable to acquire the Subject Shares from the Selling Shareholders in reliance upon the exemption from the Issuer Bid Requirements that is available pursuant to Section 101.2(1) of the Act.

13. But for the fact that the Purchase Price will be at a discount to the prevailing market price and below the bid-ask price for the Class B Shares at the time of the trade, the Issuer could otherwise acquire the Subject Shares as a "block" purchase (a "**Block Purchase**") in accordance with Section 629(l)7 of the TSX Rules and Section 101.2(1) of the Act.

14. Each of the Selling Shareholders is at arm's length to the Issuer and is not an "insider" of the Issuer, an "associate" of an "insider" of the Issuer, or an "associate" or "affiliate" of the Issuer, as such terms are defined in the Act. In addition, each Selling Shareholder is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus and Registration Exemptions* ("**NI 45-106**").

15. The Issuer will be able to acquire the Subject Shares from the Selling Shareholders in reliance upon the exemption from the dealer registration requirements of the Act that is available as a result of the combined effect of section 3.16 of NI 45-106 and Section 4.1(a) of Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*.

16. Management of the Issuer is of the view that the purchase the Subject Shares at a lower price than the price at which the Issuer will be able to purchase the Class B Shares under the Bid is an appropriate use of the Issuer's funds.

17. The purchase of Subject Shares will not adversely affect the Issuer or the rights of any of the Issuer's securityholders. As the Subject Shares are non-voting shares, the Proposed Purchases will not affect control of the Issuer. The Proposed Purchases will be carried out with a minimum of cost to the Issuer.

18. To the best of the Issuer's knowledge, as of October 30, 2009, the public float for the Class B Shares represented approximately 90% for purposes of the TSX Rules.

19. The market for the Class B Shares is a "liquid market" within the meaning of section 1.2 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*. The purchase of the Subject Shares would not have any effect on the ability of the other shareholders of the Issuer to sell their Class B Shares in the market.

20. Other than the Purchase Price, no additional fee or other consideration will be paid in connection with the Proposed Purchases.

21. At the time that the Agreement is entered into by the Issuer and the Selling Shareholders and at the time of the Proposed Purchases, neither the Issuer nor the Selling Shareholders will be aware of any "material change" or any undisclosed "material fact" (each as defined in the Act) in respect of the Issuer that has not been generally disclosed.

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that the Issuer be exempt from the Issuer Bid Requirements in connection with the Proposed Purchases, provided that:

(a) the Proposed Purchases will be made during the currency of the Bid and the Proposed Purchases will be taken into account by the Issuer when calculating the maximum annual aggregate limit for the Bid Purchases in accordance with the TSX Rules;

(b) the Issuer will refrain from conducting a Block Purchase in accordance with the TSX Rules during the calendar week it completes each Proposed Purchase and may not make any further Bid Purchases for the remainder of that calendar day;

(c) the Purchase Price is not higher than the last "independent trade" (as that term is used in paragraph 629(1)1 of the TSX Rules) of a board lot of Class B Shares immediately prior to the execution of each Proposed Purchase;

(d) the Issuer will otherwise acquire any additional Class B Shares pursuant to the Bid and in accordance with the TSX Rules;

(e) immediately following its purchase of the Subject Shares from the Selling Shareholders, the Issuer will report the purchase of the Subject Shares to the TSX and issue and file a news release disclosing the purchase of the Subject Shares; and

(f) at the time that the Agreement is entered into by the Issuer and the Selling Shareholders and at the time of the Proposed Purchases, neither the Issuer nor the Selling Shareholders will be aware of any "material change" or any undisclosed "material fact" (each as defined in the Act) in respect of the Issuer that has not been generally disclosed.

Dated at Toronto this 19th day of November, 2009

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"Mary Condon"
Commissioner
Ontario Securities Commission

2.2.4 IBK Capital Corp. and William F. White – 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
IBK CAPITAL CORP. AND
WILLIAM F. WHITE

ORDER
(Sections 127 and 127.1)

WHEREAS on November 12, 2009, 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 dated November 12, 2009;

AND WHEREAS on November 12, 2009 counsel for the Respondents, IBK Capital Corp. ("IBK") and William F. White ("White") were served with the Notice of Hearing and Statement of Allegations;

AND WHEREAS, on December 2, 2009, a hearing was held before the Commission;

AND WHEREAS, on December 2, 2009, Staff of the Commission advised the Commission that disclosure will be delivered to counsel for the Respondents on December 3, 2009 and requested that the Commission set a date for a pre-hearing conference in this matter;

AND WHEREAS, on December 2, 2009, counsel for the Respondents submitted that a pre-hearing conference should not be scheduled until the Respondents have had an opportunity to receive and review disclosure and make additional requests for disclosure as the Respondents see fit;

IT IS ORDERED THAT the hearing be adjourned to January 20, 2010 at 9:00 a.m. or such other date as is agreed by the parties and determined by the Office of the Secretary.

DATED at Toronto this 3rd day of December, 2009.

"David L. Knight"

2.2.5 Sulja Bros. Building Supplies, Ltd. et al.

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

AND

IN THE MATTER OF
SULJA BROS. BUILDING SUPPLIES, LTD.,
PETAR VUCICEVICH, KORE INTERNATIONAL
MANAGEMENT INC., ANDREW DE VRIES,
STEVEN SULJA, PRANAB SHAH,
TRACEY BANUMAS, AND SAM SULJA

ORDER

WHEREAS on December 22, 2006, the Ontario Securities Commission (the "Commission") ordered pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that immediately for a period of 15 days from the date thereof: (a) all trading in securities of Sulja Bros. Building Supplies, Ltd. ("Sulja Nevada") cease; and (b) any exemptions in Ontario securities law do not apply to the respondents Sulja Nevada, Sulja Bros. Building Supplies Ltd. ("Sulja Ontario"), Kore International Management Inc. ("Kore International"), Peter Vucicevich ("Vucicevich") and Andrew De Vries ("De Vries") (the "Temporary Order");

AND WHEREAS on December 27, 2006, the Commission issued a Notice of Hearing and Staff of the Commission ("Staff") issued a Statement of Allegations in this matter;

AND WHEREAS on January 8, 2007, the Temporary Order was extended to March 23, 2007;

AND WHEREAS on March 23, 2007, the Temporary Order was extended to July 5, 2007;

AND WHEREAS on July 5, 2007, the Temporary Order was extended to September 7, 2007;

AND WHEREAS on September 7, 2007, the Temporary Order was extended to October 31, 2007;

AND WHEREAS on October 31, 2007, the Temporary Order was extended to January 22, 2008;

AND WHEREAS on January 22, 2008, the Temporary Order was extended to March 28, 2008;

AND WHEREAS on March 28, 2008, the Temporary Order was extended to May 23, 2008;

AND WHEREAS on May 23, 2008, the Temporary Order was extended to June 23, 2008;

AND WHEREAS on June 16, 2008, the Commission issued a Notice of Hearing and Staff filed an Amended Statement of Allegations which added additional

respondents to this matter: Steven Sulja, Pranab Shah ("Shah"), Tracey Banumas ("Banumas") and Sam Sulja;

AND WHEREAS on June 23, 2008, the Temporary Order was extended to September 11, 2008;

AND WHEREAS on September 11, 2008, Vucicevich, Kore International, Banumas and Shah consented to the continuation of the Temporary Order;

AND WHEREAS on September 11, 2008, Sulja Nevada, Sam Sulja, Steven Sulja and De Vries did not appear before the Commission;

AND WHEREAS on September 11, 2008, the Commission found that Staff had made all reasonable efforts to remind the Respondents of the September 11, 2008, appearance before the Commission;

AND WHEREAS on September 11, 2008, the Commission ordered that this matter be set down for a hearing on the merits beginning November 16, 2009, and concluding December 11, 2009, excluding the dates of November 24 and December 8, 2009;

AND WHEREAS on September 11, 2008, the Commission ordered that the Temporary Order against Sulja Nevada, Kore International, Vucicevich and DeVries is extended to the conclusion of the hearing on the merits in this matter;

AND WHEREAS on October 29, 2009, counsel for Vucicevich, Kore International, Banumas and Shah appeared before the Commission and brought a motion before the Commission for leave of the Commission to withdraw as counsel for Vucicevich, Kore International, Banumas and Shah;

AND WHEREAS on October 29, 2009, Vucicevich, Kore International, Banumas and Shah appeared before the Commission and requested an adjournment of the hearing on the merits to allow them to retain new counsel;

AND WHEREAS on October 29, 2009, Staff advised the Commission that Sam Sulja, Steve Sulja and Sulja Nevada had been made aware of the motions before the Commission and, although not in attendance, were not opposed to the adjournment request made by Vucicevich, Kore International, Banumas and Shah;

AND WHEREAS on October 29, 2009, Staff advised the Commission that Staff had advised De Vries by e-mail of the motions to be heard on October 29, 2009 but that Staff had not received a response from De Vries, and De Vries was not in attendance on October 29, 2009;

AND WHEREAS on October 29, 2009, the Commission considered the submissions made by counsel for Vucicevich, Kore International, Banumas and Shah and the submissions made by Staff;

AND WHEREAS on October 29, 2009, the Commission allowed the motion for counsel to withdraw and the motion for an adjournment of the hearing on the merits;

AND WHEREAS on October 29, 2009, the Commission ordered that the matter is adjourned to December 4, 2009 at 10 a.m. at which time Vucicevich, Kore International, Banumas and Shah or new counsel on their behalf attend for the purpose of scheduling a pre-hearing conference;

AND WHEREAS on December 4, 2009, Vucicevich attended before the Commission and advised that he, Shah, Banumas and Kore International had not yet retained new counsel. Vucicevich also advised the Commission of the efforts that had been made to retain new counsel. Vucicevich advised the Commission that new counsel should be retained by January 2010;

AND WHEREAS on December 4, 2009, Staff advised the Commission that counsel for Sam Sulja, Steve Sulja, and Sulja Nevada was aware of the appearance on December 4, 2009 and agreeable to the matter being adjourned to early January 2010. Staff also advised the Commission that Staff had made efforts to advise De Vries of the appearance before the Commission on December 4, 2009;

IT IS ORDERED that this matter is adjourned to January 8, 2010 at 10 a.m., at which time a date for a pre-hearing conference will be set whether or not new counsel has been retained for Vucicevich, Banumas, Kore International and Shah.

DATED at Toronto this 4th day of December, 2009.

"James E. A. Turner"

2.2.6 Rex Diamond Mining Corporation et al. – s. 9

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

AND

IN THE MATTER OF
REX DIAMOND MINING CORPORATION,
SERGE MULLER AND BENOIT HOLEMANS

ORDER
(Section 9 of the Securities Act)

THIS MOTION, made by the Respondents for an Order staying the Order of the Commission made on August 11, 2009, pending the disposition of the Respondents' appeal to the Divisional Court pursuant to section 9 of the *Securities Act*, was heard this day at the Ontario Securities Commission, 20 Queen Street West, Toronto, Ontario, M5H 3S8

WHEREAS on August 21, 2008, the Commission issued its decision and reasons in respect of this matter, in which it found breaches of the *Securities Act* by the Respondents, which decision is under appeal to the Divisional Court pursuant to section 9 of the *Securities Act*;

AND WHEREAS on August 11, 2009, the Commission made an Order directing sanctions against the Respondents;

AND WHEREAS the appeal by the Respondents was perfected on October 9, 2009 and the Divisional Court has listed the matter, court file no. 474/08, for hearing; and

AND WHEREAS Rex Diamond Mining Corporation represents that it continues to be a reporting issuer but has no active business;

AND ON READING the consent of the parties filed;

THE COMMISSION ORDERS that the Order of August 11, 2009 is stayed pending the disposition of the appeal by the Divisional Court to the following extent:

(a) Serge Muller and Benoit Holemans may continue to act as officers and/or directors of Rex Diamond Mining Corporation; and

(b) all monetary orders of the Commission made August 11, 2009 are stayed pending the disposition of the appeal by the Divisional Court.

Dated this 2nd day of December, 2009

"David L. Knight"

"Kevin J. Kelly"

2.2.7 Tulsiani Investments Inc. and Sunil Tulsiani – ss. 127(1), 127(8)

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

AND

IN THE MATTER OF
TULSIANI INVESTMENTS INC. AND
SUNIL TULSIANI

ORDER
(Subsections 127(1) and (8))

WHEREAS on June 26, 2009, the Ontario Securities Commission ("Commission") ordered pursuant to subsection 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that all trading in the securities of Tulsiani Investments Inc. ("Investments") shall cease, that Sunil Tulsiani ("Tulsiani") and Investments shall cease trading in all securities and that the exemptions contained in Ontario securities law do not apply to Tulsiani and Investments (the "Temporary Order");

AND WHEREAS on June 26, 2009, the Commission further ordered pursuant to subsection 127(6) of the Act that the Temporary Order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS the Commission issued a Notice of Hearing on June 26, 2009 to consider, among other things, whether to extend the Temporary Order;

AND WHEREAS on July 9, 2009, the Commission held a hearing and counsel for Staff and counsel for the Respondents attended before the Commission and the Commission ordered the continuation of the Temporary Order to August 19, 2009 and the matter was adjourned to August 18, 2009 at 2:30 p.m.;

AND WHEREAS on August 18, 2009, the Commission held a hearing and counsel for Staff and counsel for the Respondents appeared and advised the Commission that the Respondents did not oppose the extension of the Temporary Order;

AND WHEREAS the Commission Ordered on August 18, 2009 that the Temporary Order be extended until the close of business December 14, 2009 unless further extended by order of the Commission;

AND WHEREAS Staff request an order of the Commission continuing the Temporary Order as against Tulsiani and Investments until February 26, 2010;

AND WHEREAS Tulsiani and Investments consent to an order continuing the Temporary Order until February 26, 2010;

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

AND WHEREAS by Authorization Order made August 31, 2009, pursuant to subsection 3.5(3) of the Securities Act, R.S.O. 1990, c.S.5, as amended ("the Act"), each of W. David Wilson, James E. A. Turner, David L. Knight, Carol S. Perry, Patrick J. LeSage, James D. Carnwath and Mary G. Condon acting alone, is authorized to make orders under section 11 of the Act;

IT IS ORDERED pursuant to subsection 127(8) of the Act that the hearing is adjourned to February 25, 2010 at 10:00 a.m.; and

IT IS FURTHER ORDERED pursuant to subsection 127(8) of the Act that the Temporary Order is extended until the close of business February 26, 2010 unless further extended by order of the Commission.

Dated at Toronto this 9th day of December, 2009

"James E. A. Turner"

2.2.8 Nest Acquisitions and Mergers and Caroline Frayssignes – ss. 127(1), 127(8)

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

AND

IN THE MATTER OF
NEST ACQUISITIONS AND MERGERS AND
CAROLINE FRAYSSIGNES

ORDER
(Sections 127(1) & 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 22nd, 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 17th, 2009 and adjourning the Hearing until June 16th, 2009 at 2:00 p.m.;

AND WHEREAS the Commission held a Hearing on June 16, 2009, where counsel for Staff and counsel for

the respondents attended in person and consented to an order extending the Temporary Order until October 7, 2009 and adjourning the hearing to October 6, 2009;

AND WHEREAS on June 16, 2009 the Commission ordered pursuant to subsection 127(8) of the Act, that the Temporary Order be extended as against the respondents to October 7, 2009 and that the hearing be adjourned to October 6, 2009;

AND WHEREAS the Commission held a Hearing on October 6, 2009, where counsel for Staff and counsel for the respondents attended in person and consented to an order extending the Temporary Order to December 10, 2009 and adjourning the hearing to December 9, 2009;

AND WHEREAS on October 7, 2009 the Commission ordered pursuant to subsection 127(8) of the Act, that the Temporary Order be extended as against the respondents to December 10, 2009 and that the hearing be adjourned to December 9, 2009;

AND WHEREAS the Commission held a Hearing on December 9, 2009, where counsel for Staff attended in person and counsel for the respondents did not attend.

AND WHEREAS Counsel for Staff advised that proceedings would likely be commenced prior to January 7, 2010;

AND WHEREAS the parties consented to an order extending the Temporary Order to January 8, 2010 and adjourning the hearing to January 7, 2010 at 10:00 a.m.;

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

AND WHEREAS upon considering the consent of the parties and pursuant to section 127(8) satisfactory information has not been provided to the Commission by any of the respondents;

IT IS HEREBY ORDERED pursuant to section 127(8) that the Temporary Order is extended to January 8, 2010;

IT IS FURTHER ORDERED that the hearing is adjourned to January 7, 2010 at 10:00 a.m.

DATED at Toronto this 9th day of December 2009.

"Carol S. Perry"

2.2.9 IMG International Inc. et al. – ss. 127(1), 127(8)

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

AND

IN THE MATTER OF
IMG INTERNATIONAL INC.,
INVESTORS MARKETING GROUP I
NTERNATIONAL INC. AND MICHAEL SMITH

ORDER
(Sections 127(1) & 127(8) of the Securities Act)

WHEREAS on June 11, 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 IMG International Inc./Investors Marketing Group International Inc. ("IMG") and Michael Smith ("Smith") shall cease;

AND WHEREAS on June 11, 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 June 19, 2009, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on June 24, 2009 at 10:00 a.m;

AND WHEREAS the Commission held a Hearing on June 24, 2009, where counsel for Staff attended but no one attended for IMG or Smith before the Commission;

AND WHEREAS on June 24, 2009 the Commission made an order extending the Temporary Order until October 7, 2009 and adjourning the hearing to October 6, 2009;

AND WHEREAS the Commission held a Hearing on October 6, 2009, where counsel for Staff attended but no one attended for IMG or Smith before the Commission;

AND WHEREAS Staff advised that it had received a voice mail from Smith, and had served the applicable materials on the respondents to the email address provided by Smith, but had no substantive contact with Smith or IMG;

AND WHEREAS the Commission was satisfied that Staff has taken reasonable steps to give notice of the hearing to the respondents;

AND WHEREAS on October 6, 2009 the Commission made an order extending the Temporary Order until December 10, 2009 and adjourning the hearing to December 9, 2009;

AND WHEREAS the Commission held a Hearing on December 9, 2009, where counsel for Staff attended in person and the respondents did not attend;

AND WHEREAS Counsel for Staff advised that proceedings would likely be commenced prior to January 7, 2010;

AND WHEREAS Staff advised that the respondents, although on notice of the proceeding, have not further communicated with Staff since Smith sent an email to Staff on July 6, 2009;

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

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

IT IS HEREBY ORDERED pursuant to section 127(8) that the Temporary Order is extended to January 8, 2010;

IT IS FURTHER ORDERED that the hearing is adjourned to January 7, 2010 at 10:00 a.m.

DATED at Toronto this 9th day of December 2009.

"Carol S. Perry"

2.3 Rulings

2.3.1 Burgundy Asset Management Ltd. – s. 74(1)

Headnote

Relief from the prospectus requirement of the Act to permit the distribution of pooled fund securities to managed accounts held by non-accredited investors on an exempt basis – NI 45-106 containing carve-out for managed accounts in Ontario prohibiting portfolio manager from making exempt distributions of securities of its proprietary pooled funds to its managed account clients in Ontario unless managed account client qualifies as accredited investor or invests $150,000 – portfolio manager providing *bona fide* portfolio management services to high net worth clients – Not all managed account clients are accredited investors – portfolio manager permitted to make exempt distributions of proprietary pooled funds to its managed accounts provided written notice is sent to clients advising them of the relief granted – portfolio manager is restricted from distributing proprietary pooled fund securities to parties other than its managed account clients.

Applicable Legislative Provisions

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

Rules Cited

National Instrument 45-106 Prospectus and Registration Exemptions.
National Instrument 31-103 Registration Requirements and Exemptions.

December 1, 2009

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

AND

IN THE MATTER OF
BURGUNDY ASSET MANAGEMENT LTD.
(the "Filer")

RULING
(Subsection 74(1) of the Act)

Background

The Ontario Securities Commission (the "**Commission**") has received an application from the Filer, on behalf of itself and any open-ended investment fund that is not a reporting issuer and is established and managed by the Filer for a ruling, pursuant to subsection 74(1) of the Act, that distributions of securities of the Burgundy Funds (as defined below) to managed accounts of Clients (as defined below) to which the Filer provides discretionary investment management services will not be subject to the prospectus

requirement under section 53 of the Act (the "**Prospectus Requirement**").

Interpretation

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

Representations

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

1. The Filer is incorporated under the laws of Ontario. Its head office is in Toronto, Ontario.

1. The Filer is registered as a portfolio manager and as an exempt market dealer with the Commission. The Filer is also registered as a portfolio manager in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

2. The Filer is currently the manager, trustee and portfolio manager of various open-end mutual fund trusts. Certain of these funds are offered pursuant to a prospectus. Other of these funds are offered pursuant to exemptions from the prospectus and, where available, registration requirements (the "**Burgundy Pooled Funds**"). The Filer may, in the future, be the manager of other open-end investment funds offered pursuant to exemptions from the prospectus requirement (with the Burgundy Pooled Funds, the "**Burgundy Funds**").

3. The Filer offers investment management and financial counselling services, primarily to high net worth individuals, institutions and foundations (each, a "**Client**") through a managed account ("**Managed Account**"). The Filer has two types of Client accounts: "Beaujolais" Clients and "Burgundy" Clients.

4. The Filer's normal minimum aggregate balance for the Managed Accounts of a Burgundy Client is $3 million. The Filer's normal minimum aggregate balance for the Managed Accounts of a Beaujolais Client is $500,000. These minimums may be waived at the Filer's discretion. From time to time, the Filer may accept certain Clients with less than $500,000 under management.

5. The Filer generally acts as portfolio manager to Clients who are "accredited investors" within the meaning of National Instrument 45-106 *Prospectus and Registration Exemptions* ("**NI 45-106**"). However, from time to time, the Filer may agree to provide services to Clients who are not "accredited investors".

6. The Managed Accounts are serviced by individual portfolio managers of the Filer who meet the proficiency requirements of an advising representative (or associate advising representative) under National Instrument 31-103 *Registration Requirements and Exemptions*.

7. Each Client who wishes to receive the investment management services of the Filer executes a written agreement (the "**Investment Counsel Agreement**") whereby the Client appoints the Filer to act as portfolio manager in connection with an investment portfolio of the Client with full discretionary authority to trade in securities for the Managed Account without obtaining the specific consent of the Client to the trade. The Investment Counsel Agreement further sets out how the Managed Account operates and informs the Client of the Filer's various rules, procedures and policies.

8. At the initial meeting between a new Client and a portfolio manager, the portfolio manager establishes the Client's general investment goals and objectives, which are then documented in an investment policy statement ("**IPS**") that describes the strategies that the Filer shall employ to meet these objectives and includes specific information on matters such as asset allocation, risk tolerance and liquidity requirements. To the extent that a Client's goals or circumstances have changed, a new IPS is created to reflect those changes.

9. After the initial meeting, the Filer's portfolio manager offers to meet at least once per year with his/her Clients (or more frequently as required) to review the performance of their account and their investment goals.

10. The Filer sends the Client a quarterly statement showing current holdings and a summary of all transactions carried out in their Managed Account during the quarter. The portfolio manager is available to review and discuss with Clients all account statements.

11. The Filer has determined that to best fulfill its fiduciary duty to its Clients, all or a portion of the asset mix in many Clients' portfolios should be invested in the Burgundy Funds.

12. The Burgundy Funds are, or will be, established by the Filer with a view to achieving efficiencies in the delivery of portfolio management services to its Clients' Managed Accounts. The Filer will not be paid any compensation with respect to the distribution of the Burgundy Funds' securities to the Managed Accounts.

13. Investments in individual securities may not be appropriate for the Clients with smaller Managed Accounts, since they may not receive the same asset diversification benefits and may, as a result

of the minimum commission charges, incur disproportionately higher brokerage commissions relative to the Clients with larger Managed Accounts.

14. To give all of its Clients the benefit of asset diversification, access to investment products with a very high minimum investment threshold and economies of scale on brokerage commission charges, the Filer proposes to cause certain of its Clients, including those that do not qualify as "accredited investors", to invest in securities of the Burgundy Funds, without the Client needing to invest a minimum of $150,000 in each Burgundy Fund, subject to each Client's risk tolerance.

15. Currently, none of the Burgundy Pooled Funds charge a commission or a management fee directly to investors. Instead, under the Investment Counsel Agreement between each Client and the Filer, the Client agrees to pay the Filer a management fee based upon a percentage of assets under management in the Managed Account (excluding assets invested in two Burgundy money market mutual funds that are reporting issuers). Burgundy Money Market Fund and Burgundy U.S. Money Market Fund charge a management fee directly to investors. Terms of the fees are detailed in each Client's Investment Counsel Agreement.

16. Each Burgundy Fund will pay all administration fees and expenses relating to its operation. If the Filer charges management fees or performance fees to a Burgundy Fund and the Filer invests, on behalf of a Managed Account, in securities of such Burgundy Fund, the necessary steps will be taken to ensure that there will be no duplication of fees between a Managed Account and the Burgundy Funds.

17. While a Managed Account qualifies as an "accredited investor" in each province and territory outside Ontario, NI 45-106 contains a carve out for Managed Accounts in Ontario when the securities being purchased by the Managed Account are those of an investment fund. Absent the requested relief, the Burgundy Funds are prohibited in Ontario from distributing, and the Filer is effectively prohibited from investing in, securities of the Burgundy Funds for the Managed Accounts, in reliance upon the "accredited investor" exemption in NI 45-106 in circumstances where the individual Client who is the beneficial owner of the Managed Account is not otherwise qualified as an "accredited investor". Reliance upon the $150,000 minimum investment exemption available under NI 45-106 may not be appropriate for smaller Managed Accounts as this might require a disproportionately high percentage of the account to be invested in a single Burgundy Fund.

18. Under the exempt distribution rule applicable in each province and territory outside Ontario, there is no restriction on the ability of Managed Accounts to purchase investment fund securities on an exempt basis. Under NI 45-106, a Managed Account in each province and territory outside Ontario can acquire securities of the Burgundy Funds as an "accredited investor".

Ruling

The Commission being satisfied that the relevant test contained in subsection 74(1) of the Act has been met, the Commission rules pursuant to subsection 74(1) of the Act that relief from the Prospectus Requirement is granted in connection with the distribution of securities of the Burgundy Funds to Clients provided that:

(a) securities of the Burgundy Pooled Funds distributed pursuant to relief from the Prospectus Requirement contained in this ruling shall only be distributed to Managed Accounts;

(b) before making trades in securities of the Burgundy Funds on behalf of a Client, the Filer provides the Client with 60 days prior written notice advising the Client of:

(i) the filing of the Filer's application with the Commission,

(ii) the nature of the relief granted under this ruling,

(iii) the fact that the ruling permits the Client to invest in an investment fund product which the Client otherwise would not be allowed to invest in on an exempt basis through their Managed Account; and

(c) this ruling will terminate upon the coming into force of any legislation or rule of the Commission exempting a trade by a fully managed account in Ontario in securities of investment funds from the Prospectus Requirement.

"Kevin J. Kelly"
Commissioner

"James D. Carnwath"
Commissioner
Ontario Securities Commission

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
ART Advanced Research Technologies Inc.	26 Nov 09	08 Dec 09	08 Dec 09	
Komunik Corporation	27 Nov 09	09 Dec 09	09 Dec 09	
AAER Inc.	04 Dec 09	16 Dec 09		
Revolution Technologies Inc.	07 Dec 09	18 Dec 09		
Ra Resources Ltd.	08 Dec 09	21 Dec 09		
CVF Technologies Corporation	08 Dec 09	21 Dec 09		
ValGold Resources Ltd.	09 Dec 09	21 Dec 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

NO REPORT FOR THIS WEEK

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
Sprylogics International Corp.	02 June 09	15 June 09	15 June 09		
Coalcorp Mining Inc.	07 Oct 09	19 Oct 09	19 Oct 09		
Garrison International Ltd.	29 Oct 09	10 Nov 09	10 Nov 09		
Toxin Alert Inc.	06 Nov 09	18 Nov 09	18 Nov 09		

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Chapter 6

Request for Comments

6.1.1 OSC Notice 11-753 (Revised) – Request for Comments Regarding Statement of Priorities for Fiscal Year Ending March 31, 2011

OSC NOTICE 11-753 (REVISED)

REQUEST FOR COMMENTS
REGARDING STATEMENT OF PRIORITIES
FOR FISCAL YEAR ENDING MARCH 31, 2011

The *Securities Act* requires the Commission to deliver to the Minister and publish in its Bulletin each year a statement of the Chairman setting out the proposed priorities of the Commission for its current fiscal year in connection with the administration of the Act, the regulations and rules, together with a summary of the reasons for the adoption of the priorities.

In an effort to obtain feedback and specific advice on our proposed objectives and initiatives, the Commission is publishing a draft Statement of Priorities which follows this Request for Comments.

The schedule for publishing its draft Statement of Priorities occurs much earlier this year This will allow us to receive feedback earlier so that it can be better integrated into our planning and budgeting process. The Commission will consider the feedback, and make any necessary revisions prior to finalizing and publishing its 2010/2011 Statement of Priorities. The Statement of Priorities, once approved by the Minister, will serve as the guide for the Commission's ongoing operations. Shortly after the conclusion of our 2009/2010 fiscal year we will publish a report on our progress against our 2009/2010 priorities on our website.

Comments

Interested parties are invited to make written submissions by February 15, 2010 to:

Robert Day
Manager, Business Planning
Ontario Securities Commission
20 Queen Street West
Suite 1900, Box 55
Toronto, Ontario M5H 3S8
[416] 593-8179
rday@osc.gov.on.ca

December 11, 2009

ONTARIO SECURITIES COMMISSION
2010-2011

STATEMENT OF PRIORITIES – REQUEST FOR COMMENTS

DECEMBER 2009

Introduction

The *Securities Act* (Ontario) requires the Ontario Securities Commission (OSC) to publish in its Bulletin and to deliver to the Minister by June 30 of each year a statement by the Chair setting out the proposed priorities for the Commission for the current financial year.

This Statement of Priorities sets out the OSC's strategic goals and specific initiatives for the 2010-11 fiscal year in support of each of its goals. It also discusses the environmental factors that we considered in setting these goals.

The OSC remains committed to delivering its regulatory services with effectiveness and accountability and to working closely with its colleagues within the Canadian Securities Administrators (CSA) and with market participants to ensure that the regulatory system remains relevant to the changing marketplace.

Our Vision

To be an effective and responsive securities regulator – fostering a culture of integrity and compliance and instilling investor confidence in the capital markets.

Our Mandate

The OSC's mandate is to provide protection to investors from unfair, improper or fraudulent practices and to foster fair and efficient capital markets and confidence in capital markets. The mandate is established by statute.

Our Environment

The OSC vision and mandate underlie our business plan, and the goals and priorities we set each year. We also take into account environmental factors that could affect our organization. We have set out below a discussion of the main environmental factors that currently affect our work and that we expect will affect new work we plan to undertake over the next few years. Specific initiatives are set out later in this document.

Pace of Change

Capital markets, in Ontario and in other jurisdictions, have experienced significant structural change in recent years, including shifts from single marketplaces to multiple and increasingly complex marketplaces. At the same time, there has been a proliferation of complex securities products and investment advice (including the use of leverage, derivatives and exposure to commodities) and an increasing technological sophistication in the operations of market participants. Investors may not sufficiently appreciate the risks associated with novel investment options or new technologies. This is a particular concern in the current low interest rate environment in which many investors are trying to rebuild their portfolios after the recent market downturn.

These new realities, their impacts, the speed with which they arise, and the increasingly subtle and intricate nature of their consequences demand an adaptive, balanced and informed regulatory response.

Innovations, whether in products, market structures or distribution channels can challenge established approaches to understanding them and developing appropriate regulatory responses. New information/data will be required along with analytical approaches to ensure informed appreciation of their impact.

Regulatory Gaps and Coverage

Having an appropriate scope of regulatory authority is important to achieving the OSC's mandate. Recent market turmoil and the accompanying financial crisis have led some to observe that regulatory coverage has been uneven. For example, differing regulatory approaches to essentially similar products (such as investment funds and other managed investment products) or to similar activities conducted by different types of registrants can unintentionally reduce market competitiveness or undermine investor protection. At the same time, these inconsistencies may pose risks to investors who may be unaware of the differences. When combined with rapid product and market evolution, uneven regulatory coverage may also contribute to increased overall risk.

We remain committed to ensuring our regulatory regime applies to the full range of markets, market participants and products at play. Investor protection cannot be truly effective without assessing the extent to which derivatives, exempt markets, credit rating agencies and other areas are adequately supervised. We will need to consider whether the current level of regulation of these areas is appropriate and we will need to co-ordinate our efforts with those of other regulators and self-regulatory organizations.

The financial crisis also revealed weaknesses in the global financial regulatory system, highlighting the need for a co-ordinated global response to address systemic risk and develop a more effective system of oversight and regulation. Addressing regulatory gaps will require continued collaboration with the International Organization of Securities Commissions and other international standard setters and regulators to implement the G20 action plan.

In the Canadian capital markets, we will need to actively contribute to the discussions and work underway to redesign the regulatory framework to better address systemic risk. This will involve working with partners such as Office of the Superintendent of Financial Institutions, the Bank of Canada, insurance and other securities regulators.

Deepening Investor Focus

We recognize that new ways to effectively gauge and incorporate investor perspectives are necessary to achieve and enhance investor protection. This requires a flexible regulatory approach that can adapt to the diverse range of interests, demands and concerns. For example, investor demands and needs differ depending on whether an investor is researching potential investments, executing an investment transaction or protecting security holder rights once an investment has been made.

We will continue our work to ensure Ontario securities laws address the needs of investors throughout the investing cycle. To help prospective investors make informed investment decisions, we plan to better understand the information investors need, as well as how and when they need this information.

We will continue to monitor compliance with Ontario securities laws to ensure that market participants meet the regulatory standards for disclosure and advice that investors require.

Growing Public Expectations/Accountability

In light of recent market developments, market participants and industry watchers have called for regulators to move faster and more decisively in responding to potential problems. While the OSC seeks to be responsive to these demands, our response must be balanced and guided by our mandate, the scope of our authority and our operational capabilities.

Providing transparency and accountability in our operations requires going beyond demonstrating that our resources are effectively utilized. We are imposing greater fiscal discipline on all of our operations and we are prudent in our spending. While we will ensure that our spending is restrained, we remain focused on achieving our key priorities and fulfilling our mandate effectively. We will continue to use a disciplined risk assessment approach to focus resources on our highest priorities and clearly report on outcomes achieved.

Accountability to Ontario's investors and market participants is integral to the planning and implementation of the OSC's operational priorities. Effectively listening to and communicating with interested stakeholders is essential to meeting the challenges we face in fulfilling our mandate and addressing expectations about what we can accomplish. We will continue to outline our regulatory goals and outcomes, how we seek to achieve these goals and outcomes, and the challenges we face. OSC management and staff are accountable to fulfil the OSC's dual mandate. We will work with integrity, professionalism and efficiency.

Our Goals

Goal 1 – Identify the important issues and deal with them in a timely way.

Our goal is to deal with today's concerns, while anticipating tomorrow's challenges. We want to be a strategic leader in fulfilling our mandate to Ontario investors and Ontario capital markets.

Goal 2 – Deliver fair, vigorous and timely enforcement and compliance programs.

Timely and appropriate compliance and enforcement are integral to fostering confidence in capital markets and preventing harm to investors.

Goal 3 – Champion investor protection, especially for retail investors.

The interests and needs of investors, particularly retail investors, will continue to be strongly reflected in all the OSC's operations. In addition to our enforcement activities, investor education and awareness, and timely access to accurate information are important components of investor protection.

Goal 4 – Support and promote a more flexible, efficient and accountable organization.

The OSC's strength is its people. We will make the best use of all our resources, including people, technology, research and financial, to achieve timely and effective execution of all that we do.

We expect OSC Commissioners and employees to maintain the highest standards of conduct and personal integrity, and to deal openly and fairly with all of our stakeholders. We will continue to constantly improve our business competence and effectiveness.

In delivering on our goals we will:

- Be responsive and flexible as an organization, and treat all stakeholders with respect and fairness;
- Consult and collaborate with investors, issuers, intermediaries, other industry participants and professionals to identify important issues;
- Continue to reflect investor interests in all that we do;
- Continue to support investor education initiatives;
- Continue to examine approaches to securities regulation used by other Canadian and international jurisdictions to assist us in providing a balanced regulatory approach and adopting best regulatory practices;
- Seek to render fair, clear, cogent and consistent adjudicative decisions quickly and cost effectively;
- Use the full range of tools available to achieve our mandate, and assign priorities to all our work based on our strategic goals;
- Continuously monitor and improve the efficiency and effectiveness of our operations; and
- Identify skills requirements and ensure that we attract, retain and motivate staff who possess the required skills.

Key Regulatory Priorities for 2010-11

In light of the environmental factors outlined above, we have identified five broad priorities for 2010-11. These priorities are set out below. In addition, we will carry out a number of smaller initiatives as well as ongoing operational programs in order to achieve our mandate.

We are also committed to supporting the Canadian Securities Transition Office, other provincial securities regulators and the Ontario Ministry of Finance, with the development of a national securities regulator. We believe the OSC has much to offer in terms of experience and expertise.

1. Deepen our Focus on Investor Protection

Build on the work undertaken in response to the Standing Committee on Government Agencies by focusing on issues relevant to investors at specific stages of the investment process as follows:

At the investment decision-making stage:

- promote clear and informative disclosure that allows investors to make informed investment decisions; and
- leverage the work of the OSC Investor Steering Committee through the OSC website.

Related to transaction or trade execution:

- implement the order protection rule; and
- implement new complaint handling, conflicts and referrals regime for registration.

For investors who own securities:

- review protections for shareholders rights and corporate governance;
- define guidelines or standards for performance and cost reporting information, including electronic delivery; and
- updating the early warning disclosure regime for takeover bids and proposing revised Commission policy on defensive tactics.

2. *Respond to Market Developments*

Review and analyze market developments to develop or modernize regulatory responses related to:

- the implementation of International Financial Reporting Standards in 2011;
- methods of trading (such as direct market access) and new structures (new order types and facilities such as dark pools) that may impact transparency, access and fairness; and
- regulation of alternative trading systems (ATSs) and exchanges and update rules as necessary.

3. *Address Adequacy of Regulatory Coverage*

The recent financial crisis has shown that issues arising in areas of the market that are, relative to others, less regulated can have adverse impacts on both investor protection and market efficiency. In extreme conditions this can be an indication of systemic risk. Recognizing this, we plan to review and assess the regulation of both products and distribution practices with an emphasis on areas where jurisdiction is shared or needs to be confirmed. As necessary, we will pursue appropriate regulatory authority to allow us to effectively discharge our mandate. Specific areas to be addressed include:

- Risks related to products and distribution of securities in the exempt market;
- The regulatory framework for trading over-the-counter derivatives;
- Regulatory requirements applicable to non-conventional investment funds;
- Disclosure and operational rules applicable to scholarship plans; and
- The appropriate regulation of credit rating agencies.

4. *Maintain a Strong and Visible Enforcement Presence*

Our focus on enforcement activities is designed to protect investors and markets from abuse. Effective enforcement involves identifying the most serious risks associated with breaches of the *Securities Act* (Ontario) and taking actions to deter undesirable behaviours. It includes removing participants who do not comply with securities laws from our capital markets.

We strive to treat all market participants fairly and with integrity, and to be consistent in our approach and the sanctions we impose. Our work to improve the effectiveness of our enforcement will focus on the following areas:

- Continuing to refine our processes to reduce timelines for completing investigations and bringing regulatory proceedings forward;
- Improving deterrence by pursuing increased collaboration with other regulators and law enforcement agencies, including the provincial Office of the Attorney General, to identify more cases for prosecution in criminal court and seek stronger sanctions;

- Addressing information leakage relating to trading events by focusing on market participants and their advisors holding positions of substantial influence or trust; and
- Improving our regulatory surveillance and analysis by making greater use of automated tools to identify data anomalies.

5. *Improve the Way we Work*

We remain committed to improving our business capability and our accountability to stakeholders. We plan to improve our operational performance through process improvements and greater use of technology, including:

- Making changes to OSC tribunal case management processes to accelerate the adjudication process;
- Making greater use of e-delivery of specific reporting documents, including enhanced web access to information; and
- Continuing to develop more comprehensive internal performance reporting and measurement.

2010-11 Financial Outlook

OSC Revenues and Surplus

Securities market participants fund our operations through fees they pay. The current fee structure under the *Securities Act* (Ontario) and the *Commodity Futures Act* was established in 2003. The fee model is intended to recover our costs of operation in fulfilling our mandate while allowing us to remain financially stable. When we implemented the fee model, we committed to re-evaluate our fee levels every three years.

Achieving the appropriate balance can be challenging because most of our costs are relatively fixed, while our revenues fluctuate with market activity. From 2003 to 2008, the OSC generated accumulated surpluses. These surpluses were largely due to higher than anticipated market growth in that period. We were able to defer a fee increase in 2009-10 by using a portion of these surpluses in 2009-10. As a result, our fees have not changed since April 2006.

On October 2, 2009, we published proposed revised fee rules for public comment. The comment period closes December 31, 2009. The fees proposed are forecast to allow us to achieve cost recovery by the end of fiscal 2013. In order to minimize the impact on market participants, we forecast fully using our accumulated surplus and a portion of our reserve over the next three fiscal years.

Activity Fees – Under the proposal, most of the activity fees would remain unchanged from the rates set in 2006. The proposed increases on the remaining fees are due to increased complexity of the activity. None of the proposed changes is expected to have a material impact on market participants.

Participation Fees - Total participation fees paid by market participants would rise by a weighted average of 12.2% per year. This would result in increases of approximately 9% per year for registrants and 17% per year for issuers from the participation fees set in 2006. However, the issuers' participation fees for comparable fee tiers would be less in each of the years covered by the proposed amendments (2011 to 2013) than in 2003, when these fees were first set. The difference in fee increases proposed for issuers and registrants is to better align revenues generated from each group with its level of participation in the Ontario capital markets.

Even with these fee increases, we expect to operate at a deficit for each of the next three years. For the three years ending March 2013, we project operating costs will exceed revenues by $25.4 million. This deficit will be offset by applying the expected March 2010 surplus of $24.8 million and $600,000 of our operating reserve.

OSC 2010-2011 Budget Approach

In developing our 2010-11 budget, we will carefully balance the need for restraint with our duty to achieve our mandate of providing protection to investors and fostering fair and efficient capital markets. Our Board of Directors and management are committed to prudently managing our budget and expenditures. We strive to provide value-for-money to our stakeholders and ensure that we deliver efficient and quality services.

Challenging economic conditions continue to put significant pressure on market participants and our own operations. Our preliminary budget estimate for 2010-11 reflects a projected increase of $2.5 million or 3.0% over forecast 2009-10 spending.

2011 Budget versus 2010 Forecast

(Thousands)	2011 Budget	2010 Forecast	Change	% Change
Revenues	$ 70,200	$ 61,900	$ 8,300	13.4
Expenses	86,400	83,900	2,500	3.0
Deficiency of Revenue compared with Expenses	(16,200)	(22,000)	5,800	

Decisions on OSC key initiatives and budget allocations for 2010-11 will be completed following the comment period for this Statement of Priorities document. Additional details on the specific areas of spending will be included in our final Statement of Priorities.

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Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
11/20/2009	1	Ambit Biosciences (Canada) Corporation - Notes	343,140.00	1.00
11/23/2009	1	American Water Works Company Inc. - Common Shares	1,146,000.00	50,000.00
11/16/2009	127	Arizona Acquisition Fund Inc. - Common Shares	2,556.60	25,566.00
11/16/2009	127	Arizona Capital Fund Inc. - Bonds	2,556,600.00	N/A
11/16/2009 to 11/26/2009	77	Artek Exploration Ltd. - Units	12,570,058.00	661,582.00
11/17/2009	2	Candorado Operating Company Ltd. - Flow-Through Units	350,000.00	7,000,000.00
11/23/2009	4	Chai Cha Na Mining Inc. - Flow-Through Shares	23,000.00	115,000.00
11/19/2009	18	Crosshair Exploration & Mining Corp. - Units	2,275,000.00	N/A
11/13/2009	2	Dartmouth Crossing Hotel Ownership Trust et. al. - Loans	2,100,000.00	2,100,000.00
11/18/2009 to 11/24/2009	3	Development Notes Limited Partnership - Units	325,000.00	325,000.00
11/05/2009 to 11/06/2009	92	Donner Metals Ltd. - Units	3,706,915.00	16,115,977.27
11/20/2009 to 11/26/2009	17	Eagle Landing Retail Limited Partnership - Limited Partnership Units	490,000.00	155,000.00
11/11/2009 to 11/19/2009	54	Eagle Peak Resources Inc. - Common Shares	415,319.00	365,593.00
11/24/2009	1	First Leaside Expansion Limited Partnership - Units	25,000.00	25,000.00
11/19/2009 to 11/24/2009	4	First Leaside Fund - Trust Units	295,177.00	295,177.00
11/23/2009 to 11/24/2009	2	First Leaside Fund - Trust Units	90,025.50	85,000.00
11/19/2009 to 11/24/2009	3	First Leaside Fund - Units	64,500.00	64,500.00
11/23/2009	1	First Leaside Premier Limited Partnership - Units	29,308.57	27,778.00
11/18/2009 to 11/20/2009	2	First Leaside Progressive Limited Partnership - Units	175,000.00	175,000.00
11/17/2009 to 11/18/2009	2	First Leaside Wealth Management Inc. - Preferred Shares	200,000.00	200,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
11/26/2009	17	Fluid Music Canada, Inc. - Common Shares	14,187,250.00	8,107,000.00
11/24/2009	1	Frontenac Shopping Centre Inc. - Loans	14,300,000.00	14,300,000.00
11/20/2009	1	GSME Acquisition Partners I - Units	4,278,400.00	4,000,000.00
11/24/2009	3	Houston Lake Mining Inc. - Flow-Through Units	1,000,000.00	4,000,000.00
11/17/2009 to 11/25/2009	57	IGW Real Estate Investment Trust - Trust Units	2,954,098.00	2,968,949.09
11/23/2009 to 11/25/2009	10	IGW Residential Capital Limited Partnership - Limited Partnership Units	348,174.86	348,174.86
11/25/2009	92	Investicare Seniors Housing Corp. - Mortgage	2,830,000.00	N/A
12/01/2009	24	Kane Biotech Inc. - Units	563,615.00	4,335,500.00
11/20/2009	3	Lateegra Gold Corp. - Flow-Through Shares	500,000.00	1,250,000.00
11/20/2009	1	Mesa Uranium Corp. - Units	200,000.00	1,000,000.00
10/27/2009 to 11/16/2009	52	Newport Canadian Equity Fund - Units	2,781,804.57	23,721.69
10/26/2009 to 11/13/2009	34	Newport Fixed Income Fund - Units	1,610,221.59	15,053.84
10/27/2009 to 11/11/2009	80	Newport Global Equity Fund - Units	5,354,251.84	93,649.60
10/27/2009 to 11/16/2009	40	Newport Yield Fund - Units	1,715,223.98	15,996.83
11/26/2009	11	Nordic Oil and Gas Ltd. - Units	257,500.00	2,575,000.00
11/23/2009	2	NV Gold Corporation - Common Shares	755,700.00	5,038,000.00
11/23/2009	76	NV Gold Corporation - Units	1,273,375.00	5,093,599.00
11/20/2009	8	OPTI Canada Inc. - Notes	16,450,715.00	N/A
11/13/2009 to 11/20/2009	1	Pier 21 Global Value Pool - Units	12,000,000.00	N/A
11/25/2009 to 11/30/2009	7	Plasco Energy Group Inc. - Units	1,159,410.00	77,294.00
11/23/2009	4	Republic of Panama - Bonds	7,404,863.20	N/A
11/18/2009	7	rue21 Inc. - Common Shares	1,496,250.00	75,000.00
11/17/2009	3	Schweitzer-Mauduit International Inc. - Common Shares	2,383,200.00	37,500.00
11/19/2009	15	Sigma Dek Ltd. - Common Shares	519,000.00	N/A
12/02/2009	9	Silverback Energy Ltd. - Units	393,775.00	100,000.00
11/23/2009	2	Smith International Inc. - Common Shares	4,893,000.00	28,000,000.00
11/18/2009	1	StoneMor Operating LLC - Notes	255,549.00	N/A

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
11/17/2009	1	Strugeon 2 Limited Partnership - Units	25,000.00	N/A
11/19/2009	20	Supreme Resources Ltd. - Common Shares	469,200.00	4,692,000.00
11/25/2009	1	Taleo Corporation - Common Shares	863,156.00	40,600.00
11/12/2009	16	Talmora Diamond Inc. - Flow-Through Shares	289,459.00	N/A
11/23/2009	17	Traxion Energy Inc. - Common Shares	750,000.00	10,000,000.00
10/28/2009	13	Trivello Energy Corp. - Units	150,000.00	3,000,000.00
11/25/2009	26	Valencia Ventures Inc. - Units	1,400,000.00	20,000,000.00
11/17/2009	1	Volkswagen AG - Preferred Shares	45,205,750.00	475,000.00
11/26/2009 to 11/27/2009	27	Vulcan Minerals Inc. - Common Shares	1,859,850.00	2,947,154.00
11/19/2009 to 11/26/2009	9	Wallbridge Mining Company Limited - Flow-Through Shares	965,000.80	1,300,000.00
11/19/2009	2	Whiterock REIT - Series F Debenture - Loans	4,730,000.00	N/A
11/24/2009	1	Wimberly Apartments Limited Partnership - Units	26,750.00	35.71

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Alliance Pipeline Limited Partnership
Principal Regulator - Alberta
Type and Date:
Preliminary Base Shelf Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 3, 2009
Offering Price and Description:
$500,000,000.00 - MEDIUM TERM NOTES (unsecured)
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
Promoter(s):
-
Project #1511970

Issuer Name:
Atlantic Power Corporation
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 3, 2009
Offering Price and Description:
$75,000,000.00 - 6.25% Convertible Unsecured Subordinated Debentures due March 15, 2017
Price: $1,000.00 per Debenture
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Scotia Capital Inc.
UBS Securities Canada Inc.
Promoter(s):
-
Project #1511784

Issuer Name:
Brookfield Infrastructure Partners L.P.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated December 8, 2009
NP 11-202 Receipt dated December 8, 2009
Offering Price and Description:
US$600,000,000.00:
Limited Partnership Units
Preferred Limited Partnership Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1513024

Issuer Name:
Canadian Energy Convertible Debenture Fund
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Long Form Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
Maximum $75,000,000.00 (7,500,000 Units) Price: $10.00 per Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
Dundee Securities Corporation
Raymond James Ltd.
Canaccord Capital Corporation
GMP Securities L.P.
HSBC Securities (Canada) Inc.
Manulife Securities Incorporated
Wellington West Capital Markets Inc.
Promoter(s):
First Asset Investment Management Inc.
Project #1506392

Issuer Name:
CI Financial Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated December 4, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
$1,000,000,000.00:
Debt Securities (unsecured)
Subscription Receipts
Common Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1512204

Issuer Name:
Crocodile Gold Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated December 4, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
$25,090,000.00 - 19,300,000 Common Shares Price: $1.30 per Common Share
Underwriter(s) or Distributor(s):
Macquarie Capital Markets Canada Ltd.
Cormark Securities Inc.
GMP Securities L.P.
Fraser Mackenzie Limited
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1512142

Issuer Name:
Forbes Energy Services Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated December 4, 2009
NP 11-202 Receipt dated December 7, 2009
Offering Price and Description:
$15,000,000.00 - 18,750,000 Common Shares Price: $0.80 per Common Share
Underwriter(s) or Distributor(s):
Paradigm Capital Inc.
Promoter(s):
John Crisp
Charles Forbes
Janet Forbes
Project #1512401

Issuer Name:
Golden Star Resources Ltd.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 3, 2009
Offering Price and Description:
US$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Wellington West Capital Markets Inc.
Macquarie Capital Markets Canada Ltd.
Promoter(s):
-
Project #1511705

Issuer Name:
Golden Star Resources Ltd.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Short Form Prospectus dated December 4, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
US$75,000,000.00 - 20,000,000 Common Shares Price: US$3.75 per Common Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Wellington West Capital Markets Inc.
Macquarie Capital Markets Canada Ltd.
Promoter(s):
-
Project #1511705

Issuer Name:
Macquarie Power & Infrastructure Income Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated December 7, 2009
NP 11-202 Receipt dated December 7, 2009
Offering Price and Description:
$50,000,000.00 - 50,000 6.50% Convertible Unsecured Subordinated Debentures Due December 31, 2016 Price: $1,000 per 6.50% Convertible Unsecured Subordinated Debenture Due December 31, 2016
Underwriter(s) or Distributor(s):
TD Securities Inc.
BMO Nesbitt Burns Inc.
Macquarie Capital Markets Canada Ltd.
CIBC World Markets Inc.
Brookfield Financial Corp.
HSBC Securities (Canada) Inc.
Cormark Securities Inc.
Genuity Capital Markets
Promoter(s):
-
Project #1512554

Issuer Name:
MADALENA VENTURES INC
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated December 2, 2009
NP 11-202 Receipt dated December 2, 2009
Offering Price and Description:
$ * - * Common Shares Price: $* per Common Share
Underwriter(s) or Distributor(s):
Byron Securities Limited
Union Securities Ltd.
Promoter(s):
-
Project #1511325

Issuer Name:
Magma Metals Limited
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated December 2, 2009
NP 11-202 Receipt dated December 2, 2009
Offering Price and Description:
$ * - 18,500,000 Ordinary Shares Price: $ * per Share
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Cormark Securities Inc.
GMP Securities L.P.
Dundee Securities Corporation
Promoter(s):
-
Project #1511207

Issuer Name:
Magma Metals Limited
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Short Form Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 3, 2009
Offering Price and Description:
$11,655,000.00 - 18,500,000 Shares Price: $0.63 [er Share
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Cormark Securities Inc.
GMP Securities L.P.
Dundee Securities Corporation
Promoter(s):
-
Project #1511207

Issuer Name:
Mantra Resources Limited
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated December 8, 2009
NP 11-202 Receipt dated December 8, 2009
Offering Price and Description:
$52,000,000.00 - 13,000,000 Ordinary Shares Price: $4.00 per Share
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
GMP Securities L.P.
Dundee Securities Corporation
Promoter(s):
-
Project #1513052

Issuer Name:
NovaGold Resources Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Base Shelf Prospectus dated December 7, 2009
NP 11-202 Receipt dated December 7, 2009
Offering Price and Description:
US$500,000,000.00:
Debt Securities
Preferred Shares
Common Shares
Warrants to Purchase Equity Securities
Warrants to Purchase Debt Securities
Share Purchase Contracts
Share Purchase or Equity Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1512673

Issuer Name:
PowerShares 1-5 Year Laddered Corporate Bond Index Fund
PowerShares Canadian Preferred Share Index Class
PowerShares Diversified Yield Fund
PowerShares FTSE RAFI Global+ Fundamental Fund
PowerShares FTSE RAFI U.S. Fundamental Fund
PowerShares Global Dividend Achievers Fund
PowerShares High Yield Corporate Bond Index Fund
PowerShares India Class
PowerShares Real Return Bond Index Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated December 4, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
Series A, F, I, T6 and T8 shares and units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Invesco Trimark Limited
Project #1512118

Issuer Name:
Tree Island Wire Income Fund
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated December 7, 2009
NP 11-202 Receipt dated December 7, 2009
Offering Price and Description:
Offering of Rights to Subscribe for Up to $10,000,000 Aggregate Principal Amount of 10% Second Lien Convertible Debentures Price: $100.00 per Convertible Debenture
Underwriter(s) or Distributor(s):
Genuity Capital Markets
Promoter(s):
-
Project #1512764

Issuer Name:
YPG Holdings Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated December 7, 2009
NP 11-202 Receipt dated December 7, 2009
Offering Price and Description:
$125,000,000.00 - 5,000,000 Cumulative Rate Reset First Preferred Shares, Series 5 Price: $25.00 per Series 5 Preferred Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC Wold Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Desjardins Securities Inc.
Promoter(s):
-
Project #1512586

Issuer Name:
Allied Gold Limited
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 8, 2009
NP 11-202 Receipt dated December 8, 2009
Offering Price and Description:
C$145,001,400.00 - 432,840,000 Ordinary Shares Price: C$0.335 per Offered Share
Underwriter(s) or Distributor(s):
Thomas Weisel Partners Canada Inc.
Mirabaud Securities LLP.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Promoter(s):
-
Project #1499014

Issuer Name:
Angle Energy Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated December 4, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
$40,072,500.00 - 6,850,000 Common Shares $5.85 per Common Share
Underwriter(s) or Distributor(s):
FirstEnergy Capital Corp.
Acumen Capital Finance Partners Limited
CIBC World Markets Inc.
Cormark Securities Inc.
Dundee Securities Corporation
Haywood Securities Inc.
Macquarie Capital Markets Canada Ltd.
National Bank Financial Inc.
Promoter(s):
-
Project #1505734

Issuer Name:
Avion Gold Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 3, 2009
Offering Price and Description:
$20,000,000.00 - 50,000,000 Common Shares Per Common Share $0.40
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Canaccord Capital Corporation
Wellington West Capital Markets Inc.
Macquarie Capital Markets Canada Ltd.
Promoter(s):
-
Project #1505555

Issuer Name:
Baffinland Iron Mines Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 2, 2009
NP 11-202 Receipt dated December 3, 2009
Offering Price and Description:
$19,565,073.00 - 40,760,569 Units PRICE $0.48 PER UNIT
Underwriter(s) or Distributor(s):
GMP Securities L.P.
CIBC World Markets Inc.
Raymond James Ltd.
Desjardins Securities Inc.
Jennings Capital Inc.
National Bank Financial Inc.
Promoter(s):
-
Project #1504674

Issuer Name:
Common Units and Advisor Class Units (unless otherwise indicated) of:
Claymore 1-5 Yr Laddered Government Bond ETF
Claymore 1-5 Yr Laddered Corporate Bond ETF
Claymore Premium Money Market ETF
Claymore Global Agriculture ETF
Claymore Natural Gas Commodity ETF (Common Units only)
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated December 4, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
Mutual fund units at net asset value
Underwriter(s) or Distributor(s):
Claymore Investments, Inc.
Promoter(s):
-
Project #1488789

Issuer Name:
EPCOR Utilities Inc.
Principal Regulator - Alberta
Type and Date:
Final Shelf Prospectus dated December 2, 2009
NP 11-202 Receipt dated December 2, 2009
Offering Price and Description:
$1,000,000,000.00 - Medium Term Note Debentures (unsecured)
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
HSBC Securities (Canada) Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
Promoter(s):
-
Project #1504060

Issuer Name:
Flaherty & Crumrine Investment Grade Fixed Income Fund
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
Warrants to Subscribe for up to 4,327,350 Units at a Subscription Price of $9.07
Underwriter(s) or Distributor(s):
-
Promoter(s):
Brompton Funds Management Limited
Project #1498430

Issuer Name:
Freehold Royalty Trust
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 3, 2009
Offering Price and Description:
$100,368,750.00 - 6,625,000 Trust Units Price: $15.15 per Trust Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Promoter(s):
-
Project #1504747

Issuer Name:
Keegan Resources Inc.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated December 3, 2009
NP 11-202 Receipt dated December 3, 2009
Offering Price and Description:
$35,990,000.00 - 6,100,000 Common Shares Price: $5.90 per Common Share
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
Clarus Securities Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #1503257

Issuer Name:
Medoro Resources Ltd.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 4, 2009
NP 11-202 Receipt dated December 7, 2009
Offering Price and Description:
$102,960,000.00 - 128,700,000 Units comprised of 128,700,000 Common Shares and 64,350,000 Warrants issuable upon exercise of outstanding Special Warrants
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Canaccord Capital Corporation
Thomas Weisel Partners Canada Inc.
Haywood Securities Inc.
Salman Partners Inc.
TD Securities Inc.
Promoter(s):
-
Project #1499995

Issuer Name:
Migao Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 2, 2009
NP 11-202 Receipt dated December 2, 2009
Offering Price and Description:
$35,074,000.00 - 4,940,000 Common Shares Price: $7.10 per Common Share
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Cancacord Capital Corporation
GMP Securities L.P.
Dundee Securities Corporation
Jennings Capital Inc.
Research Capital Corporation
UBS Securities Canada Inc.
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1503748

Issuer Name:
Mountain Province Diamonds Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 2, 2009
NP 11-202 Receipt dated December 2, 2009
Offering Price and Description:
Cdn$9,001,800.00 (3,334,000 Units) Cdn$2.70 Per Unit
Underwriter(s) or Distributor(s):
Paradigm Capital Inc.
Salman Partners Inc.
Scotia Capital Inc.
Promoter(s):
-
Project #1503758

Issuer Name:
Pathway Multi Series Fund Inc. - Explorer Series Fund
(A/Rollover Series, A/Regular Series, F Series and I Series Shares)
Pathway Multi Series Fund Inc. - Energy Series Fund
(A/Rollover Series, A/Regular Series, F Series and I Series Shares)
Pathway Multi Series Fund Inc. - Canadian Flex Series Fund
(A/Regular Series, Low Load/DSC Series, F Series and I Series Shares)
Pathway Multi Series Fund Inc - Resource Flex Series Fund
(A/Regular Series, Low Load/DSC Series, F Series and I Series Shares)
Pathway Multi Series Fund Inc. - Flex Dividend and Income Growth Series Fund
(A/Regular Series, Low Load/DSC Series, F Series and I Series Shares)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated December 4, 2009
NP 11-202 Receipt dated December 7, 2009
Offering Price and Description:
Mutual fund securities at net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1490425

Issuer Name:
PC Gold Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 2, 2009
NP 11-202 Receipt dated December 2, 2009
Offering Price and Description:
Minimum: $5,000,000.00; Maximum: $10,000,000.00 - Up to 7,142,857 Units Up to 6,250,000 Flow Through Common Shares Price: $0.70 per Unit $0.80 per FT Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Raymond James Ltd.
Research Capital Corporation
Promoter(s):
Kevin M. Keough
Project #1499845

Issuer Name:
Softchoice Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated December 4, 2009
NP 11-202 Receipt dated December 4, 2009
Offering Price and Description:
$17,437,500.00 - 2,250,000 Common Shares Price: $7.75 per Common Share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Cormark Securities Inc.
Paradigm Capital Inc.
Raymond James Ltd.
Promoter(s):
-
Project #1505492

Issuer Name:
Signature Global Telecom Split Corp.
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Long Form Prospectus dated November 5, 2009
Withdrawn on December 3, 2009
Offering Price and Description:
$ *- * Preferred Shares and * Class A Shares
Price: $10.00 per Preferred Share and $15.00 per Class A Share
Underwriter(s) or Distributor(s):
TD Securities Inc.
Blackmont Capital Inc.
CIBC World Markets Inc
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
GMP Securities L.P.
Canaccord Capital Corporation
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Promoter(s):
CI Investments Inc.
Project #1494238

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Amalgamation	Doherty & Associates Ltd. and Magna Vista Investment Management Limited To Form: Doherty & Associates Ltd.	Exempt Market Dealer Portfolio Manager	December 1, 2009
Voluntary Surrender of Registration	Futureworth Financial Planners Corp.	Mutual Fund Dealer	December 2, 2009
Change of Registration Category	CBI Capital Inc.	From: Exempt Market Dealer To: Exempt Market Dealer and Portfolio Manager.	December 3, 2009
New Registration	Baryshnik Capital Management Inc.	Exempt Market Dealer, Portfolio Manager, Investment Fund Manager	December 4, 2009
Change of Category	Hub Capital Inc.	From: Exempt Market Dealer, Mutual Fund Dealer To: Mutual Fund Dealer	December 7, 2009
New Registration	Vancity Investment Management Limited	Portfolio Manager	December 7, 2009
Change of Category	Rondeau Capital Inc.	From: Exempt Market Dealer and Portfolio Manager To: Portfolio Manager	December 8, 2009
New Registration	Oberon Capital Corporation	Exempt Market Dealer	December 9, 2009

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Hearing Panel Approves Settlement Agreement with Ben A. Kaley

NEWS RELEASE
For immediate release

MFDA HEARING PANEL APPROVES SETTLEMENT AGREEMENT WITH BEN A. KALEY

December 3, 2009 (Toronto, Ontario) – A Settlement Hearing in the matter of Ben A. Kaley was held today in Fredericton, New Brunswick before a Hearing Panel of the Atlantic Regional Council of the Mutual Fund Dealers Association of Canada (the "MFDA").

The Hearing Panel approved the Settlement Agreement between Mr. Kaley and MFDA Staff, as a consequence of which Mr. Kaley:

- Paid a fine in the amount of $10,000;
- Was suspended from acting as a mutual fund salesperson for 6 months; and
- Paid costs in the amount of $2,500.

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

In the Settlement Agreement, Mr. Kaley admitted that his participation in the sale of preferred shares of The Ledges Fishing Corp. to the public constituted securities related business that was not carried on for the account of the Member or through the facilities of the Member, contrary to MFDA Rule 1.1.1(a). He also admitted that between February and August 2007, he carried on another gainful occupation that was not properly disclosed to and approved by the Member in his role as co-owner, Vice-President and Director of The Ledges Fishing Corp., contrary to MFDA Rule 1.2.1(d).

A copy of the Settlement Agreement 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 144 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Shaun Devlin
Vice-President, Enforcement
416-943-4672 or sdevlin@mfda.ca

13.1.2 MFDA Hearing Panel Issues Reasons for Decision in Bick Financial Security Corporation Settlement Hearing

NEWS RELEASE
For immediate release

MFDA HEARING PANEL ISSUES REASONS FOR DECISION IN BICK FINANCIAL SECURITY CORPORATION SETTLEMENT HEARING

December 7, 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 September 24, 2009 in the matter of Bick Financial Security Corporation.

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 144 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 Approves Settlement Agreement with Mark Kricievski

NEWS RELEASE
For immediate release

MFDA HEARING PANEL APPROVES SETTLEMENT AGREEMENT WITH MARK KRICIEVSKI

December 7, 2009 (Toronto, Ontario) – A Settlement Hearing in the matter of Mark Kricievski was held today in Toronto, Ontario before a Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada (the "MFDA").

The Hearing Panel approved the Settlement Agreement between Mr. Kricievski and MFDA Staff, as a consequence of which Mr. Kricievski:

- has paid a fine in the amount of $5,000; and
- shall be prohibited from being registered or conducting securities related business while in the employ of, or associated with, a Member of the MFDA for a period of 5 years.

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

In the Settlement Agreement, Mr. Kricievski admitted that he engaged in securities related business that was not carried on for the account of the Member and through the facilities of the Member by selling, referring or facilitating the sale of approximately $1.8 million of Portus Alternative Asset Management Inc. ("Portus") investment products to 44 clients, contrary to MFDA Rules 1.1.1(a) and 2.1.1.

Mr. Kricievski also admitted that he contravened the Member's written direction and subsequent oral direction that he refrain from selling, referring or facilitating the sale of investment products offered by Portus to clients, contrary to MFDA Rules 1.1.2, 2.5.1 and 2.1.1. He further admitted that he sent communications to clients which:

a) contained untrue and misleading statements about the Portus investment products, contrary to MFDA Rules 2.7.2(a) and 2.8.2 (a);

b) included unjustified promises of specific results and made unwarranted claims in relation to Portus investment products, contrary to MFDA Rules 2.7.2(b) and 2.8.2(b);

c) failed to fairly present the potential risks to clients of investing in Portus investment products, contrary to MFDA Rules 2.7.2(e) and 2.8.2(b);

d) were detrimental to the interests of clients because they recommended the purchase of an investment, being the Portus investment products, that had not been approved for sale by the Member, contrary to MFDA Rules 2.7.2(f) and 2.8.2(c); and

e) had not been approved by an individual designated by the Member as being responsible for sales communications prior to Mr. Kricievski sending the communications to the clients, contrary to MFDA Rule 2.7.3.

A copy of the Settlement Agreement 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 144 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

Chapter 25

Other Information

25.1 Exemptions

25.1.1 ScotiaMocatta Physical Copper Fund – s. 19.1 of NI 41-101 General Prospectus Requirements

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – NI 41-101 – Relief granted to an investment fund to file a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, ss. 2.3(1), 19.1.

October 30, 2009

Osler, Hoskin & Harcourt

Attention: Mary Sum

Dear Sirs/Mesdames:

Re: ScotiaMocatta Physical Copper Fund (the "Fund")

Exemptive Relief Application under Section 19.1 of National Instrument 41-101 General Prospectus Requirements ("NI 41-101")

Application No. 2009/0674, SEDAR Project No. 1452758

By letter dated October 26, 2009 (the "Application"), the Fund applied to the Director of the Ontario Securities Commission (the "Director") pursuant to section 19.1 of NI 41-101 for relief from the operation of subsection 2.3(1) of NI 41-101, which prohibits an issuer from filing a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

This letter confirms that, based on the information and representations made in the Application, and for the purposes described in the Application, the Director grants the requested exemption to be evidenced by the issuance of a receipt for the Fund's prospectus, provided the Fund's final prospectus is filed no later than January 30, 2010.

Yours very truly,

"Vera Nunes"
Assistant Manager, Investment Funds Branch

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Index