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The Ontario Securities Commission

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Chapter 1

Notices / News Releases

| 1.1 | Notices | | | SCHEDULED OS | SC HEARINGS |
|--|---|--------|-------------|-----------------------------------|--|
| 1.1.1 | Current Proceedings Before Securities Commission | The | Ontario | February 8-12, 2010 | Borealis International Inc., Synergy Group (2000) Inc., Integrated |
| | FEBRUARY 5, 2010 | | | 10:00 a.m. | Business Concepts Inc., Canavista Corporate Services Inc., Canavista |
| | CURRENT PROCEEDINGS | 6 | | | Financial Center Inc., Shane Smith, Andrew Lloyd, Paul Lloyd, Vince |
| | BEFORE | | | | Villanti, Larry Haliday, Jean Breau, Joy Statham, David Prentice, Len |
| | ONTARIO SECURITIES COMMIS | | I | | Zielke, John Stephan, Ray Murphy, Alexander Poole, Derek Grigor and Earl Switenky |
| | | | | | s. 127 and 127.1 |
| | otherwise indicated in the date column place at the following location: | mn, al | ll hearings | | Y. Chisholm in attendance for Staff |
| | The Harry S. Bray Hearing Room Ontario Securities Commission | | | | Panel: PJL/PLK |
| | Cadillac Fairview Tower Suite 1700, Box 55 20 Queen Street West | | | February 8-12, 2010 | Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance |
| | Toronto, Ontario M5H 3S8 | | | 10:00 a.m. | s. 127 |
| Telepho | one: 416-597-0681 Telecopier: 416- | 593-8 | 348 | | J. Feasby in attendance for Staff |
| CDS | | TDX | 76 | | Panel: DLK/MCH |
| Late Mail depository on the 19 th Floor until 6:00 p.m. | | | m. | February 16, 2010 9:00 a.m. | New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 |
| | THE COMMISSIONERS | | | 0.00 d.m. | Ontario Ltd., L. Jeffrey Pogachar, Paola Lombardi and Alan S. Price |
| | avid Wilson, Chair s E. A. Turner, Vice Chair | _ | WDW JEAT | | s. 127 |
| | ence E. Ritchie, Vice Chair | _ | LER | | S. Kushneryk in attendance for Staff |
| | Akdeniz | _ | SA | | Panel: JEAT |
| | s D. Carnwath | _ | JDC | | Fallet. JEAT |
| - | G. Condon ot C. Howard | _ | MGC MCH | February 17 – March 1, 2010 | M P Global Financial Ltd., and Joe Feng Deng |
| _ | J. Kelly | | KJK | • | |
| | tte L. Kennedy | _ | PLK | 10:00 .m. | s. 127(1) |
| | L. Knight, FCA | _ | DLK | | M. Britton in attendance for Staff |
| | k J. LeSage | _ | PJL | | Panel: DLK/MCH |
| Carol | S. Perry | _ | CSP | | Panel: DLK/MCH |
| Charle | es Wesley Moore (Wes) Scott | _ | CWMS | | |

| February 17, 2010 | Maple Leaf Investment Fund Corp. and Joe Henry Chau | March 22, 2010 10:00 a.m. | Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 |
|-----------------------------|---|------------------------------|--|
| 10:00 a.m. | s. 127 | 10.00 a.m. | Ontario Limited |
| | J. Superina in attendance for Staff | | s. 127 |
| | Panel: TBA | | M. Britton/J.Feasby in attendance for Staff |
| February 22-24, 2010 | Barry Landen | | Panel: JDC/KJK |
| 10:00 a.m. | s. 127 | March 22, 2010 | Nest Acquisitions and Mergers, |
| | H. Craig in attendance for Staff | 10:00 a.m. | IMG International Inc., Caroline Myriam Frayssignes, David |
| | Panel: TBA | 10.00 a | Pelcowitz, Michael Smith, and Robert Patrick Zuk |
| February 25, 2010 | Tulsiani Investments Inc. and Sunil Tulsiani | | s. 37, 127 and 127.1 |
| 10:00 a.m. | s. 127 | | C. Price in attendance for Staff |
| | J. Superina in attendance for Staff | | Panel: CSP |
| | Panel: JEAT | March 25-26, | Gold-Quest International, 1725587 |
| March 1-8, | Teodosio Vincent Pangia | 2010 | Ontario Inc. carrying on business as Health and |
| 2010 | s. 127 | 10:00 a.m. | Harmoney, Harmoney Club Inc., Donald Iain Buchanan, Lisa |
| 10:00 a.m. | J. Feasby in attendance for Staff | | Buchanan and Sandra Gale |
| | Panel: TBA | | s.127 |
| March 3, 2010 10:00 a.m. | Brilliante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason | | H. Craig in attendance for Staff Panel: TBA |
| 10.00 4 | Georgiadis, Richard Taylor and Victor York | March 25-26, 2010 | W.J.N. Holdings Inc., MSI Canada Inc., 360 Degree Financial Services |
| | s. 127 | 10:00 a.m. | Inc., Dominion Investments Club Inc., Leveragepro Inc., Prosporex |
| | S. Horgan in attendance for Staff | | Investment Club Inc., Prosporex Investments Inc., Prosporex Itd., |
| | Panel: TBA | | Prosporex Inc., Networth Financial Group Inc., Networth Marketing |
| March 10, 2010 | Global Energy Group, Ltd. And New Gold Limited Partnerships | | Solutions, Dominion Royal Credit Union, Dominion Royal Financial Inc., Wilton John Neale, Ezra Douse, |
| 10:00 a.m. | s. 127 | James, David Whitely | Albert James, Elnonieth "Noni" James, David Whitely, Carlton |
| | H. Craig in attendance for Staff | | Ivanhoe Lewis, Mark Anthony Scott, Sedwick Hill, Trudy Huynh, Dorlan |
| | Panel: TBA | | Francis, Vincent Arthur, Christian Yeboah, Azucena Garcia, Angela Curry and Prosporex Forex SPV Trust |
| | | | s. 127 |
| | | | H. Daley in attendance for Staff |
| | | | Panel: TBA |

| • | Shane Suman and Monie Rahman | June 21, 2010 | Rezwealth Financial Services Inc., |
|----------------------------------|---|---------------|--|
| 31 – April 1; April 6-9, 2010 | s. 127 and 127(1) | 10:00 a.m. | Pamela Ramoutar, Chris Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 |
| 10:00 a.m. | C. Price in attendance for Staff | | Ontario Inc. and Sylvan Blackett |
| March 30, 2010 | Panel: JEAT/PLK | | s. 127(1) and (5) |
| 2:30 p.m. | | | A. Heydon in attendance for Staff |
| April 12, 2010 | Abel Da Silva | | Panel: TBA |
| 10:00 a.m. | s.127 | June 28, 2010 | Shallow Oil & Gas Inc., Eric O'Brien, |
| | M. Boswell in attendance for Staff | 10:00 a.m. | Abel Da Silva, Gurdip Singh Gahunia aka Michael Gahunia and |
| | Panel: DLK | | Abraham Herbert Grossman aka Allen Grossman |
| April 13, 2010 | Axcess Automation LLC, Axcess | | s. 127(7) and 127(8) |
| 2:30 p.m. | Fund Management, LLC, Axcess Fund, L.P., Gordon Alan Driver and | | M. Boswell in attendance for Staff |
| | David Rutledge, Steven M. Taylor and International Communication | | Panel: TBA |
| | Strategies | June 29, 2010 | Oversea Chinese Fund Limited |
| | s. 127 | 10:00 a.m. | Partnership, Weizhen Tang and Associates Inc., Weizhen Tang |
| | M. Adams in attendance for Staff | | Corp., and Weizhen Tang |
| | Panel: TBA | | s. 127 and 127.1 |
| May 3-28, 2010 | Sextant Capital Management Inc., Sextant Capital GP Inc., Sextant | | M. Britton in attendance for Staff |
| 10:00 a.m. | Strategic Opportunities Hedge Fund L.P., Otto Spork, Robert Levack and | | Panel: TBA |
| | Natalie Spork | March 7, 2011 | Firestar Capital Management Corp., Kamposse Financial Corp., Firestar |
| | s. 127 | 10:00 a.m. | Investment Management Group, Michael Ciavarella and Michael |
| | S. Kushneryk in attendance for Staff | | Mitton |
| | Panel: TBA | | s. 127 |
| May 31 – June 4, 2010 | Lyndz Pharmaceuticals Inc., James Marketing Ltd., Michael Eatch and | | H. Craig in attendance for Staff |
| 10:00 a.m. | Rickey McKenzie | | Panel: TBA |
| 10.00 a.m. | s. 127(1) and (5) | TBA | Yama Abdullah Yaqeen |
| | J. Feasby in attendance for Staff | | s. 8(2) |
| | Panel: TBA | | J. Superina in attendance for Staff |
| | | | Panel: TBA |

| ТВА | Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell s. 127 | ТВА | 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 |
|-----|---|-----|---|
| | J. Waechter in attendance for Staff | | s. 127 |
| | Panel: TBA | | C. Price in attendance for Staff |
| TBA | Frank Dunn, Douglas Beatty, Michael Gollogly | | Panel: TBA |
| | s. 127 K. Daniels in attendance for Staff | TBA | Biovail Corporation, Eugene N. Melnyk, Brian H. Crombie, John R. Miszuk and Kenneth G. Howling |
| | Panel: TBA | | s. 127(1) and 127.1 |
| ТВА | Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown- | | J. Superina, A. Clark in attendance for Staff Panel: TBA |
| | Rodrigues) s. 127 and 127.1 D. Ferris in attendance for Staff Panel: TBA | ТВА | 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 |
| ТВА | Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin s. 127 | | 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 |
| | H. Craig in attendance for Staff | | s. 127 |
| | Panel: TBA | | M. Boswell in attendance for Staff |
| ТВА | Gregory Galanis | | Panel: TBA |
| | s. 127 | TBA | FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun |
| | P. Foy in attendance for Staff | | s. 127 |
| | Panel: TBA | | C. Price in attendance for Staff Panel: TBA |
| | | | |

| ТВА | MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric | ТВА | Coventree Inc., Geoffrey Cornish and Dean Tai s. 127 |
|-----|---|------|--|
| | s. 127 and 127(1) | | J. Waechter in attendance for Staff |
| | D. Ferris in attendance for Staff | | Panel: TBA |
| | Panel: TBA | ТВА | IBK Capital Corp. and William F. White |
| ТВА | Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony | | s. 127 M. Vaillancourt in attendance for Staff Panel: TBA |
| | s. 127 and 127.1 | TBA | Lehman Cohort Global Group Inc., |
| | J. Feasby in attendance for Staff | 15/1 | Anton Schnedl, Richard Unzer, Alexander Grundmann and Henry |
| | Panel: TBA | | Hehlsinger |
| ТВА | Gold-Quest International, Health and Harmoney, Iain Buchanan and Lisa | | s. 127 |
| | Buchanan | | H. Craig in attendance for Staff |
| | s. 127 | | Panel: JEAT/CSP/SA |
| | H. Craig in attendance for Staff | ТВА | Paladin Capital Markets Inc., John David Culp and Claudio Fernando |
| | Panel: TBA | | Maya |
| TBA | Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson | | s. 127 C. Price in attendance for Staff |
| | s. 127(1) and 127(5) | | Panel: TBA |
| | M. Boswell in attendance for Staff | TBA | Hillcorp International Services, Hillcorp Wealth Management, |
| | Panel: TBA | | Suncorp Holdings, 1621852 Ontario Limited, Steven John Hill, John C. McArthur, Daryl Renneberg and |
| TBA | Sulja Bros. Building Supplies, Ltd. (Nevada), Sulja Bros. Building | | Danny De Melo |
| | Supplies Ltd., Kore International Management Inc., Petar Vucicevich | | s. 127 |
| | and Andrew DeVries | | A. Clark in attendance for Staff |
| | s. 127 and 127.1 | | Panel: TBA |
| | M. Britton in attendance for Staff | ТВА | Peter Robinson and Platinum International Investments Inc. |
| | Panel: TBA | | s. 127 |
| | | | M. Boswell in attendance for Staff |
| | | | Panel: TBA |

TBA

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: TBA

TBA

Paul lannicca

s. 127

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

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

1.1.2 CSA Staff Notice 31-314 – NI 31-103 Registration Requirements and Exemptions and Related Instruments – Frequently Asked Questions as of February 5, 2010

CSA STAFF NOTICE 31-314

NI 31-103 REGISTRATION REQUIREMENTS AND EXEMPTIONS AND RELATED INSTRUMENTS

FREQUENTLY ASKED QUESTIONS AS OF FEBRUARY 5, 2010

Background

This notice supplements CSA Staff Notice 31-313 – NI 31-103 Registration Requirements and Exemptions and Related Instruments – Frequently Asked Questions as of December 18, 2009. The questions addressed in this notice all relate to financial reporting requirements during the first year under the new registration regime that was introduced on September 28, 2009.

NI 31-103 Registration Requirements and Exemptions

| NI 31-103 SECTION | QUESTION | ANSWER |
|--------------------------------------|---|---|
| PART 12 FINANCIAL CONDITION | | |
| Division 4 Financial reporting | | |
| 12.10(3) Annual financial statements | Some registrants were previously required by the securities legislation of some provinces to deliver annual audited consolidated financial statements. Subsection 12.10(3) of NI 31-103 requires registrants to deliver financial statements prepared in accordance with National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency (NI 52-107) except that the statements must be prepared on a nonconsolidated basis. Interim financial information delivered under subsection 12.11(2) of NI 31-103 must also be delivered on a nonconsolidated basis. For registrants that previously delivered audited consolidated financial statements, what comparative figures do regulators expect to be delivered in the first year after the effective date of NI 31-103 (i.e. for financial | For annual audited financial statements for financial years ended on or between September 30, 2009 to August 31, 2010 (and for interim periods within that period), staff will accept financial statements prepared under one of the following two options, even though these do not comply with NI 52-107: 1) non-consolidated financial statements and interim financial information with no comparative figures, or 2) non-consolidated financial statements and interim financial information with non-consolidated comparative figures. CSA staff have concluded that, if a registrant delivers annual non-consolidated financial statements and interim financial information using one of the options above, it would not be appropriate or in the public interest for staff to impose terms and conditions on the registrant. CSA staff have concluded that it would not be appropriate for a registrant to deliver financial statements or interim financial information that includes a current period that is non-consolidated and a comparative period that is presented using a different basis of accounting (e.g. consolidated comparative information). |

| NI 31-103 SECTION | QUESTION | ANSWER |
|----------------------|--|--|
| | years ended on or between September 30, 2009 to August 31, 2010)? | |
| | Subsection 12.10(3) of NI 31- 103 requires a registrant to prepare annual financial statements in accordance with National Instrument 52- 107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, except that the statements must be prepared on a non-consolidated basis. The annual financial statements must be audited. What form of audit report should the auditor be using when auditing financial statements of registrants that are prepared on a non- consolidated basis for regulatory purposes? | Since the annual non-consolidated financial statements are prepared in accordance with a basis of accounting other than generally accepted accounting principles, they must be accompanied by an auditor's report prepared in accordance with CICA Handbook Section 5600 Auditor's Report on Financial Statements Prepared Using a Basis of Accounting other than Generally Accepted Auditing Principles that does not contain a reservation. |
| | What is the basis of accounting and acceptable assurance requirements for audited non-consolidated financial statements that exclude comparative figures for entities registering with one or more of the securities regulators for the first time during the period prior to September 28, 2010? | The non-consolidated financial statements for the current period must be prepared in accordance with Canadian generally accepted accounting principles for public enterprises, except that they have been prepared on a non-consolidated basis and exclude comparative information. The financial statements must include a note describing this basis of accounting, and may not include any other material differences from Canadian generally accepted accounting principles for public enterprises. Since the annual non-consolidated financial statements are prepared in accordance with a basis of accounting other than generally accepted accounting principles, they must be accompanied by an auditor's report prepared in accordance with CICA Handbook Section 5600 Auditor's Report on Financial Statements Prepared Using a Basis of Accounting other than Generally Accepted Auditing Principles that does not contain a reservation. |
| | What is the basis of accounting and acceptable assurance requirements for non-consolidated comparative figures included in annual audited financial statements for entities registering with one or more of the securities regulators for the first time during the period prior to September 28, 2010? | The non-consolidated financial statements for the current period must be prepared in accordance with Canadian generally accepted accounting principles for public enterprises, except that they have been prepared on a non-consolidated basis. The financial statements must include a note describing this basis of accounting, and may not include any other material differences from Canadian generally accepted accounting principles for public enterprises. |

| NI 31-103 SECTION | QUESTION | ANSWER |
|--|---|---|
| | | Since the annual non-consolidated financial statements are prepared in accordance with a basis of accounting other than generally accepted accounting principles, they must be accompanied by an auditor's report prepared in accordance with CICA Handbook Section 5600 Auditor's Report on Financial Statements Prepared Using a Basis of Accounting other than Generally Accepted Auditing Principles that does not contain a reservation. |
| | Will an application for registration delivered prior to September 28, 2010 be rejected if the audited nonconsolidated financial statements delivered by the applicant do not include audited non-consolidated comparative figures? | No. An application will not be rejected solely on the basis of failure to provide audited non-consolidated comparative figures. However, we encourage such applicants to include non-consolidated comparative figures where possible, even if they are not available in audited form. |
| 12.11(2) Interim financial information | Some registrants were previously required by the securities legislation of some provinces to deliver annual audited consolidated financial statements. Subsection 12.10(3) of NI 31-103 requires registrants to deliver financial statements prepared in accordance with National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency (NI 52-107) except that the statements must be prepared on a nonconsolidated basis. Interim financial information delivered under subsection 12.11(2) of NI 31-103 must also be delivered on a nonconsolidated basis. For registrants that previously delivered audited consolidated financial statements, what comparative figures do regulators expect to be delivered in the first year after the effective date of NI 31-103 (i.e. for financial years ended on or between September 30, 2009 to August 31, 2010)? | For annual audited financial statements for financial years ended on or between September 30, 2009 to August 31, 2010 (and for interim periods within that period), staff will accept financial statements prepared under one of the following two options, even though these do not comply with NI 52-107: 1) non-consolidated financial statements and interim financial information with no comparative figures, or 2) non-consolidated financial statements and interim financial information with non-consolidated comparative figures. CSA staff have concluded that, if a registrant delivers annual non-consolidated financial statements and interim financial information using one of the options above, it would not be appropriate or in the public interest for staff to impose terms and conditions on the registrant. CSA staff have concluded that it would not be appropriate for a registrant to deliver financial statements or interim financial information that includes a current period that is non-consolidated and a comparative period that is presented using a different basis of accounting (e.g. consolidated comparative information). |

| NI 31-103 SECTION | QUESTION | ANSWER |
|----------------------|---|--|
| | What is the basis of accounting for interim financial information delivered by registrants? | The interim financial information must be prepared and presented on a similar basis as the annual nonconsolidated financial statements (see discussion above with respect to subsection 12.10(3)). |

NI 33-109 Registration Information

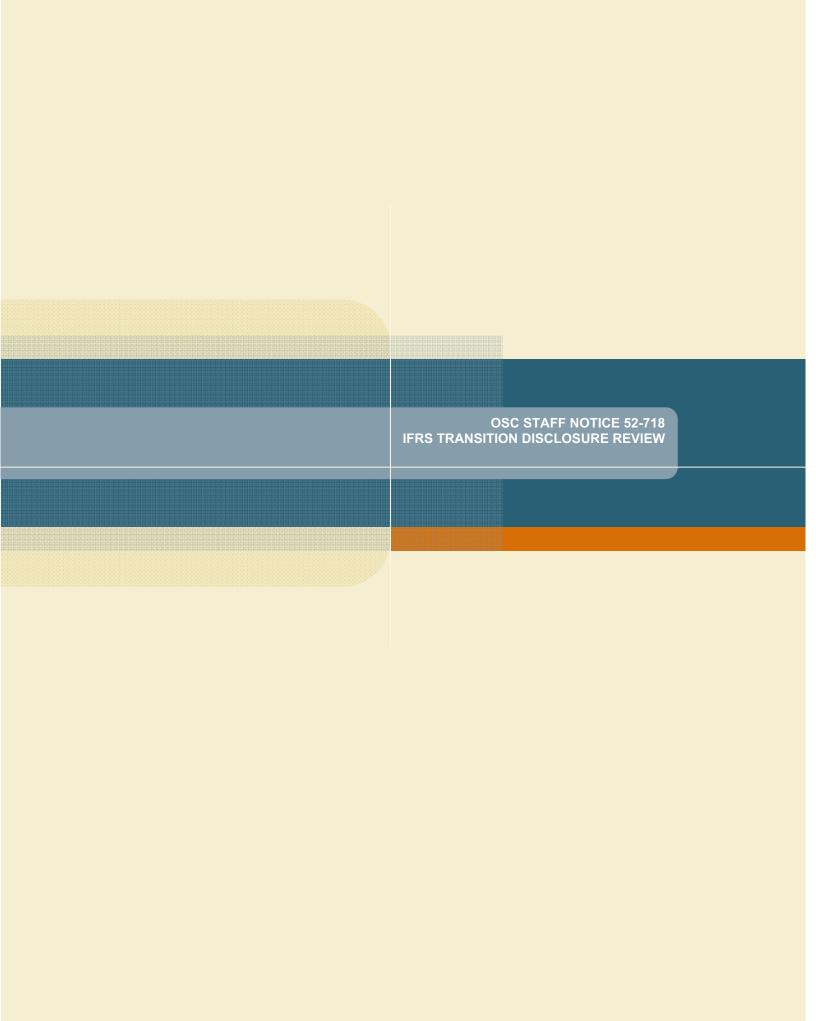
| NI 33-109 SECTION | QUESTION | ANSWER |
|---------------------------------|---|---|
| FORM 33-109F6 FIRM REGISTRATION | Will an application for registration delivered prior to September 28, 2010 be rejected if the audited non-consolidated financial statements delivered by the applicant do not include audited non-consolidated comparative figures? | No. An application will not be rejected solely on the basis of failure to provide audited non-consolidated comparative figures. However, we encourage such applicants to include non-consolidated comparative figures where possible, even if they are not available in audited form. |

February 5, 2010

1.1.3 OSC Staff Notice 52-718 – IFRS Transition Disclosure Review

OSC Staff Notice 52-718 – *IFRS Transition Disclosure Review* is reproduced on the following internally numbered pages. Bulletin pagination resumes at the end of the Staff Notice.

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Introduction

Recently staff of the Ontario Securities Commission conducted a review to assess the extent and quality of International Financial Reporting Standards (IFRS) transition disclosures made by issuers in light of the disclosure guidance provided in CSA Staff Notice 52-320 *Disclosure of Expected Changes in Accounting Policies Relating to Changeover to International Financial Reporting Standards* (SN 52-320).

SN 52-320 provides guidance on the requirement in Form 51-102F1 *Management's Discussion* & *Analysis* (MD&A) for an issuer's disclosure of the expected changes in accounting policies related to IFRS changeover for the three-year period prior to financial years beginning on or after January 1, 2011 (the changeover date). This disclosure is important to assist investors in assessing the readiness of an issuer's transition to IFRS and the impact the adoption of IFRS may have on the issuer.

Our review focused on reporting issuers' IFRS transition disclosure provided in 2008 annual and 2009 interim MD&A. We used a risk-based approach to select issuers, supplemented by a random selection of issuers across various industries. Generally, the criteria used in our selection process was designed to identify issuers whose disclosure was likely to be materially improved relative to the guidance set out in SN 52-320.

In 2008 MD&A, we expected issuers to have discussed the status of the key elements and timing of their IFRS changeover plan. As explained in SN 52-320, developing and implementing an IFRS conversion plan is not just an accounting exercise, since IFRS adoption will affect a wide variety of an issuer's business activities. SN 52-320 directs issuers to consider how the transition to IFRS will affect all business functions that rely on financial information and to communicate this to investors. We also expected issuers to have provided a status update in their 2009 interim MD&A against previously disclosed timelines so that readers of the MD&A could have assessed an issuer's transition progress.

Of the 106 reporting issuers reviewed, 60% discussed an IFRS changeover plan, while the remaining 40% did not provide any IFRS transition disclosure. Overall, our findings suggest that reporting issuers are not adequately discussing, in MD&A, the key elements of their IFRS changeover plan or their progress towards achieving this plan. We did not request, however, that issuers re-file MD&A to improve the quality of historical IFRS transition disclosure because the focus of this particular review was to raise awareness about the IFRS changeover and to educate

issuers on our disclosure expectations related to transition. Issuers were asked to confirm that future MD&A filings would address the disclosure concerns identified by staff and contain enhanced disclosure of their IFRS transition plan, along with related progress updates. We will follow up on those commitments in our subsequent reviews.

The purpose of this notice is to summarize the results of our review and to provide additional guidance for issuers in filing future MD&A. Our findings do not reflect an assessment of any issuer's preparedness for IFRS transition as this assessment is best done by an issuer's management, board of directors and external advisors. Issuers and their management, directors and advisors, should take into account the issuer's level of IFRS preparedness when assessing the extent to which future MD&A disclosures meet the requirements of securities law and their investors' need for meaningful IFRS disclosure.

It is critical that investors are properly informed during the IFRS transition on whether reported changes in financial performance relate to the adoption of different accounting standards or relate to a change in the issuer's business. Issuers that provide sufficient information about their conversion process and its effects prior to the changeover will reduce the level of investor uncertainty. Ultimately, this should lead to a more stable and less disruptive transition to IFRS, which will be beneficial to both issuers and their investors.

As discussed in SN 52-320 issuers will need to provide more detailed information about the expected effects of IFRS as the changeover date approaches. Accordingly, we will conduct future targeted reviews of issuers' IFRS transition disclosures. While the focus of our current review was education and awareness, we caution issuers that we may request re-filings of MD&A in the future if disclosure obligations are not met.

Summary of Findings

Overall, we found that issuers are not adequately disclosing information related to their IFRS transition efforts. A summary of our findings is as follows:

40% of issuers received a letter from staff questioning whether a changeover plan was in
place as it was not evident from reading their MD&A disclosure. Given the short time
remaining before the changeover date this raises concerns that issuers may not be able to
comply with future filing obligations.

- Of the 60% of issuers that discussed an IFRS changeover plan in their 2008 annual MD&A, approximately half simply provided a generic description of the plan without any direct application to their own circumstances. The most valuable information for investors is IFRS transition disclosure that is specific to the issuer.
- 80% of issuers that discussed an IFRS changeover plan failed to describe significant
 milestones and anticipated timelines associated with each of the key elements of the plan.
 It is important that issuers discuss the timing associated with key elements so that investors
 can readily assess whether the project is progressing in accordance with the changeover
 plan.
- 48% of issuers that discussed IFRS transition in 2008 annual MD&A failed to provide quarterly updates in 2009 interim MD&A on the progress related to their changeover plan.
 Investors need progress updates to assist them in assessing the likelihood that the issuer will be able to complete its IFRS conversion on time.

Findings

This section discusses the results of our review in detail.

No Disclosure of a Changeover Plan

While many of the issuers reviewed identified that they already had or were going to have a changeover plan in place, 40% of issuers did not discuss an IFRS changeover plan at all in their MD&A. In our view, the fact that an issuer has not provided any disclosure about an IFRS changeover plan implies that the issuer has not begun to prepare for the IFRS transition or does not believe it is necessary to do so. If an issuer does not have a changeover plan, we generally believe this to be material information that should be disclosed in MD&A.

In response to our comment letters, many of these issuers explained that the reason for the absence of an IFRS changeover plan was due to such factors as the lack of complexity of business operations or resource constraints. These reasons should have been disclosed in the MD&A so that investors could have assessed the potential impact that the absence of a transition plan may have on the issuer.

Given the short time remaining before the changeover date, we are concerned that issuers without a plan may be at greater risk of not meeting their future filing obligations. We asked issuers without a changeover plan to provide us with their assessment of how they intend to meet future reporting obligations in the absence of a comprehensive plan. Management and audit committees need to carefully consider this issue and the impact on their investors if they are unable or unwilling to plan for the IFRS transition. We will continue to monitor these issuers during the period leading up to the changeover date.

Disclosure of an IFRS Changeover Plan

For the 60% of issuers that discussed an IFRS changeover plan, approximately half simply provided generic or boilerplate disclosure of the transition. We assessed disclosure as boilerplate when it reflected the following two characteristics:

- The disclosure consisted of a brief description and timeline for Canada's transition to IFRS, accompanied by a statement that the impact on the issuer's financial statements could not be determined at this time; and
- The disclosure lacked entity-specific information that would have allowed a reader to assess the current status of an issuer's conversion efforts.

Example of Boilerplate Disclosure:

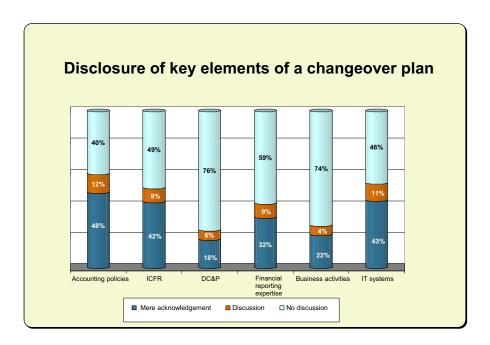
Accounting standards in Canada are to converge with International Financial Reporting Standards (IFRS). The Company is required to begin reporting under IFRS by the first quarter of 2011 with comparative data also reported under IFRS. The Company is assessing the impact on accounting policies, data systems, internal controls over financial reporting, and business activities, such as financing and compensation arrangements during the period leading up to the transition date.

This type of disclosure does not allow an investor to even begin to assess the readiness of an issuer to transition to IFRS and the possible impact that IFRS adoption may have on the issuer. To have provided meaningful information to investors and market participants, reporting issuers should have discussed in reasonable detail the key elements of their IFRS changeover plan, including the applicability of each element to the issuer's specific circumstances. In addition, issuers should have described the significant milestones and anticipated timelines for each of the elements in the plan.

Key Elements of an IFRS Changeover Plan

As outlined in SN 52-320, key elements of a plan may address the impact of IFRS on accounting policies, internal control over financial reporting (ICFR), disclosure controls and procedures (DC&P), financial reporting expertise, business activities and IT systems.

For the 60% of issuers that included IFRS transition disclosure in their MD&A, the chart below shows the extent to which each of the key elements of an IFRS changeover plan, as described in SN 52-320, was specifically addressed. While many of the issuers with a plan acknowledged some key elements, most did not provide a comprehensive discussion of the impact that IFRS would have on each element affecting the entity.



We discuss each of these key elements in more detail below and provide examples of entity-specific disclosures that may assist issuers in filing future MD&A. These examples form only one part of a complete IFRS transition plan and are for illustrative purposes only. Accordingly, they may not be sufficient for any particular issuer given its complexity and the needs of its investors.

Accounting policies

An IFRS changeover plan should address the impact of IFRS on an issuer's accounting policies, including choices among policies permitted under IFRS and implementation decisions such as whether changes will be applied on a retrospective or prospective basis. For those issuers that disclosed an IFRS changeover plan, more than half identified that IFRS would affect their accounting policies. This is not surprising since the accounting policy choices available under IFRS will likely result in differences in recognition, measurement and disclosure in an issuer's financial statements upon conversion. Changes in accounting policies may significantly impact other elements of a changeover plan, such as information technology and data systems.

Most issuers identifying this element simply acknowledged that differences between Canadian GAAP and IFRS were being considered but did not provide any further discussion on accounting policies that were of specific interest to the issuer or its industry. Enhanced, entity-specific disclosure would have provided information about the identified accounting policy differences and the potential impact on an issuer's future balance sheet, income statement and key performance metrics. Below is an example of this type of entity-specific accounting policy disclosure for a real estate company.

Entity-Specific Accounting Policy Disclosure:

The following paragraph describes the expected impact of a significant difference between Canadian GAAP and IFRS for the Company's investment properties. Under International Accounting Standard 40 *Investment Property* (IAS 40), investment property includes land and buildings held primarily to earn rental income or for capital appreciation or both, rather than for use in the production or supply of goods or for sale in the ordinary course of business. While under both IFRS and Canadian GAAP investment property is initially measured at cost, IFRS will allow investment property to subsequently be measured using the fair value model. The Company will use the fair value model when preparing its IFRS financial statements and expects the fair value of its investment properties to be greater than the properties' previous carrying value under Canadian GAAP. The Company will determine the fair value of each investment property based upon net rental income from current leases combined with projected net rental income from future leases that best reflect market conditions at the reporting date.

Internal control over financial reporting

Internal control over financial reporting (ICFR) is another key element of an issuer's changeover plan given that the conversion from Canadian GAAP to IFRS will require the implementation of a new set of accounting standards. Depending on the nature and complexity of the issuer's business, the financial reporting effects of this conversion may be significant. Issuers will therefore need to ensure that their ICFR is sufficiently robust to address the changes resulting from IFRS transition. ICFR will need to address the initial reporting of IFRS financial statements, including related note disclosures, as well as on-going financial reporting. As well, a non-venture issuer's periodic MD&A must also disclose any material changes made to these internal controls.

We noted that many issuers acknowledged that ICFR would be assessed once accounting policy choices have been finalized. Those issuers that discussed ICFR in more detail also described the activities required to ensure that proper controls would be designed to support the initial reporting under IFRS, including appropriate management oversight. Some issuers provided a discussion of their plan to test controls throughout 2010 to facilitate certification in 2011. An example of entity-specific ICFR disclosure is included in the related section below.

Disclosure controls and procedures

An issuer's changeover plan should also consider the impact of IFRS on disclosure controls and procedures (DC&P). As discussed in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, DC&P should provide reasonable assurance that the information required by securities legislation to be disclosed by an issuer, including interim and annual financial statements and MD&A, is recorded, processed, summarized and reported within required deadlines. It is particularly important for issuers as they progress through their IFRS changeover plan that DC&P be updated to ensure that accurate information about the conversion process is communicated in MD&A in a timely manner. This communication is critical throughout the IFRS transition so that investors will be able to identify whether reported changes in financial performance relate to business activities or result from the adoption of different accounting standards.

While DC&P is one of the key elements that an issuer's plan should address, we noted that it was acknowledged less frequently than any other element. This lack of disclosure was surprising given that SN 52-320 specifically identifies investor relations and external communication plans within DC&P. Most issuers simply disclosed that consideration would be given to their key metrics, but did not discuss whether this consideration would include the on-going application of the IFRS standards

or the application of the one-time transitioning standard IFRS 1 *First-time Adoption of International Financial Reporting Standards*. It is important that issuers provide external stakeholders with enough information to assist them in assessing the impact of the issuer's IFRS policy choices prior to transition. Below is an example of disclosure that addresses the ICFR and DC&P plans of an issuer.

Entity-Specific ICFR and DC&P Disclosure:

As the review of accounting policies is completed, appropriate changes to ensure the integrity of internal control over financial reporting and disclosure controls and procedures will be made. For example, any changes in accounting policies could result in additional controls or procedures being required to address reporting of first time adoption as well as ongoing IFRS reporting requirements.

At this point, the Company has determined that it will adopt an accounting policy to revalue its manufacturing plants in accordance with IAS 16 *Property, Plant & Equipment*. This new policy differs significantly from the existing policy, and additional controls will need to be designed and implemented to ensure that the recorded balance is fairly stated at each reporting period. It is anticipated that such controls will include the use of independent valuators, senior management oversight on the development of key assumptions and additional accounting system changes. The certifying officers plan to complete the design, and initially evaluate the effectiveness of, these controls in the third quarter of 2010 to prepare for certification under IFRS in 2011.

The Company will also ensure that its key stakeholders are informed about the anticipated effects of the IFRS transition. In the current year, the Company provided IFRS information as part of its investor day presentations to highlight such anticipated effects on the Company.

Financial reporting expertise

One of the most critical elements of an IFRS conversion plan is technical training for an issuer's board, management and employees. An issuer's management and its employees need the technical knowledge to lead the IFRS conversion and implement the accounting policy changes throughout the organization. Similarly, board and/or audit committee members will need to be sufficiently knowledgeable about IFRS in order to evaluate management's selection of accounting policy choices permitted under IFRS and to consider the impact of IFRS conversion on the various aspects of the issuer's operations.

Our review found most issuers simply acknowledged that the financial reporting management team would obtain the appropriate training to prepare IFRS compliant financial statements. Some issuers, however, provided disclosure about the involvement of their board of directors and audit committees and the deployment of internal and external resources to prepare for the IFRS transition. A limited number of issuers also disclosed they do not have sufficient resources in-house and would be relying on external advisers to assist with the transition. This type of entity-specific disclosure allows investors to understand the extent of resources the issuer is dedicating to the conversion process and the level of involvement of the audit committee or board of directors of the issuer. An example of disclosure around planning for an entity's IFRS reporting expertise is provided below.

Entity-Specific Financial Reporting Expertise Disclosure:

The Company has identified resource requirements to establish appropriate IFRS financial reporting expertise at all levels of the business. Training of key finance and operational staff is to be delivered starting in the second quarter of 2009. Educational information regarding IFRS implications will be issued to external constituents, such as rating agencies, during the third quarter of 2010.

The Company also held an IFRS information session with members of the Board of Directors (including Audit Committee members). During this session, management and external consultants provided the Board with a review of the timeline for implementation, the implications of IFRS standards to the business and an overview of the impact to the financial statements (as experienced in Europe by comparable companies).

As a result of the information session, the Audit Committee members will review the Audit Committee Charter and make the necessary changes to reflect the requirements for IFRS financial expertise. The Audit Committee will continue to receive quarterly presentations and project status updates from management.

Business activities

Issuers will also need to plan for the impact of IFRS on their business activities. This is a wide ranging element and may include foreign currency, hedging activities, debt covenants, compensation arrangements and risk management practices. It is important to note that any activity that relies on financial information will need to be considered in the context of the broader consequences of IFRS conversion.

Most issuers that acknowledged this element identified debt covenants and executive compensation as arrangements that would be considered. Many issuers also discussed the need to review contracts for IFRS impact as part of the changeover plan but very few provided entity-specific information that would be useful to investors. Where entity-specific information was provided, one issuer identified certain material contracts and explained, in detail, the process required to amend the contracts before the changeover date. This disclosure enabled users to understand the IFRS impact of the contracts on the issuer's operations and how the matter was being addressed in advance of the transition. Below is an example of disclosure related to the impact of IFRS on an issuer's business activities.

Entity-Specific Business Activities Disclosure:

The Company is required to meet its financial covenants included in the Declaration of Trust and the debenture agreement. Within each of the previously mentioned documents, the Company's debt cannot exceed 65% of gross book value (GBV). As discussed above, an accounting policy choice exists which would allow the Company to record its investment properties at fair value resulting in the Company's debt being significantly less than 65% of GBV, which provides less protection to stakeholders. As a result of this expected change, the debenture agreement has already been revised to state that the indebtedness percentage will decrease to 55% from the current 65% when the Company elects to report the fair value of its investment properties in accordance with IFRS. This change ensures that the financial covenant is still addressing the concerns of the stakeholders and similar revisions are expected in the other documents.

IT systems

Another key element issuers should consider in transition planning is the impact of IFRS on IT systems (IT). Any changes made to accounting policies for the recognition, measurement and disclosure requirements of IFRS may necessitate system changes to accurately support these new requirements. These changes will generally need to be made prior to the changeover date to ensure the issuer's systems can generate the comparative 2010 IFRS data required for its first interim IFRS filing in 2011. While system changes for IFRS will likely impact the general ledger, an issuer's changeover plan may also consider any implications for other applications such as, treasury, payroll and risk management systems.

Most of the issuers that addressed IT acknowledged systems changes would be needed the year before the changeover date to capture the comparative data required for their first IFRS financial statements. Issuers that discussed IT in more detail provided further, entity-specific information requirements that would arise from the adoption of IFRS. As described below for example, some issuers with investment properties disclosed that system changes would be needed to track additional fair value information for their properties. This type of disclosure allows investors to assess the extent to which an issuer's systems will be impacted by transition.

Entity-Specific Information Technology and Data Systems Disclosure:

A significant IT initiative is underway in anticipation of the implementation of IFRS standards on January 1, 2011. The initiative relates to the development of a fixed asset module that will be used to track all assets within the organization. This system will allow the Company to track all assets as required under current Canadian GAAP (requirement from now until January 1, 2011), under IFRS (required as at January 1, 2011) and for the compilation of a comparative year of financial information beginning January 1, 2010. In addition to tracking the cost basis of all the Company's real estate assets, it will track the fair value of each the Company's properties as required under IAS 40.

Milestones and Timelines

For each key element of an IFRS changeover plan discussed in MD&A, issuers should describe the significant milestones and anticipated timelines. This provides users of the financial statements with the information necessary to assess an issuer's readiness to meet the changeover to IFRS.

Our review found that only 20% of the issuers that discussed an IFRS changeover plan also described the significant milestones and anticipated timelines for each of the key elements comprising the plan. It is important that issuers discuss the timing associated with key elements so that investors can readily assess whether the project is progressing in accordance with the changeover plan.

Quarterly Updates

SN 52-320 sets out an incremental approach to disclosure of the impact of IFRS changeover leading up to 2011. Issuers should provide quarterly MD&A updates on the status of their changeover plan, along with an assessment of their progress in relation to expected milestone

completion dates. Alternatively, disclosure should confirm that no progress has been made during the quarter.

We found only approximately half of the issuers that discussed IFRS transition in 2008 annual MD&A provided quarterly updates in 2009 interim MD&A on the progress related to their changeover plan. In our view, if an issuer does not provide updated information on the status of its IFRS transition in interim MD&A, this suggests the issuer has not made any progress in relation to its changeover plan. It is important for investors that an issuer communicate its progress towards IFRS conversion in a timely manner.

Future Action

As described in SN 52-320, we expect issuers to provide more detailed information about the expected effects of IFRS as we move closer to the changeover date. Specifically, an issuer's 2009 annual MD&A disclosures should provide a progress update on their conversion plan, along with a description of the major identified accounting differences between the issuer's current accounting policies and those the issuer expects to apply when preparing its IFRS financial statements. In 2010, we expect issuers to provide significant details of their changeover plan and information about key decisions on policy choices under IFRS 1 *First-time Adoption of International Financial Reporting Standards*. As well, if an issuer has quantified information about the impact of IFRS on key financial statement line items when it prepares MD&A in 2010, the issuer should include this information in its MD&A.

We will conduct reviews of selected 2009 and 2010 annual and interim MD&A filings. We will also follow up on the commitments made by issuers during this review to improve future MD&A disclosure. While the focus of our current review was to increase issuer awareness and prospectively improve IFRS disclosures, issuers should anticipate staff requests for re-filings of MD&A in the future if an issuer has not met its disclosure obligations. As well, staff may consider other regulatory action as circumstances warrant.

Questions

Questions may be referred to:

Kelly Gorman

Manager, Corporate Finance E-mail: kgorman@osc.gov.on.ca

Phone: 416-593-8251

Heidi Franken

Senior Accountant, Corporate Finance

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Kelly Mireault

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Phone: 416-595-8774

1.1.4 Notice – Technical Amendments to CDS Procedures Relating to Housekeeping Items

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS[®])

TECHNICAL AMENDMENTS TO CDS PROCEDURES

HOUSEKEEPING ITEMS

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE CDS PROCEDURE AMENDMENT

Please find attached proposed amendments to CDS Participant Procedures concerning Housekeeping items.

The CDS Procedures marked for the amendments may be accessed at the CDS website at:

http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-blacklined?Open

Description of Proposed Amendments

The proposed amendments are housekeeping amendments made in the ordinary course of review of CDS's Participant Procedures. They include the following:

- Update the Customer Profile Menu in FINet, Trade and Settlement Procedures
- Update the Customer Profile Menu in Reviewing CDS profiles, Participating in CDS Services
- Amend the subscriber enrolment process and add CDSX form numbers in CDS participant contingency services, Participating in CDS Services
- Change Harris Trust and Savings Bank to Harris National Association in Introduction to CDSX, Deposit Activities, and Payment exchange activities in CDSX Procedures and User Guide
- Add BEO changes in Issue activities, CDSX Procedures and User Guide
- Change Harris Trust and Savings Bank to Harris National Association in DTC Direct Link cash settlement procedures, DTC Direct Link Participant Procedures
- Change Harris Trust and Savings Bank to Harris National Association in New York Link cash settlement, New York Link Participant Procedures.

CDS Procedure Amendments are reviewed and approved by CDS's Strategic Development Review Committee ("SDRC"). The SDRC determines or reviews, prioritizes and oversees CDS-related systems development and other changes proposed by participants and CDS. The SRDC's membership includes representatives from the CDS Participant community and it meets on a monthly basis.

These amendments were reviewed and approved by the SDRC on December 17, 2009.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as they are matters of a technical nature in routine operating procedures and administrative practices relating to the settlement services.

C. EFFECTIVE DATE OF THE CDS PROCEDURE AMENDMENT

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as amended on November 1, 2006, and Annexe A ("Protocole d'examen et d'approbation des Règles de Services de Dépot et de Compensation CDS Inc. par l'Autorité des marchés financiers") of AMF Decision 2006-PDG-0180, made effective on November 1, 2006, CDS has determined that the proposed amendments will become effective on **February 8, 2010**.

D. QUESTIONS

Questions regarding this notice may be directed to:

Susan Cluff
Manager, Information Design & Documentation
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416-365-8503 Fax: 416-365-0842 email: scluff@cds.ca

1.1.5 Assignment of Certain Powers and Duties of the Ontario Securities Commission – s. 6(3)

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

AND

IN THE MATTER OF THE ASSIGNMENT OF CERTAIN POWERS AND DUTIES OF THE ONTARIO SECURITIES COMMISSION

ASSIGNMENT [Subsection 6(3)]

WHEREAS:

- A. On March 16, 2007, pursuant to subsection 6(3) of the Act, the Ontario Securities Commission (the "Commission") issued an assignment (the "March 16, 2007 Assignment") assigning certain of its powers and duties under the Securities Act (Ontario) (the "Act") to each "Director" as that term is defined in subsection 1(1) of the Act, acting individually;
- B. the Commission considers it desirable to amend and restate the March 16, 2007 Assignment;

NOW THEREFORE:

- 1. The March 16, 2007 Assignment is revoked, without prejudice to the effectiveness of any lawful exercise prior to the date of this revocation of the powers and duties assigned thereby, and is hereby replaced with the following amended and restated assignment (the "Assignment").
- 2. Pursuant to subsection 6(3) of the Act, the Commission assigns to each Director, acting individually, the powers and duties vested in or imposed on the Commission by:
 - (a) clause 21(5)(e) and subsections 21.1(4), 21.2(3) and 21.2.1(3) of the Act, but only in respect of by-laws, rules, regulations, policies, procedures, interpretations or practices that are identified to the Commission by the applicable stock exchange, self-regulatory organization, clearing agency or quotation and trade reporting system as being unlikely to raise public interest concerns:
 - (b) subsection 62(5) of the Act;
 - (c) section 74 of the Act, but only in respect of orders that a person or company is not subject to section 53 of the Act in connection with solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 Short Form Prospectus Distributions for securities to be issued pursuant to an over-allotment option granted to an underwriter by an issuer or a selling securityholder of an issuer;
 - (d) clause 1(10)(b) of the Act but only in respect of a reporting issuer:
 - whose outstanding securities, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in Ontario and less than 51 security holders in Canada,
 - (ii) whose securities are not traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation,
 - (iii) that is not in default of any of its obligations as a reporting issuer, and
 - (iv) that will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the Director making an order that the reporting issuer is not a reporting issuer;
 - (e) clause 1(11)(b) of the Act, in the circumstances described in Parts 2 and 3 of Ontario Securities Commission Policy 12-602 Designating an Issuer in Certain Other Canadian Jurisdictions as a Reporting Issuer in Ontario;

- (f) paragraph 1 of subsection 127(1) of the Act, provided the making of the order under subsection 127(1) of the Act is not contested on its merits and is only in respect of suspending the registration of:
 - a registrant that has, in the opinion of the Director, acted contrary to the public interest and consents to such suspension; and
 - (ii) a registrant that has filed an application to surrender the registrant's registration pursuant to section 30 of the Act and has also consented to the suspension of the registrant's registration;
- (g) paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act and subsections 127(2), (3), (5), (7), (8) and (9) of the Act, provided that the making of the order under subsections 127(1), (7) or (8) of the Act is not contested on its merits and is only in respect of
 - (i) trading, generally or by a person or company identified in the cease trade order, or acquisition, by a particular person or company identified in the cease trade order, in or of securities of a reporting issuer that has failed to file, as applicable,
 - (A) comparative annual financial statements or interim financial statements containing the statements and the notes required by National Instrument 51-102 Continuous Disclosure Obligations ("NI 51-102") or by National Instrument 71-102 Continuous Disclosure and Other Exemptions Relating to Foreign Issuers ("NI 71-102").
 - (B) an auditor's report issued in connection with comparative annual financial statements required by NI 51-102, and NI 71-102,
 - (C) an AIF, MD&A, information circular, or business acquisition report (all as defined by NI 51-102 and by NI 71-102) containing information for each of the content items required by NI 51-102 and the applicable form, by Part 5 of National Instrument 52-110 Audit Committees, or by NI 71-102,
 - (D) a report on reserves data and other oil and gas information as required by National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities ("NI 51-101") containing information for each of the content items required by NI 51-101 and Form 51-101F2,
 - (E) a technical report as required by National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") containing information for each of the content items required by NI 43-101 and Form 43-101F1, or
 - (F) certification of filings as required by National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings

within the time period prescribed by Ontario securities law;

- (ii) trading, generally or by a person or company identified in the cease trade order, or acquisition, by a particular person or company identified in the cease trade order, in or of securities of a reporting issuer that has acknowledged in writing that comparative annual financial statements or interim financial statements filed with the Commission were not prepared in accordance with generally accepted accounting principles, including, but not limited to, where an issuer has advised the Commission or staff in writing, or has publicly announced, that it intends to restate such financial statements;
- (iii) trading, generally or by a person or company identified in the cease trade order, or acquisition, by a particular person or company identified in the cease trade order, in or of securities of a reporting issuer that has filed its financial statements accompanied by an auditor's report prepared by a public accounting firm that is, as of the date of the auditor's report, not a participating audit firm as defined by National Instrument 52-108 Auditor Oversight, or is not in compliance with any restrictions or sanctions imposed by the Canadian Public Accountability Board;
- (h) subsection 140(2) of the Act in the circumstances described in clauses (b), (c) and (j) of section C of Ontario Securities Commission Policy 13-601 *Public Availability of Material Filed Under the Securities Act*;

- (i) section 144 of the Act to:
 - (i) revoke or vary any decision made by a Director under authority assigned to him or her by the Commission pursuant to this Assignment or a predecessor Assignment, including another decision made under section 144 of the Act, but only if at the time of revoking or varying such decision the Director would have been authorized to make the decision being varied or revoked, or
 - (ii) vary any order made by the Commission under section 127 of the Act to the extent necessary to permit transfers of securities as contemplated by Section 3.2 of National Policy 12-202 Revocation of a Compliance-related Cease Trade Order;
- (j) section 147 of the Act, but only in respect of exempting international advisers from the requirements of section 21.10 of the Act, in accordance with Part 4 of Ontario Securities Commission Rule 35-502 Non-Resident Advisers.

provided that a person or company directly affected by a decision of a Director made pursuant to this Assignment may, by notice in writing sent by registered mail to the Secretary of the Commission within 30 days after the mailing of the notice of the decision, request and be entitled to a hearing and review of such decision by the Commission.

- 3. The Executive Director of the Commission shall from time to time determine which one or more other Directors, in each case acting alone, should, as an administrative matter, exercise each of the powers or perform each of the duties assigned by the Commission in paragraph 2 above, each of which powers may also be exercised and performed by the Executive Director, acting alone.
- 4. No person or company shall be required to inquire as to the authority of a member of the staff of the Commission to sign a decision pursuant to this Assignment in the capacity of a Director, and a decision purporting to be signed pursuant to this Assignment by a member of the staff of the Commission in the capacity of a Director shall be conclusively deemed to have been signed by a Director authorized by this Assignment without proof of such authority.
- This Assignment does not preclude the Commission from itself exercising or performing any of the assigned powers or duties.

DATED this 2nd day of February, 2010

"Paulette L. Kennedy" Commissioner Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

- 1.2 Notices of Hearing
- 1.2.1 Paul lanniccca s. 127

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

AND

IN THE MATTER OF PAUL IANNICCA

NOTICE OF HEARING (Section 127)

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to section 127 of the *Securities Act* (the "Act") at the Commission's offices on the 17th floor, 20 Queen Street West, Toronto, Ontario, commencing on Wednesday, February 3, 2010 at 11:00 a.m. or as soon thereafter as the hearing can be held.

AND TAKE NOTICE THAT the purpose of the Hearing is for the Commission to consider whether it is in the public interest to approve the settlement of the proceeding entered into between Staff of the Commission ("Staff") and the respondent Paul lannicca.

BY REASON OF the allegations set out in the Statement of Allegations of Staff and such additional allegations as counsel may advise and the Commission may permit.

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

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

DATED at Toronto this 3rd day of February, 2010

"John Stevenson"
Secretary to the Commission

- 1.4 Notices from the Office of the Secretary
- 1.4.1 Nest Acquisitions and Mergers et al.

FOR IMMEDIATE RELEASE January 28, 2010

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,
IMG INTERNATIONAL INC.,
CAROLINE MYRIAM FRAYSSIGNES,
DAVID PELCOWITZ, MICHAEL SMITH, AND
ROBERT PATRICK ZUK

TORONTO – The Commission issued an Order in the above named matter adjourning the hearing to March 22, 2010 at 10:00 a.m.

A copy of the Order dated January 28, 2010 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:

Wendy Dey Director, Communications & Public Affairs 416-593-8120

Theresa Ebden Senior Communications Specialist 416-593-8307

Robert Merrick Senior Communications Specialist 416-593-2315

For investor inquiries:

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

1.4.2 Irwin Boock et al.

FOR IMMEDIATE RELEASE January 29, 2010

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

AND

IN THE MATTER OF
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

TORONTO – The Commission issued an Order which provides that the hearing on the merits is adjourned *sine die* in the above named matter.

A copy of the Order dated January 29, 2010 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY JOHN P. STEVENSON SECRETARY

For media inquiries:

Wendy Dey Director, Communications & Public Affairs 416-593-8120

Theresa Ebden Senior Communications Specialist 416-593-8307

Robert Merrick Senior Communications Specialist 416-593-2315

For investor inquiries:

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

1.4.3 Paul lannicca

FOR IMMEDIATE RELEASE February 3, 2010

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

AND

IN THE MATTER OF PAUL IANNICCA

TORONTO – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and Paul lannicca. The hearing will be held on February 3, 2010 at 11:00 a.m. in Hearing Room C on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing dated February 3, 2010 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY JOHN P. STEVENSON SECRETARY

For media inquiries:

Wendy Dey Director, Communications & Public Affairs 416-593-8120

Theresa Ebden Senior Communications Specialist 416-593-8307

Robert Merrick Senior Communications Specialist 416-593-2315

For investor inquiries:

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

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Fortune Valley Resources Inc. – s. 1(10)

Headnote

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

Ontario Statutes

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

January 28, 2010

Fortune Valley Resources Inc. c/o Fasken Martineau DuMoulin LLP 66 Wellington Street West Suite 3600, Toronto-Dominion Bank Tower Box 20, Toronto Dominion Centre Toronto, Ontario, M5K 1N6

Attention: Daye Kaba

Dear Mr. Kaba:

Re: Fortune Valley Resources Inc. (the "Applicant") – Application for a Decision under the Securities Legislation of Alberta and Ontario (the "Jurisdictions") that the Applicant is not a Reporting Isuer

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

As the Applicant has represented to the Decision Makers that:

- (a) the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly and indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
- (b) no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation;
- (c) the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer; and

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

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

"Michael Brown"
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.2 Canadian Energy Services L.P. - s. 1(10)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

Citation: Canadian Energy Services L.P., Re, 2010 ABASC 25

January 26, 2010

Blake, Cassels & Graydon LLP 3500 Bankers Hall East Tower 855 - 2 Street SW Calgary, AB T2P 4J8

Attention: Kevin Long

Dear Sir:

Re:

Canadian Energy Services L.P. (the Applicant) – Application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer

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

As the Applicant has represented to the Decision Makers that:

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

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

"Blaine Young" Associate Director, Corporate Finance

2.1.3 Hillsborough Resources Limited

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 is in default of audit committee requirements.

Applicable Legislative Provisions

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

January 29, 2010

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

AND

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

AND

IN THE MATTER OF HILLSBOROUGH RESOURCES LIMITED (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):

- 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:

- The Filer is a corporation governed by the Canada Business Corporations Act (the "CBCA"), with its head office at Suite 1100 – 355 Burrard Street, Vancouver, British Columbia, V6C 2G8.
- The Filer has selected the Ontario Securities
 Commission as the principal regulator for this
 application on the basis that the Filer has the next
 most significant connection to Ontario after British
 Columbia, as its securities were listed on the
 Toronto Stock Exchange, and the Filer is not
 seeking relief from the British Columbia Securities
 Commission.
- The Filer's authorized share capital consists of an unlimited number of common shares ("Common Shares").
- Prior to the consummation of the Plan of Arrangement (as defined below), the Filer had outstanding \$7,661,000 principal amount of 10% convertible debentures due February 7, 2013 (the "Debentures").
- 5. Pursuant to a plan of arrangement under section 192 of the CBCA (the "Plan of Arrangement"), Vitol Anker International B.V. ("Vitol") acquired all of the Common Shares not already owned by Vitol in exchange for cash consideration of \$0.50 per Common Share and financed the repayment in full and cancellation by Hillsborough of all Debentures not already owned by Vitol in exchange for a cash payment from Hillsborough of \$1,000 for each \$1,000 in principal amount outstanding, together with any interest accrued interest thereon. The effective date of the Plan of Arrangement and the date upon which the Debentures were repaid and cancelled was December 21, 2009.
- The Filer's Common Shares were delisted from the Toronto Stock Exchange on December 23, 2009 and the Filer does not have any securities listed on any stock exchange.
- 7. The Filer is not in default of any of its obligations as a reporting issuer under the Legislation, other than the requirement under National Instrument 52-110 Audit Committees ("NI 52-110") to have an audit committee that complies with the requirements of NI 52-110. The Filer had been in compliance with the requirements of NI 52-110 until the effective time of the Plan of Arrangement. Pursuant to the Plan of Arrangement, the members of the board of directors of the Filer were replaced with nominees of Vitol, which nominees do not comply with the requirements under NI 52-110.

- 8. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada.
- 9. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
- The Filer has no current intention to seek public financing by way of an offering of securities.
- 11. The Filer filed its Voluntary Surrender of Reporting Issuer Status pursuant to British Columbia Instrument 11-502 on December 24, 2009 and ceased to be a reporting issuer in British Columbia on January 4, 2010.
- 12. The Filer is ineligible to use the simplified procedure under CSA Staff Notice 12-307 Applications for a Decision that an Issuer is not a Reporting Issuer.
- 13. 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.

"James D. Carnwath"
Commissioner
Ontario Securities Commission

"Paulette Kennedy"
Commissioner
Ontario Securities Commission

2.1.4 Allen-Vanguard Corporation

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 – 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).

January 28, 2010

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

AND

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

AND

IN THE MATTER OF ALLEN-VANGUARD CORPORATION (the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each a **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of each of the Jurisdictions (the **Legislation**) that the Filer is not a reporting issuer in the Jurisdictions (the **Order 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) this decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* have the same meaning if used in this decision, unless otherwise defined:

Representations

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

- 1. The Filer is a corporation governed by the *Business Corporations Act* (Ontario).
- The Filer's head and registered address is located in Ontario at 2400 St. Laurent Blvd., Ottawa, Ontario K1G 6C4.
- 3. The Filer is a reporting issuer in all the provinces and territories of Canada.
- 4. The Filer's authorized capital consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series. As at December 30, 2009, the only issued and outstanding securities of the Filer were 267,270,639 common shares.
- The Filer's common shares, which traded on the Toronto Stock Exchange (TSX), were delisted from the TSX at the close of market on October 21, 2009.
- On September 12, 2009, the Filer entered into an agreement with Contego AV Investments, LLC (Contego) and the Filer's senior lenders, pursuant to which the Filer completed a recapitalization and Contego became the 100% owner of the Filer (Transaction).
- 7. The Transaction was effected through a Plan of Arrangement and Reorganization (Plan) under the provisions of the Companies' Creditors Arrangement Act (CCAA). The Filer commenced the court-supervised process under the CCAA on December 9, 2009 with the Ontario Super Court of Justice (Court). An Initial Order was granted by the Court on December 9, 2009, and the Court approved the Plan on December 16, 2009. The Transaction was completed on December 18, 2009.
- Pursuant to the Plan, upon closing of the Transaction, all of the issued and outstanding common shares of the Filer were transferred to Contego, and all other outstanding securities of the Filer, including its outstanding warrants, options and restricted share units, were cancelled.
- The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, except for its obligation to file its annual financial statements for the year ended September 30,

2009, its management's discussion & analysis in respect of such financial statements and its annual information form, as required under National Instrument 51-102 – Continuous Disclosure Obligations, and the related certification of these filings as required under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings, all of which became due on December 29, 2009.

- 10. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total in Canada.
- No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 – Marketplace Operation.
- 12. The Filer is applying for a decision that it will not be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer.
- 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 (BC Instrument) in order to avoid the 10-day waiting period under the BC Instrument.
- 14. 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 Order Sought.
- 15. The Filer has no current intention to seek public financing by way of an offering of securities.
- Upon the grant of the Order Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.

Decision

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

The decision of the Decision Makers under the Legislation is that the Order Sought is granted.

"Carol S. Perry"

"Margot C. Howard"

2.1.5 Maximizer Software Inc. - s. 1(10)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

January 29, 2010

Farris, Vaughan, Wills & Murphy LLP 25th Floor, 700 West Georgia Street Vancouver, BC V7Y 1B3

Attention: Bo Rothstein

Re: Maximizer Software Inc. (the Applicant) – application for a decision under the securities legislation of Ontario, Saskatchewan and Alberta (the Jurisdictions) that the Applicant is not a reporting issuer

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

As the Applicant has represented to the Decision Makers that:

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

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

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

2.1.6 Guest-Tek Interactive Entertainment Ltd. – s. 1(10)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

Citation: Guest-Tek Interactive Entertainment Ltd., Re, 2010 ABASC 34

January 29, 2010

Gowling Lafleur Henderson LLP 1400, 700 - 2 Street SW Calgary, AB T2P 4V5

Attention: Michael Wright

Dear Sir:

Re: Guest-Tek Interactive Entertainment Ltd. (the Applicant) – Application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer

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

As the Applicant has represented to the Decision Makers that:

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

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

"Blaine Young"
Associate Director, Corporate Finance

2.1.7 Groupe Unipex SAS

Headnote

Exemptive Relief Applications - Application for relief from the prospectus and dealer registration requirements in respect of certain trades made in connection with an employee share offering by a foreign issuer - The issuer cannot rely on the exemptions set forth in sections 2.4, 2.24 and 3.28 of National Instrument 45-106 Prospectus and Registration Exemptions as the employees are not employees of an affiliate and are not employees of a related entity - Number of Canadian employees is de minimis - Qualifying Employees will not be induced to participate in the offering by expectation of employment or continued employment – Qualifying Employees will receive disclosure documents – The offering is not subject to the supervision of the local securities regulator - No market for the securities of the issuer in Canada - Conditions imposed on first trades to ensure that they may only be effected in a closed system.

Applicable Legislative Provisions

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

TRANSLATION

December 22, 2009

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

AND

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

AND

IN THE MATTER OF GROUPE UNIPEX SAS (the "Filer")

DECISION

Background

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

 an exemption from the prospectus requirements of the Legislation (the "Prospectus Requirements") so that they do not apply to the distribution of common shares (the "Common Shares") of SISMUX SAS (the "Employee-Owned Company") pursuant to an Employee Share Offering

(as hereinafter defined) to Qualifying Employees (as hereinafter defined) of Canadian Affiliates (as hereinafter defined) who reside in the Jurisdictions and in Alberta and who elect to participate in the Employee Share Offering (the "Canadian Participants") (the "Prospectus Relief");

2. an exemption from the dealer registration requirements of the Legislation (the "Registration Requirements") so that they do not apply to the Filer and to the Employee-Owned Company to the extent that their activities described in paragraph 13 of the Representations require compliance with the Registration Requirements (the "Registration Relief" and, together with the Prospectus Relief, the "Offering Relief");

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

- a) the *Autorité des marchés financiers* is the principal regulator for this application;
- b) the Filer has provided notice that Subsection 4.7(1) of Regulation 11-102 respecting the Passport System (the "Regulation 11-102") is intended to be relied upon in the jurisdiction of Alberta; and
- the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

The terms defined in Regulation 14-101 respecting Definitions, Regulation 45-106 respecting Prospectus and Registration Exemptions and in Regulation 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:

- The Filer is a corporation formed under the laws of France. It is not and has no current intention of becoming a reporting issuer under the Legislation or under Alberta securities legislation. The Filer's head office is located in France. The Filer's common shares and bonds (collectively, the "Filer's Securities") are not currently listed on a stock exchange and the Filer has no intention of listing any of its securities on a stock exchange. AXA LBO Fund IV ("AXA PE") holds 86.3 % of the issued and outstanding share capital of the Filer.
- The Filer carries on business in Canada through Unipex Innovations Inc. and Unipex Solutions Canada Inc. (collectively, the "Canadian Affiliates" and, together with the Filer, "Groupe Unipex").

- 3. Each of the Canadian Affiliates is a subsidiary under the direct control of the Filer and is not, and has no current intention of becoming, a reporting issuer under the Legislation or under Alberta securities legislation. Groupe Unipex's Canadian head office is located in Québec and the Canadian Affiliates employ 70 people in Canada including 51 residing in Québec.
- The Employee-Owned Company is a corporation 4. formed under the laws of France. It is a special purpose entity created for the acquisition, holding, management and disposition of the Filer's Securities acquired to implement the Employee Share Offering. It is not and has no intention of becoming a reporting issuer under the Legislation or under Alberta securities legislation. The Employee-Owned Company is not an affiliate of the Filer nor an investment fund under the Legislation or under Alberta securities legislation. There are no tax advantages derived from the involvina the Employee-Owned Company, but it allows the Filer to limit the number of its security holders.
- 5. The Common Share are not currently listed on a stock exchange and the Employee-Owned Company has no intention of listing any of its securities on a stock exchange. The Common Shares carry the right to vote, to receive dividends and to participate in the liquidation and winding-up of the Employee-Owned Company, in compliance with French laws. The Common Shares are subject to restrictions on transfer (as described in paragraph 10 of the Representations).
- 6. The Filer, the Employee-Owned Company and the Employee Share Offering are not subject to the oversight of the Autorité des marchés financiers in France.
- 7. The Filer has established a share purchase plan for employees of Groupe Unipex (the "Employee Share Offering") under which Canadian Participants will be provided with the opportunity to acquire Common Shares. Upon receiving the Canadian Participants' subscriptions for Common Shares, the Employee-Owned Company will, in turn, acquire Filer's Securities currently held by AXA PE, using 47.5 % of the subscription proceeds to purchase common shares and 47.5 % to purchase bonds. The remaining 5 % of the subscription proceeds will be used for general corporate purposes. The Employee-Owned Company will therefore hold such Filer's Securities as a registered holder.
- 8. In Canada, only persons who are employees of the Canadian Affiliates and who satisfy other acceptance criteria set out in the terms and conditions of the Employee Share Offering (the "Qualifying Employees") will be entitled to participate therein. It is currently expected that 28

employees will subscribe to Common Shares under the Employee Share Offering, of which 17 are residents of Canada.

- 9. The Filer's Securities held by the Employee-Owned Company will, at all times, represent a maximum interest of 2.9 % in the Filer's share capital. Upon completion of the Employee Share Offering, residents of Canada will indirectly hold 2.01 % of the Filer's common shares and 52.25 % of the Filer's bonds, once the Filer's Securities have been proportionally allocated.
- 10. Under the terms of the Employee Share Offering:
 - All Common Shares acquired by Canadian Participants will be subject to a hold period of at least six (6) years, subject to certain exceptions set out in the Employee-Owned Company's articles of incorporation.
 - ii) No transfer of Common Shares will be allowed for a period of six (6) years, except: (a) with the written consent of the president of the Employee-Owned Company and AXA PE; (b) upon employment being terminated; or (c) upon a change of control of the Filer, in compliance with the Filer's shareholders agreement. At the expiry of the six (6) year hold period, the written consent of AXA PE will no longer be required under (a) above;
 - iii) In the event of a termination without cause (as set out in the terms of the Employee Share Offering) of a Qualifying Employee, he or she shall be entitled to require that AXA PE (or any other person designated by AXA PE) purchase his or her Common Shares. AXA PE will, however, have the right to require the Qualifying Employee to transfer some or all of his or her Common Shares, depending on the duration of employment;
 - iv) In the event of a termination for cause (as set out in the terms of the Employee Share Offering) of a Qualifying Employee, AXA PE will have the right to require the Qualifying Employee to transfer all of his or her Common Shares, being understood that the Qualifying Employee will not be entitled to require the purchase of his or her Common Shares by AXA PE;
 - v) In the event of a third party offer to purchase all of the Filer's Securities, the Canadian Participants may be provided with the opportunity of tendering directly

their Common Shares in answer to said third party offer, instead of the Employee-Owned Company tendering the Filer's Securities in answer to such offer.

- Participation in the Employee Share Offering will be on a voluntary basis and Qualifying Employees will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.
- 12. Participation by a Canadian Participant to the Employee Share Offering will not be funded through payroll deductions but will be made through a single payment. Canadian Participants who decide to invest an amount representing more than 25% of their gross annual remuneration for 2009 will be required to execute a risk acknowledgement form.
- 13. By soliciting Qualifying Employees in order to confirm their investment decision or to obtain their signature on the proper legal documentation and payment for their subscriptions, the Filer, the Employee-Owned Company and their directors, officers, employees, agents and representatives may be considered as having undertaken activities requiring compliance with the Registration Requirements.
- 14. The Canadian Participants will be provided with documentation explaining the terms and conditions of the Employee Share Offering along with a copy of the articles of incorporation of the Employee-Owned Company. This information will be available in French or in French and English, at the Canadian Participants' choice. The Canadian Participants will receive on a yearly basis financial information relating to the Filer and the Employee-Owned Company.
- 15. Groupe Unipex and the Employee-Owned Company are not in default under the Legislation or under Alberta securities legislation.

Decision

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

The decision of the Decision Makers under the Legislation is that the Offering Relief is granted, provided that the Prospectus Requirements and the Registration Requirements will apply to first trades in Common Shares acquired by Canadian Participants pursuant to this Decision, unless such trades are made:

 in accordance with the terms and conditions of the Employee Share Offering; and

 either between Qualifying Employees, with AXA PE, with the Employee-Owned Company or pursuant to the terms and conditions of an offer made by a third party to purchase all of the Filer's Securities, in compliance with the Filer's shareholders agreement.

"Jean Daigle"
Director, Corporate finance

"Claude Lessard"
Director, Market Intermediaries

2.1.8 Sprott Asset Management LP et al.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions — Exemptive relief granted to exchange traded mutual fund from 10% limit on purchases of gold, custodial provisions to allow Royal Canadian Mint to act as Gold Custodian of the Trust, and certain mutual fund requirements and restrictions on transmission of purchase or redemption orders, calculation and payment of redemptions and date of record for payment of distributions — National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.3(e), 2.3(f), 3.3, 6.1(1), 6.2, 9.1, 9.4(2), 10.2, 10.3, 10.4(1), 12.1(1), 14.1, 19.1.

February 2, 2010

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 SPROTT ASSET MANAGEMENT LP (the Manager)

AND

IN THE MATTER OF SPROTT PHYSICAL GOLD TRUST (the Trust)

AND

IN THE MATTER OF ROYAL CANADIAN MINT (the Gold Custodian)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Manager, in its capacity as the manager of the Trust, for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for relief from the following provisions of National Instrument 81-102 *Mutual Funds* (**NI 81-102**):

- (a) Subsections 2.3(e) and (f), to permit the Trust to invest up to 100% of its net assets, taken at market value at the time of purchase, in physical gold bullion (the **Gold Bullion**);
- (b) Section 3.3, to permit the filing and listing fees of the applicable securities regulatory authorities and stock exchanges, the fees and expenses payable to the Registrar and Transfer Agent (as hereinafter defined) and the selling commissions of the underwriters involved in the initial public offering (the Offering) of transferable, redeemable units of the Trust (the Units) to be borne by the Trust;
- (c) Subsection 6.1(1) and Section 6.2, to permit the Trust to appoint the Gold Custodian as a custodian of the Trust to hold the Trust's Gold Bullion in Canada;
- (d) Sections 9.1 and 10.2, to permit purchases of the Units on the Toronto Stock Exchange (TSX) and the New York Stock Exchange Arca (NYSE Arca), and redemption requests to be submitted directly to the Registrar and Transfer Agent;
- (e) Section 10.3, to permit the redemption price of the Units to which a redemption request pertains to be a price other than the Net Asset Value per Unit (as hereinafter defined) next determined after receipt by the Trust of the redemption request;
- (f) Clause 10.4(1)(a), to permit payment of the redemption price for redeemed Units to be made later than three Business Days (as hereafter defined) after the date of calculating the Net Asset Value per Unit for the purpose of effecting such redemption;
- (g) Subsection 12.1(1), to relieve the Trust from the requirement of completing and filing with the applicable securities regulatory authorities the reports required by that subsection; and
- (h) Section 14.1, to permit the Trust to establish a record date for determining the right of unitholders of the Trust (the **Unitholders**) to receive distributions by the Trust in accordance with the rules and policies of the TSX and the NYSE Arca,

(collectively, the Exemption Sought).

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

- the Ontario Securities Commission is the principal regulator for this application (the **Principal Regulator**); and
- (b) the Manager has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 Passport System (MI 11-102) is intended to be relied upon in British Columbia, Alberta, Saskatchewan,

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

Interpretation

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

In this decision, the "total net assets" of the Trust means the net asset value of the Trust determined in accordance with Part 14 of National Instrument 81-106 *Investment Fund Continuous Disclosure*.

Representations

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

The Manager and the Trust

- 1. The Manager is a limited partnership formed and organized under the laws of the Province of Ontario and maintains its head office in Toronto, Ontario. The general partner of the Manager is Sprott Asset Management GP Inc. (the General Partner), which is a corporation incorporated under the laws of the Province of Ontario. The General Partner is a wholly-owned, direct subsidiary of Sprott Inc. Sprott Inc. is a corporation incorporated under the laws of the Province of Ontario and is a public company listed on the TSX. Sprott Inc. is the sole limited partner of the Manager and the sole shareholder of the General Partner.
- The Manager is registered under the securities legislation in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, and Newfoundland and Labrador as an adviser in the category of portfolio manager.
- 3. The Trust is a closed-end mutual fund trust established under the laws of the Province of Ontario pursuant to a trust agreement dated as of August 28, 2009, as amended and restated as of December 7, 2009 (the **Trust Agreement**), as the same may be further amended, restated or supplemented from time to time. Pursuant to the Trust Agreement, RBC Dexia Investor Services Trust (the **Trustee**) and the Manager are the trustee and the manager of the Trust, respectively.
- 4. Equity Transfer & Trust Company (the Registrar and Transfer Agent) will be the registrar and transfer agent of the Trust pursuant to a transfer agent, registrar and disbursing agent agreement to be entered into on or about the filing of the final prospectus of the Trust.

- 5. In connection with the Offering of the Units, a preliminary long form prospectus dated August 31, 2009 (the Preliminary Prospectus) was confidentially filed with the securities regulatory authorities in each province and territory of Canada (the Canadian Jurisdictions) and the Trust intends to become a reporting issuer, or the equivalent thereof, in such Canadian Jurisdictions following the filing of a final prospectus in respect of the Offering of the Units.
- 6. Concurrently with filing the Preliminary Prospectus, the Trust confidentially filed a registration statement on Form F-1 (the **Registration Statement**) under the U.S. Securities Act of 1933, as amended, with the United States Securities and Exchange Commission (the **SEC**) in connection with the Offering of the Units in the United States.
- 7. On December 9, 2009, the Trust filed via SEDAR the Preliminary Prospectus, as amended, with each of the Canadian Jurisdictions and concurrently filed via EDGAR the Registration Statement, as amended, with the SEC in respect of the Offering of the Units.
- 8. The Trust intends to list the Units on the TSX and the NYSE Arca. The Trust will not file a final prospectus until the TSX and the NYSE Arca have conditionally approved the listing of the Units.
- 9. The Trust is a "mutual fund in Ontario" as such term is defined in the Securities Act (Ontario) and is subject to the investment restrictions applicable to mutual funds which are prescribed by NI 81-102. The Manager has established an independent review committee for the Trust in accordance with the requirements under National Instrument 81-107 Independent Review Committee for Investment Funds.
- 10. The Trust is not required to register as an "investment company" as such term is defined in the U.S. *Investment Company Act of 1940*, as amended (the **1940 Act**), since the Trust will invest all or substantially all of its assets in Gold Bullion. Gold Bullion does not fall within the definition of either a "security" or an "investment security" under the 1940 Act and, accordingly, the Trust is not required to be registered as an "investment company".
- The Manager and the Trust are not in default of securities legislation in any province or territory of Canada.

The Trust's Investment Objective, Strategy, and Investment and Operating Restrictions

12. The Trust was created to invest and hold substantially all of its assets in Gold Bullion. The Trust seeks to provide a secure, convenient and

- exchange-traded investment alternative for investors interested in holding Gold Bullion without the inconvenience that is typical of a direct investment in Gold Bullion. The Trust intends to achieve its objective by investing primarily in long-term holdings of unencumbered, fully allocated, Gold Bullion and will not speculate with regard to short-term changes in gold prices. The Trust does not anticipate making regular cash distributions to Unitholders.
- 13. Except with respect to cash held by the Trust to pay expenses and anticipated redemptions of Units, the Trust expects to own only London Good Delivery Gold Bullion. The Manager intends to invest and hold 97% of the total net assets of the Trust in Gold Bullion in London Good Delivery bar form. The Trust will not invest in gold certificates or other financial instruments that represent gold or that may be exchanged for gold.
- 14. As disclosed in the Preliminary Prospectus, as amended, the investment and operating restrictions of the Trust provide that, among other things, the Trust will invest in and hold a minimum of 90% of the total net assets of the Trust in Gold Bullion in London Good Delivery bar form and hold no more than 10% of the total net assets of the Trust, at the discretion of the Manager, in Gold Bullion (in London Good Delivery bar form or otherwise), gold coins, debt obligations of or guaranteed by the Government of Canada or a province thereof, or by the Government of the United States of America or a state thereof, shortterm commercial paper obligations of a corporation or other person whose short-term commercial paper is rated R-1 (or its equivalent, or higher) by Dominion Bond Rating Service Limited or its successors or assigns or F1 (or its equivalent, or higher) by Fitch Ratings or its successors or assigns or A-1 (or its equivalent, or higher) by Standard & Poor's or its successors or assigns or P-1 (or its equivalent, or higher) by Moody's Investor Service or its successors or assigns, interest-bearing accounts and short-term certificates of deposit issued or quaranteed by a Canadian chartered bank or trust company, money market mutual funds, short-term government debt or short-term investment grade corporate debt, or other short-term debt obligations approved by the Manager from time to time (for the purpose of this paragraph, the term "short-term" means having a date of maturity or call for payment not more than 182 days from the date on which the investment is made), except during the 60-day period following the closing of the Offering or additional offerings or prior to the distribution of the assets of the Trust.

Net Asset Value of the Trust and Redemption of Units

15. The net asset value (the Net Asset Value) of the Trust and the Net Asset Value per Unit will be

determined on a daily basis as of 4:00 p.m. (Toronto time) on each business day on which the NYSE Arca or the TSX are open for trading (a **Business Day**), by the Trust's valuation agent, which is the Trustee.

- 16. Pursuant to the Offering, Units will be offered at a price equal to USD \$10.00 per Unit. The Trust may not issue additional Units of the same class following the completion of the Offering, except: (i) if the net proceeds per Unit to be received by the Trust are not less than 100% of the most recently calculated Net Asset Value per Unit immediately prior to, or upon, the determination of the pricing of such issuance; or (ii) by way of Unit distribution in connection with an income distribution.
- 17. Subject to the terms of the Trust Agreement, Units may be redeemed at the option of a Unitholder for Gold Bullion on a monthly basis. Unitholders whose Units are redeemed for Gold Bullion will be entitled to receive a redemption price equal to 100% of the Net Asset Value per Unit of the redeemed Units on the last day of the month on which the NYSE Arca is open for trading for the month in respect of which the redemption request is processed. Redemption requests for Gold Bullion must be for amounts that are at least equivalent to the value of one London Good Delivery bar or an integral multiple thereof, plus applicable expenses. A "London Good Delivery bar" weighs between 350 and 430 troy ounces (generally, most bars weigh between 390 and 410 troy ounces). Any fractional amount of redemption proceeds in excess of a London Good Delivery bar or an integral multiple thereof will be paid in cash at a rate equal to 100% of the Net Asset Value per Unit of such excess amount. The ability of a Unitholder to redeem Units for Gold Bullion may be limited by the sizes of London Good Delivery bars held by the Trust at the time of redemption. A Unitholder redeeming Units for Gold Bullion will be responsible for the expenses in connection with effecting the redemption and applicable delivery expenses, including the handling of the notice of redemption, the delivery of the Gold Bullion for Units that are being redeemed and the applicable gold storage in-andout fees.
- 18. A redemption notice to redeem Units for Gold Bullion must be received by the Registrar and Transfer Agent no later than 4:00 p.m. (Toronto time) on the 15th day of the month in which the redemption notice for Gold Bullion will be processed or, if such day is not a Business Day, then on the immediately following day that is a Business Day. Any redemption notice for Gold Bullion received after such time will be processed in the next month.
- 19. Once a redemption notice for Gold Bullion is received by the Registrar and Transfer Agent, the

Registrar and Transfer Agent, together with the Manager, will determine whether such redemption notice for Gold Bullion complies with the applicable requirements, is for an amount of Gold Bullion that is equal to at least one London Good Delivery bar in the Trust's inventory at the Gold Custodian plus applicable expenses, and contains delivery instructions that are acceptable to the armoured service transportation carrier. Registrar and Transfer Agent and the Manager determine that the redemption notice for Gold Bullion complies with all applicable requirements, the Registrar and Transfer Agent will provide a notice to such redeeming Unitholder's broker confirming that the redemption notice for Gold Bullion was received and determined to be complete.

- Any redemption notice for Gold Bullion delivered 20. to the Registrar and Transfer Agent regarding a Unitholder's intent to redeem Units that the Registrar and Transfer Agent or the Manager, in their sole discretion, determines to be incomplete, not in proper form, not duly executed or for an amount of Gold Bullion less than at least one London Good Delivery bar held by the Trust at the Gold Custodian, or in an amount that cannot be satisfied based on the bar sizes of Gold Bullion owned by the Trust, will for all purposes be void and of no effect, and the redemption privilege to which it relates will be considered for all purposes not to have been exercised thereby. Registrar and Transfer Agent and the Manager determine that the redemption notice for Gold Bullion does not comply with the applicable requirements, the Registrar and Transfer Agent will provide a notice explaining the deficiency to the Unitholder's broker.
- 21. If the redemption notice for Gold Bullion is determined to have complied with the applicable requirements, the Registrar and Transfer Agent and the Manager will determine on the last Business Day of the applicable month the amount of Gold Bullion and the amount of cash that will be delivered to the redeeming Unitholder. Also on the last Business Day of the applicable month, the redeeming Unitholder's broker will deliver the redeemed Units to CDS Clearing and Depository Services Inc. or The Depository Trust Company, as the case may be, for cancellation.
- 22. Based on instructions from the Manager, the Gold Custodian will release the requisite amount of Gold Bullion from its custody to the armoured transportation service carrier. As directed by the Manager, any cash to be received by a redeeming Unitholder in connection with a redemption of Units for Gold Bullion will be delivered or caused to be delivered by the Manager to the Unitholder's brokerage account within 10 Business Days after the month in which the redemption is processed.

- 23. A Unitholder redeeming Units for Gold Bullion will receive the Gold Bullion from the Gold Custodian. Gold Bullion received by a Unitholder as a result of a redemption of Units will be delivered by armoured transportation service carrier pursuant to delivery instructions provided by the Unitholder to the Manager. The armoured transportation service carrier will be engaged by, or on behalf of, the redeeming Unitholder. Such Gold Bullion can be delivered (i) to an account established by the Unitholder at an institution located in North America authorized to accept and hold London Good Delivery bars; (ii) in the United States, to any physical address (subject to approval by the armoured transportation service carrier); (iii) in Canada, to any business address (subject to approval by the armoured transportation service carrier); and (iv) outside of the United States and Canada, to any address approved by the armoured transportation service carrier.
- 24. The armoured transportation service carrier will receive the Gold Bullion in connection with a redemption of Units approximately 10 Business Days after the end of the month in which the redemption notice is processed. Once the Gold Bullion representing the redeemed Units has been placed with the armoured transportation service carrier, the Gold Custodian will no longer bear the risk of loss of, and damage to, such Gold Bullion. In the event of a loss after the Gold Bullion has been placed with the armoured transportation service carrier, the Unitholder will not have recourse against the Trust or the Gold Custodian.
- 25. Subject to the terms of the Trust Agreement, Units may also be redeemed at the option of a Unitholder for cash on a monthly basis. Unitholders whose Units are redeemed for cash will be entitled to receive a redemption price per Unit equal to 95% of the lesser of (i) the volumeweighted average trading price of the Units traded on the NYSE Arca or, if trading has been suspended on the NYSE Arca, the trading price of the Units traded on the TSX, for the last five days on which the respective exchange is open for trading for the month in which the redemption request is processed, and (ii) the Net Asset Value per Unit of the redeemed Units as of 4:00 p.m. (Toronto time) on the last day of such month on which the NYSE Arca is open for trading. Cash redemption proceeds will be transferred to a redeeming Unitholder approximately Business Days after the end of the month in which such redemption notice is processed by the Trust.
- 26. To redeem Units for cash, a Unitholder must instruct the Unitholder's broker to deliver a notice to redeem Units for cash to the Registrar and Transfer Agent. A redemption notice to redeem Units for cash must be received by the Registrar and Transfer Agent no later than 4:00 p.m. (Toronto time) on the 15th day of the month in

- which the redemption notice for cash will be processed or, if such day is not a Business Day, then on the immediately following day that is a Business Day. Any redemption notice to redeem Units for cash received after such time will be processed in the next month.
- 27. Any redemption notice for cash delivered to the Registrar and Transfer Agent regarding a Unitholder's intent to redeem Units that the Registrar and Transfer Agent or the Manager determines to be incomplete, not in proper form or not duly executed will for all purposes be void and of no effect and the redemption privilege to which it relates will be considered for all purposes not to have been exercised thereby. For each redemption notice for cash, the Registrar and Transfer Agent will notify the redeeming Unitholder's broker that such redemption notice for cash has been deemed insufficient or accepted and duly processed, as the case may be.
- 28. Upon receipt of the redemption notice for cash, the Registrar and Transfer Agent and the Manager will determine on the last Business Day of the applicable month the amount of cash that will be delivered to the redeeming Unitholder. Also on the last Business Day of the applicable month, the redeeming Unitholder's broker will deliver the redeemed Units to CDS Clearing and Depository Services Inc. or The Depository Trust Company, as the case may be, for cancellation.

The Trust's Custody Arrangements

This decision is also based on the following facts represented by the Manager, the Trust and the Gold Custodian (with respect to matters relating to the Gold Custodian):

- 29. The Trustee acts as the custodian of the assets of the Trust other than the Gold Bullion pursuant to the Trust Agreement. The Trustee will only be responsible for the assets of the Trust that are directly held by it, its affiliates or appointed subcustodians.
- 30. The Gold Bullion owned by the Trust will be stored on an unencumbered and fully allocated basis in the vaults of a custodian. The Trust intends to store all of its Gold Bullion with the Gold Custodian. The Gold Custodian will be responsible for and will bear all risk of the loss of, and damage to, the Gold Bullion owned by the Trust that is in the Gold Custodian's custody, subject to certain limitations based on events beyond the Gold Custodian's control.
- 31. The Gold Custodian operates pursuant to the Royal Canadian Mint Act (Canada) and is a Canadian crown corporation. Crown corporations are "agents of Her Majesty the Queen" and, as such, their obligations generally constitute

unconditional obligations of the Government of Canada. The Gold Custodian is responsible for the minting and distribution of Canada's circulation coins. As part of its operations, the Gold Custodian maintains a secure storage facility located in Ottawa, Ontario that it owns and operates, and provides storage space to third parties.

- 32. The Gold Custodian was appointed as the custodian of the Gold Bullion owned by the Trust pursuant to a precious metals storage agreement dated as of December 20, 2009 between the Manager, for and on behalf of the Trust, and the Gold Custodian (the Storage Agreement). The Storage Agreement provides for the storage of the Gold Bullion generally and will not place any limitations on the Trust's ability to buy or sell Gold Bullion. The Storage Agreement establishes neither a principal and agent relationship, a partnership or a joint venture between the Gold Custodian and the Trust nor a contractual relationship between the Gold Custodian and the Unitholders.
- 33. Under the Storage Agreement, upon written notice from the Manager to the Gold Custodian of the Manager's intention to have any of the Gold Bullion owned by the Trust delivered to the Gold Custodian, the Gold Custodian will receive such Gold Bullion based on a list provided by the Manager in such written notice that specifies the amount, weight, type, assay characteristics and value, and serial number of the London Good Delivery bars. After verification, the Gold Custodian will issue a "receipt of deposit" that confirms the bar count and the total weight in fine ounces of the Gold Bullion received by the Gold Custodian. The Gold Custodian reserves the right to refuse delivery of any Gold Bullion in the event of storage capacity limitations. In the event of a discrepancy arising during the verification process, the Gold Custodian will promptly notify the Manager. The Gold Custodian will keep the Gold Bullion owned by the Trust specifically identified as the property of the Trust and will keep it on a labelled shelf or physically segregated pallets at The Gold Custodian will provide a all times. monthly inventory statement, which the Manager will reconcile with the Trust's records of its Gold Bullion holdings.
- 34. The Manager will inspect or cause to be inspected the Gold Bullion owned by the Trust and stored at the vault facilities of Gold Custodian periodically on a spot inspection basis and, together with a representative of the external auditors of the Trust, physically audit each Gold Bullion bar annually to confirm the bar number.
- 35. The Manager will ensure that no part of the stored Gold Bullion may be delivered out of safekeeping by the Gold Custodian without receipt of an

- instruction from the Manager in the form specified by the Gold Custodian indicating the purpose of the delivery and giving direction with respect to the specific amount.
- 36. The Manager will ensure that no director or officer of the Manager or its General Partner, or representative of the Trust or the Manager will be authorized to enter into the Gold Bullion storage vaults of the Gold Custodian without being accompanied by at least one representative of the Gold Custodian.
- 37. The Manager will have the right to audit the physical storage of the Trust's Gold Bullion at the Gold Custodian upon request on any Gold Custodian business day (which means any day other than a Saturday, a Sunday or a holiday observed by the Gold Custodian) during the Gold Custodian's regular business hours, provided that such audit does not interrupt the routine operation of the Gold Custodian's facility.
 - Upon the Gold Custodian's receipt and taking into possession and control of any of the Gold Bullion owned by the Trust, whether through physical delivery or a transfer of the Gold Bullion from a different customer's account at the Gold Custodian, the Gold Custodian's liability will commence with respect to such Gold Bullion. The Gold Custodian will bear all risk of loss of, or damage to, the Gold Bullion owned by the Trust in the Gold Custodian's custody, except in the case of circumstances or causes beyond the Gold Custodian's reasonable control including, without limitation, acts or omissions or the failure to cooperate of the Manager, acts or omissions or the failure to cooperate by any third party, fire or other casualty, act of God, strike or labour dispute, war or other violence, or any law, order or requirement of any governmental agency or authority, and has contractually agreed to replace or pay for lost, damaged or destroyed Gold Bullion in the Trust's account while in the Gold Custodian's care, custody and control. The Gold Custodian's liability terminates with respect to any Gold Bullion owned by the Trust upon termination of the Storage Agreement, whether or not the Trust's Gold Bullion remains in the Gold Custodian's possession and control, upon transfer of such Gold Bullion to a different customer's account at the Gold Custodian, as requested by the Manager, or at the time such Gold Bullion is remitted to the armoured transportation service carrier pursuant to delivery instructions provided by the Manager on behalf of a redeeming Unitholder.
- 39. In the event of physical loss, damage or destruction of the Gold Bullion owned by the Trust in the Gold Custodian's custody, care and control, the Manager must give written notice to the Gold Custodian within five Gold Custodian business

February 5, 2010 (2010) 33 OSCB 1185

38.

days after the discovery of any such loss, damage or destruction, but, in the case of loss or destruction of the Trust's Gold Bullion, in any event no more than 30 days after the delivery by the Gold Custodian to the Trust of an inventory statement in which the discrepancy first appears. The Gold Custodian will, at its option, either (i) replace or restore to its original state in the event of partial damage, as the case may be, the Trust's Gold Bullion that was lost, damaged or destroyed within five Gold Custodian business days from the date the Gold Custodian becomes aware of said loss or destruction, based on the advised weight and assay characteristics provided in the initial notice or (ii) compensate the Trust, through the Manager, for the monetary value of the Trust's Gold Bullion that was lost or destroyed, within five Gold Custodian business days from the date the Gold Custodian becomes aware of said loss or destruction, based on the advised weight and assay characteristics provided in the initial notice and the market value of such Gold Bullion that was lost or destroyed, using the first available afternoon (p.m.) London fix of the London Bullion Market Association from the date the Gold Custodian becomes aware of said loss or If such notice is not given in destruction. accordance with the terms of the Storage Agreement, all claims against the Gold Custodian will be deemed to have been waived. In addition. no action, suit or other proceeding to recover any loss, damage or destruction may be brought against the Gold Custodian unless notice of such loss, damage or destruction has been given in accordance with the terms of the Storage Agreement and unless such action, suit or proceeding shall have been commenced within 12 months from the time such notice is sent to the Gold Custodian. The Gold Custodian will not be responsible for any special, incidental, consequential, indirect or punitive losses or damages (including lost profits or lost savings), except as a result of gross negligence or wilful misconduct by the Gold Custodian and whether or not the Gold Custodian had knowledge that such losses or damages might be incurred.

- 40. Pursuant to the Storage Agreement, the Gold Custodian will be required to exercise the same degree of care and diligence in safeguarding the property of the Trust as any reasonably prudent person acting as custodian of the Gold Bullion would exercise in the circumstance. The Gold Custodian will not be entitled to an indemnity from the Trust in the event the Gold Custodian breaches its standard of care.
- 41. The Gold Custodian reserves the right to reject Gold Bullion delivered to it by the Trust if the Gold Bullion contains a hazardous substance or if the Gold Bullion is or becomes unsuitable or undesirable for metallurgical, environmental or other reasons.

- 42. The Gold Custodian carries such insurance as it deems appropriate for its businesses and its position as custodian of the Gold Bullion owned by the Trust. The Storage Agreement provides that the Gold Custodian will provide the Trust with at least 30 days' notice of any cancellation or termination of such insurance coverage. Trust's ability to recover from the Gold Custodian is not contingent upon the Gold Custodian's ability to claim on its own insurance. Based on information provided by the Gold Custodian, the Manager believes that the insurance carried by the Gold Custodian will be appropriate for the Trust and that the insurance carried by the Gold Custodian, together with the Gold Custodian's status as a Canadian crown corporation with its obligations generally constituting unconditional obligations of the Government of Canada, provides the Trust with such protection in the event of loss or theft of the Trust's Gold Bullion stored at the Gold Custodian that is consistent with the protection afforded under insurance carried by other custodians that store Gold Bullion commercially.
- 43. In addition, if the Gold Custodian were to become a private enterprise, the Manager, on behalf of the Trust, will make a determination whether the Gold Custodian should remain the custodian of the Trust's Gold Bullion in light of applicable circumstances, such as the level of insurance carried by the Gold Custodian after such privatization, the availability of other custodians and the risk in moving the Trust's Gold Bullion to another custodian.
- 44. The Manager will not be responsible for any losses or damages to the Trust arising out of any action or inaction by the Trust's custodians or any sub-custodian holding the assets of the Trust, including the Trustee holding the assets of the Trust other than the Gold Bullion and the Gold Custodian holding the Gold Bullion owned by the Trust.
- 45. The Manager, with the consent of the Trustee, will have the authority to change the custodial arrangements described above including, but not limited to, the appointment of a replacement custodian and/or additional custodians subject to the requirements under NI 81-102.
- 46. The Manager may terminate the custodial relationship with the Gold Custodian by giving written notice to the Gold Custodian of its intent to terminate the Storage Agreement if (i) the Gold Custodian has committed a material breach of its obligations under the Storage Agreement that is not cured within 10 Gold Custodian business days following the Manager giving written notice to the Gold Custodian of such material breach; (ii) the Gold Custodian is dissolved or adjudged bankrupt, or a trustee, a receiver or a conservator of the

Gold Custodian or its property is appointed, or an application for any of the foregoing is filed; or (iii) the Gold Custodian is in breach of any representation or warranty contained in the Storage Agreement. The obligations of the Gold Custodian include, but are not limited to, maintaining an inventory of the Trust's Gold Bullion stored with the Gold Custodian, providing a monthly inventory to the Trust, maintaining the Trust's Gold Bullion physically segregated and specifically identified as the Trust's property, and taking good care, custody and control of the Trust's Gold Bullion. The Trust believes that all of these obligations are material and anticipates that the Manager would terminate the Gold Custodian as custodian if the Gold Custodian breaches any such obligation and does not cure such breach within 10 Gold Custodian business days of the Manager giving written notice to the Gold Custodian of such breach.

47. The Manager and the Gold Custodian are of the view that the concerns raised in the media during the Summer of 2009 relating to the security measures employed at the Gold Custodian are not related to the security of the Trust's Gold Bullion to be stored at the Gold Custodian and, as a result, are not relevant to the custodian arrangements between the Manager, on behalf of the Trust, and the Gold Custodian. On November 24, 2009, the Gold Custodian announced in a press release that Gold Custodian had received written confirmation from the Royal Canadian Mounted Police that its thorough investigation into the unreconciled difference of gold and silver inventories at the end of the Gold Custodian's 2008 fiscal year did not support further effort in the continuance of a criminal investigation into this matter. This conclusion was consistent with the outcome of reviews of physical security and computer systems at the Gold Custodian's Ottawa, Ontario facility by the Banks Group and The Gold Custodian has Microsoft Services. reviewed physical security, technical processes and prior period accounting with the assistance of external third party experts. These reviews are complete and the Gold Custodian intends to make these reports public once the audit of the Gold Custodian's 2008 financial statements are completed by the Office of the Auditor General of Canada.

Decision

The Principal Regulator is satisfied that the decision meets the tests 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 Manager, on behalf of the Trust, ensures that the prospectus of the Trust contains disclosure regarding the unique risks associated with an investment in the Trust, including the risk that direct purchases of Gold Bullion by the Trust may generate higher transaction and custody costs than other types of investments, which may impact the performance of the Trust; and
- (b) the Trust complies with applicable TSX and NYSE Arca requirements in setting the record date for the payment of distributions to Unitholders.

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

2.1.9 Build America Investment Grade Bond Fund

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption from National Instrument 81-106 Investment Fund Continuous Disclosure to permit an investment fund representing the top fund of a two-tiered fund structure that use specified derivatives to calculate their NAV on a weekly basis 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.

January 22, 2010

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 BUILD AMERICA INVESTMENT GRADE BOND 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 the requirement in section 14.2(3)(b) of National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) that the net asset value (**NAV**) of an investment fund must be calculated at least once every business day if the investment fund uses specified derivatives (the **Exemption Sought**).

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

- the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that Section 4.7(1) of Multilateral Instrument 11-102 Passport System (MI 11-102) is intended to be relied upon in Alberta, British Columbia, Manitoba, Saskatchewan, Quebec, New Brunswick, Nova Scotia, Prince Edward Island. Newfoundland and

Labrador, Yukon, Northwest Territories and Nunavut.

Interpretation

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

Representations

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

- The Filer will be an investment trust, to be established under the laws of Ontario pursuant to a trust agreement.
- Connor, Clark & Lunn Capital Markets Inc. (the Manager) is the promoter and manager of the Filer. The Manager will be responsible for providing or arranging for the provision of administrative services required by the Filer. The head office of the Manager is located in Ontario.
- Neither the Filer nor the Manager is in default of securities legislation in any jurisdiction.
- 4. The Filer filed a preliminary prospectus (the **Preliminary Prospectus**) dated December 22, 2009 on SEDAR with respect to a public offering (the **Offering**) of Class A Units and Class F Units (collectively, the **Units**, and each holder of a Unit a **Unitholder**) a receipt for which was issued by the Ontario Securities Commission on December 22, 2009. The Offering of the Units is a one-time offering and the Filer will not continuously distribute the Units.
- 5. The Filer's investment objectives are (i) to provide Unitholders with monthly tax-advantaged cash distributions, and (ii) to maximize total return for Unitholders while seeking to reduce risk. The Filer will seek to achieve its investment objectives through exposure to an actively managed portfolio (the **Portfolio**) consisting primarily of investment grade Build America Bonds rated BBB/Baa or higher at the time of purchase by at least one independent rating agency or, if unrated, judged by the Filer's sub-advisor to be of comparable quality.
- The Portfolio will be held by BAB Trust, a trust to be established under the laws of the Province of Ontario pursuant to a trust agreement. The Manager is also the manager and promoter of BAB Trust.
- 7. BAB Trust will be established for the purpose of acquiring and holding the Portfolio. The Filer will seek to achieve its investment objective by entering into a forward purchase and sale agreement (the **Forward Agreement**) with a

Canadian financial institution or one of its affiliates (the Counterparty) pursuant to which the Counterparty will agree to deliver to the Filer on the Forward Termination Date (as defined in the Preliminary Prospectus), a portfolio consisting of Canadian public issuers that are "Canadian securities" as defined in subsection 39(6) of the Income Tax Act (Canada) (the Canadian Securities Portfolio). The aggregate value of the Canadian Securities Portfolio will be equal to (i) the redemption proceeds of all of the units of BAB Trust, or (ii) the value of a notional portfolio of securities that will be maintained by the Manager in the event that the Counterparty does not acquire units of BAB Trust, as applicable, net of any leverage provided through the Forward Agreement and any amount owing by the Filer to the Counterparty. The Forward Agreement constitutes a specified derivative.

- 8. The units of BAB Trust will be redeemable at the demand of its unitholders. The units of the BAB Trust will be redeemed at a price computed by reference to the NAV per unit of BAB Trust.
- The Filer will use the net proceeds of the Offering for the pre-payment of its purchase obligations under the Forward Agreement.
- 10. The Forward Agreement provides that the Filer may settle the Forward Agreement, in whole or in part, prior to the Forward Termination Date: (i) to fund distributions on the Units; (ii) to fund redemptions and repurchases of Units from time to time; (iii) to fund operating expenses and other liabilities of the Filer; and (iv) for any other reason.
- To provide liquidity for the Class A Units, an application requesting conditional listing approval will be made on behalf of the Filer to the Toronto Stock Exchange (the TSX).
- 12. The Class F Units are designed for fee-based accounts and differ from the Class A Units in the following ways: (i) Class F Units will not be listed on a stock exchange; (ii) the fees payable to the syndicate of agents with respect to the Offering on the issuance of the Class F Units are lower than the Class A Units; and (iii) the service fee payable to the Manager, being 0.30% per annum of the NAV attributable to the Class A Units, plus applicable taxes, is only payable with respect to the Class A Units. The Class F Units are convertible into Class A Units and 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. Class F Units may be converted in any week on the first business day of the week (the Conversion Date) by delivering a notice and surrendering such Class F Units by 5:00 p.m.

(Toronto time) at least 5 business days prior to the Conversion Date. For each Class F Unit so converted, a holder will receive that number of Class A Units equal to the NAV per Class F Unit as of the close of trading on the business day immediately preceding the Conversion Date divided by the NAV per Class A Unit as of the close of trading on the business day immediately preceding the Conversion Date.

- 14. Class A Units and Class F Units may be redeemed on the second last business day of July of any year commencing in 2011 (but must be surrendered by the Unitholder on the last business day of June in order to be redeemed), subject to certain conditions, at a redemption price per Unit equal to 100% of the NAV per Unit of the relevant class, as applicable (less any costs associated with the redemption, including brokerage costs, and less any net realized capital gains to the Filer that are distributed to a Unitholder concurrently with the proceeds of disposition on redemption).
- 15. In addition to such annual redemption right, Class A Units and Class F Units may be redeemed on the second last business day of each month, other than in the month of July (but must be surrendered by the Unitholder on the last business day of the month preceding the redemption month in order to be redeemed), subject to certain conditions, at a redemption price computed by reference to the market price of the Class A Units on the applicable monthly redemption date (and less any costs associated with the redemption, including brokerage costs).
- Under section 14.2(3)(b) of NI 81-106, an investment fund that is a reporting issuer that uses or holds specified derivatives, such as the Filer intends to do, must calculate its NAV on a daily basis.
- 17. The Filer proposes to calculate NAV on the Friday of each week (or if any Friday is not a business day, the immediately preceding business day) and the last business day of each month.
- 18. The Preliminary Prospectus discloses, and the final prospectus of the Filer will disclose, that the NAV per Unit of each class of Units will be calculated and made available to the financial press for publication on a weekly basis. The Manager will post the NAV per Unit of each class of Units on its website at www.cclcapitalmarkets.com.

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.

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

2.2 Orders

2.2.1 Nest Acquisitions and Mergers et al.

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,
IMG INTERNATIONAL INC.,
CAROLINE MYRIAM FRAYSSIGNES,
DAVID PELCOWITZ, MICHAEL SMITH, AND
ROBERT PATRICK ZUK

ORDER

WHEREAS on January 18, 2010, the Secretary of Ontario Securities Commission (the "Commission") issued a Notice of Hearing, pursuant to sections 37, 127 and 127.1 of the Ontario Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act"), for a hearing to commence at the offices of the Commission at 20 Queen Street West, 17th Floor Hearing Room on Monday, January 28th, 2010 at 10 a.m., or as soon thereafter as the hearing can be held;

AND WHEREAS on January 18, 2010, Staff of the Commission ("Staff") filed with the Commission a Statement of Allegations in this matter;

AND WHEREAS previously on April 8, 2009 a temporary cease trade order was issued, pursuant to subsections 127(1) and 127(5) of the Act, ordering that all trading in securities by Nest Acquisitions and Mergers and Caroline Frayssignes shall cease, and on January 22, 2010, pursuant to subsection 127(8), this order was extended until the end of the hearing on the merits;

AND WHEREAS previously on June 11, 2009 a temporary cease trade order was issued, pursuant to subsections 127(1) and 127(5) of the Act, ordering that all trading in securities by IMG International Inc./Investors Marketing Group International Inc. and Michael Smith shall cease, and on January 22, 2010, pursuant to subsection 127(8) of the Act, this order was extended until the end of the hearing on the merits;

AND WHEREAS Staff served the respondents with copies of the Notice of Hearing and the Statement of Allegations dated January 18, 2010, as evidenced by the Affidavit of Tammy Orta sworn on January 27, 2010, and filed with the Commission:

AND WHEREAS on January 28, 2010, counsel for Staff, counsel for Robert Patrick Zuk, who was also acting as agent for counsel for Caroline Myriam Frayssignes and Nest Acquisitions and Mergers, and David Pelcowitz appeared before the Commission;

AND WHEREAS on January 28, 2010, no one appeared on behalf of Michael Smith and IMG International Inc.;

AND WHEREAS the parties present on January 28, 2010 consented to the adjournment of the hearing until March 22, 2010 for the purpose of reviewing the status of disclosure, determining whether any motions by any party will be brought, to set a date for a pre-hearing conference, if necessary, and to set dates for the hearing on the merits in this matter:

IT IS ORDERED that this matter is adjourned to March 22, 2010 at 10:00 a.m.

DATED at Toronto this 28th day of January 2010.

"Carol S. Perry"

2.2.2 Irwin Boock et al.

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

AND

IN THE MATTER OF
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

ORDER

WHEREAS on October 16, 2008, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act") in connection with a Statement of Allegations issued by and Staff of the Commission ("Staff");

AND WHEREAS on December 10, 2009, the Commission ordered that the hearing on the merits in this matter shall commence on February 1, 2010 at 10:00 a.m.;

AND WHEREAS on January 8, 2010, the Commission heard a motion pursuant to an application by Staff (the "Motion");

AND WHEREAS the Commission reserved its decision on the Motion and the decision remains pending;

AND WHEREAS the adjournment of this matter pending release of the Commission's decision on the Motion is not opposed;

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

IT IS ORDERED THAT the hearing on the merits is adjourned sine die.

DATED at Toronto this 29th day of January, 2010.

"James Turner"

2.2.3 Alpha ATS LP – 15.1 of NI 21-101 Marketplace Operation and s. 6.1 of Rule 13-502 Fees

Headnote

Section 15.1 of National Instrument 21-101 Marketplace Operation (21-101) and section 6.1 of OSC Rule 13-502 Fees (13-502) – exemption granted from the requirement in paragraph 6.4(2) of 21-101 to file an amendment to Form 21-101F2 (Form F2) 45 days prior to implementation of a fee change and from the requirements in Appendix C (item E(1)) and item E(2)(a)) of 13-502 to pay fees related to Alpha ATS' exemption application.

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

ORDER

(Section 15.1 of National Instrument 21-101 (NI 21-101) and section 6.1 of Rule 13-502 Fees)

UPON the application (the "Application") of Alpha ATS LP (the "Applicant") to the Director for an order pursuant to section 15.1 of NI 21-101 exempting the Applicant from the requirement in paragraph 6.4(2) to file an amendment to the information previously provided in Form 21-101F2 (the "Form") regarding Exhibit G (fees) 45 days before implementation of the fee changes (the "45 day filing requirement");

AND UPON the Applicant filing an updated Form F2 on January 21, 2010, describing a fee change to be implemented February 1, 2010 (the "Fee Change");

AND UPON the application by the Applicant (the "Fee Exemption Application") to the Director for an order pursuant to section 6.1 of Rule 13-502 exempting the Applicant from the requirement to pay an activity fee of (a) \$3,000 in connection with the Application in accordance with section 4.1 and item E(1) of Appendix C of Rule13-502, and (b) \$1,500 in connection with the Fee Exemption Application (Appendix C, item E(2)(a));

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

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

 Alpha ATS LP is carrying on business as an alternative trading system and is registered as a dealer with the Ontario Securities Commission. It has received an exemption from registration in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Prince Edward Island, Quebec, and Saskatchewan.

- The Filer would like to implement changes to its fee schedule on February 1, 2010.
- These changes are being implemented after consultation and notice required in the Subscriber Agreement.
- 4. The current multi-market trading environment requires frequent changes to the fees and fee model to remain competitive and it has become unduly burdensome to delay 45 days before responding to participants' needs and/or competitors' initiatives.
- 5. The policy rationale behind the 45 day filing requirement, which the Applicant understands is to provide Commission staff with an opportunity to analyze the changes and determine if any objections should be raised prior to implementation, can be met in a shorter period.
- 6. Given that the notice period was created prior to multi-marketplaces becoming a reality, and in light of the current competitive environment and the limited and highly technical nature of the exemption being sought, it would be unduly onerous to pay fees in these circumstances;

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

IT IS ORDERED by the Director:

- (a) pursuant to section 15.1 of NI 21-101 that the Applicant is exempted from the 45 day filing period for the Fee Change, and
- (b) pursuant to section 6.1 of Rule 13-502 that the Applicant is exempted from:
 - (i) paying an activity fee of \$3,000 in connection with the Application, and
 - (ii) paying an activity fee of \$1,500 in connection with the Fee Exemption Application.

DATED this 29th day of January, 2010

"Susan Greenglass"
Director, Market Regulation
Ontario Securities Commission

2.3 Rulings

2.3.1 TD Wealth Management Services Inc.

Headnote

Subsection 74(1) of the Securities Act (Ontario) – Foreign registered broker-dealer and adviser and its representatives exempted, subject to certain conditions, from the dealer and adviser registration requirements in connection with the establishment of a Products and Services Department in Toronto for the benefit of clients who are either residents of the United States or individuals referred to in section 2.1(c) of National Instrument 35-101 – Conditional Exemption from Registration for United States Broker-Dealers and Agents.

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Foreign registered broker-dealer and adviser and its representatives exempted, subject to certain conditions, from the dealer and adviser registration requirements and the prospectus requirements that permits continuing to deal with individuals referred to in section 2.1 of NI 35-101, notwithstanding the establishment of a Products and Services Department in Toronto.

Applicable Legislative Provisions

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25(1), 25(3), 53, 74(1).

Instruments Cited

National Instrument 35-101 Conditional Exemption from Registration for United States Broker-Dealers and Agents, s. 2.1.

January 29, 2010

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
TD WEALTH MANAGEMENT SERVICES INC.
(the Filer)

RULING & DECISION

Background

The Ontario Securities Commission (the **OSC**) has received an application from the Filer for:

- a ruling (the OSC Ruling) pursuant to section (a) 74(1) of the securities legislation of the Jurisdiction (the Legislation) exempting the Filer, and representatives of the Filer (the Representatives) who either act solely on behalf of the Filer or are also registered as dealing representatives, advising representatives or associate advising representatives of a Registered Affiliate (as defined below), from the dealer and adviser registration requirements of sections 25(1) and 25(3) of the Legislation in respect of certain activities that involve trading in or advising in respect of securities for the benefit of persons or companies (U.S. Clients) who are residents of the United States of America (the USA) or NI 35-101 Clients (as defined below); and
- (b) a decision (the Passport Decision) under the Legislation that the requirement to be registered as a dealer or adviser pursuant to sections 25(1) or 25(3) of the Legislation, and the requirement to prepare and file a prospectus pursuant to section 53 of the Legislation, shall not apply to the Filer and the Representatives when trading in or advising in respect of foreign securities in accordance with each of the terms and conditions of National Instrument 35-101 Conditional Exemption from Registration for United States Broker Dealers and Agents (NI 35-101) except for the requirement that the Filer have no office or physical presence in any jurisdiction of Canada.

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

- (a) the OSC is the principal regulator in respect of the Passport Decision; 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 all provinces and territories of Canada for purposes of the Passport Decision.

Interpretation

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

Representations

The OSC Ruling and Passport Decision are based on the following facts represented by the Filer:

The Filer

- The Filer is a corporation incorporated under the laws of the State of Pennsylvania. It is an indirect wholly-owned subsidiary of The Toronto-Dominion Bank (TD Bank). The Filer's head office is located in Philadelphia, Pennsylvania.
- The Filer is registered as both a broker-dealer and an adviser with the U.S. Securities and Exchange Commission (the SEC) and is a member of the Financial Industry Regulatory Authority (FINRA). The Filer is not registered in any capacity with the securities regulatory authority or regulator of any province or territory of Canada.
- 3. The Filer carries on the business of a full service broker-dealer and an adviser in the USA.

Registered Affiliates of the Filer

- 4. Each of TD Waterhouse Canada Inc. (TDWCI),
 TD Asset Management Inc. (TDAM), TD
 Investment Services Inc. (TDIS) or TD
 Waterhouse Private Investment Counsel Inc.
 (TDW PIC) (each, a Registered Affiliate) is a
 direct or indirect wholly-owned subsidiary of TD
 Bank that has its head office located in Toronto,
 Ontario. TD Bank is a Canadian chartered bank
 listed in Schedule 1 of the Bank Act (Canada). TD
 Bank's head office is also located in Toronto,
 Ontario.
- 5. TDWCI is a corporation incorporated under the *Business Corporations Act* (Ontario) (the **OBCA**).
- 6. TDWCI is registered as an investment dealer in all provinces and territories of Canada. It is also a dealer member of the Investment Industry Regulatory Organization of Canada (IIROC) and it is an approved participant of the Montreal Exchange.
- 7. TDWCI conducts its business as an investment dealer through four distinct divisions. TD Waterhouse Discount Brokerage provides selfdirected trade execution services only, without the benefit of any investment advice or suitability review. TD Waterhouse Financial Planning offers a range of customized long-term financial planning services to individuals. TD Waterhouse Institutional Services provides comprehensive outsourcing solutions for financial services organizations in Canada. TD Waterhouse Private Advice is TDWCI's full service brokerage and managed account channel that provides brokerage services, advice and access to discretionary advice, on a full range of investment products to high net worth individuals.
- 8. TDAM is a corporation amalgamated under the OBCA.

- 9. TDAM is registered as a portfolio manager under the securities legislation of all provinces and territories of Canada, as an exempt market dealer in Ontario and Newfoundland, and as a commodity trading manager under the Commodity Futures Act (Ontario) in Ontario.
- 10. TDAM conducts an investment management business offering passive, quantitative, enhanced and active portfolio management services to a large and diversified client base. It provides discretionary portfolio management services both directly, by means of separately managed accounts, and indirectly, as the manager and/or investment adviser to a variety of different investment funds.
- TDIS is a corporation incorporated under the OBCA.
- 12. TDIS is registered as a mutual fund dealer under the securities legislation of all provisions and territories of Canada and as a exempt market dealer in Ontario and Newfoundland. TDIS is a member of the Mutual Fund Dealers Association of Canada.
- TDIS is engaged primarily in the distribution of securities of mutual funds that are managed by TDAM.
- 14. TDW PIC is a corporation incorporated under the Canada Business Corporations Act.
- 15. TDW PIC is registered as a portfolio manager under the securities legislation of all provinces and territories of Canada and as a exempt market dealer in Ontario and Newfoundland.
- 16. TDW PIC utilizes investment funds managed by TDAM to provide high net worth individuals with customized investment strategies through the exercise of discretionary investment authority that is granted to TDW PIC by such individuals.

The Filer's Products and Services Department

- 17. The Filer is currently engaged in the process of establishing a Products and Services Department (the **PS Department**) in Toronto to provide support for its brokerage and advisory operations in the USA. The PS Department will have three divisions: Managed Investments and Wealth Planning (the **MWIP Division**), Manager Research and Portfolio Strategy (the **MRPS Division**) and Portfolio Advice and Investment Research (the **PAIR Division**).
- 18. The MWIP Division will have two mandates. The first mandate is to utilize its expertise in relation to traditional and fee-based products to assist the Filer's salespersons with the development and recommendation of optimal investment solutions

for their clients. Related and incidental services will include assisting salespersons with risk profiling, asset allocation and the use of statements of investment selection/investment policy. The first mandate will also include the provision of market and economic commentaries to salespersons and serving as a liaison between salespersons and the PAIR Division.

- 19. The MWIP Division's second wealth planning mandate is to assist salespersons of the Filer with the development of retirement plans for their clients by providing them with advice respecting the use of retirement income evaluator software and providing them with telephone and email access to persons having expertise in relation to, among other things, wills, estate planning, tax planning and philanthropic planning. As part of this second mandate, the Filer also reviews retirement plans when required or requested to do so to ensure the delivery of quality advice for clients and it provides the Filer's salespersons with articles and presentations on a range of wealth planning topics.
- 20. The MRPS Division also has two mandates. The first mandate is to provide the Filer with investment manager research and selection services. These services include the conduct of investment manager searches, the identification of investment manager candidates for both separately managed accounts and mutual funds, the conduct of due diligence on short lists of investment manager candidates to facilitate completion of the selection process, ongoing performance oversight of selected investment managers and the replacement of selected investment managers from time to time.
- 21. The second mandate is to provide the Filer with investment portfolio construction services using industry leading asset allocation design techniques that employ both qualitative and quantitative analysis tools to offer diversification by complementary manager and investment style combinations. The MRPS Division's services are used to construct both individual and model portfolios that are tailored to investor profiles and asset levels.
- 22. The PAIR Division consists of experienced investment professionals who hold their Chartered Financial Analyst designations. They assist the MRPS Division with the construction of model portfolios and they also prepare monthly and quarterly research reports and ad hoc market commentaries that provide the Filer's salespersons with a perspective on both short-term and long-term market trends.

The Representatives

- 23. Each Representative will be a representative of the Filer who either acts solely on behalf of the Filer or is also registered as a dealing representative, advising representative or associate advising representative of a Registered Affiliate.
- 24. Representatives will be members of the Filer's PS Department and they will therefore be engaged in providing the support services that each of the MIWP Division, the MRPS Division and the PAIR Division will provide to salespersons of the Filer only (the Support Services). The Support Services that Representatives registered with a Registered Affiliate (Registered Representatives) will provide when acting on behalf of the Filer will be comparable to the services that the Registered Representatives provide when acting on behalf of a TD Registered Affiliate.
- 25. When acting on behalf of the Filer, the Support Services that are provided by the Representatives to the Filer and salespersons of the Filer will be for the benefit of only U.S. Clients or individuals (NI 35-101 Clients) referred to in section 2.1(c) of NI 35-101. The Representatives will therefore be subject to, and required to comply with, all registration and other applicable requirements of U.S. securities laws. Each Representative will be registered as a representative of the Filer with FINRA. Representatives will also be required to comply with all terms and conditions of NI 35-101 when providing Support Services for the benefit of NI 35-101 Clients except for the requirement that the Filer have no office or physical presence in any jurisdiction of Canada.
- 26. Representatives will not provide any services, including Support Services, directly to either U.S. Clients or NI 35-101 Clients and they will not otherwise have any contact with U.S. Clients or NI 35-101 Clients unless such contact is requested by a salesperson and supervised by an individual who is registered as a Registered Principal of the Filer with FINRA and has been designated as responsible for supervision of the Representative.

Necessity of the OSC Ruling and Passport Decision

27. The Filer and the Representatives seek the OSC Ruling because the Support Services that the Representatives will provide on behalf of the Filer will include trading and advisory activities that would otherwise require them to be registered as a dealing representative of a registered dealer or an advising representative or associate advising representative of a registered adviser under the Legislation even though the Support Services will be provided for the benefit of only U.S. Clients or

NI 35-101 Clients in accordance with applicable U.S. securities laws.

- 28. Each of the Registered Representatives seeks the Ruling OSC Registered because а registration as Representative's dealing а representative, advising representative associate advising representative of a TD Registered Affiliate is only valid to the extent that the Registered Representative is acting on behalf of the TD Registered Affiliate.
- 29. In the absence of the Passport Decision, the Filer will be unable to continue dealing with NI 35-101 Clients following the establishment of its PS Department in Toronto because section 2.1 of NI 35-101 requires the Filer to have no office or physical presence in any jurisdiction of Canada.

Decision

The OSC is satisfied that the OSC Ruling and the Passport Decision meet the tests set out in the Legislation for the OSC to make the OSC Ruling and the Passport Decision.

The decision of the OSC under the Legislation is that the OSC Ruling and the Passport Decision are granted provided that:

- the Representatives working in the PS
 Department act on behalf of the Filer
 when providing the Support Services;
- (b) all Support Services that are provided by the Filer and the Representatives will be provided for the benefit of only U.S. Clients or NI 35-101 Clients;
- (c) all Support Services that are provided by Representatives will be provided to only the Filer and salespersons of the Filer and the Representatives will not provide any services, including Support Services, directly to either U.S. Clients or NI 35-101 Clients and, except as described in paragraph 26, they will not otherwise have any contact with U.S. Clients or NI 35-101 Clients;
- (d) when providing Support Services, the Filer and the Representatives will be subject to, and will comply with, all registration and other applicable requirements of U.S. securities laws;
- (e) the Filer will be registered as both a broker-dealer and an adviser with the SEC and as a member of FINRA;
- the Representatives will be registered as representatives of the Filer with FINRA;

- (g) the Filer will have no office or physical presence in any jurisdiction of Canada other than the PS Department; and
- (h) when providing Support Services for the benefit of NI 35-101 Clients, the Filer and the Representatives will comply with all terms and conditions of NI 35-101 except for the requirement that the Filer have no office or physical presence in any jurisdiction of Canada.

"Kevin J. Kelley"
Commissioner
Ontario Securities Commission

"Paulette L. Kennedy" Commissioner Ontario Securities Commission

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Trafalgar Associates Limited – s. 31

IN THE MATTER OF THE APPLICATION FOR REGISTRATION BY TRAFALGAR ASSOCIATES LIMITED

OPPORTUNITY TO BE HEARD BY THE DIRECTOR SECTION 31 OF THE SECURITIES ACT

Date of decision: February 1, 2010

Director: Marrianne Bridge, FCA

Manager, Compliance,

Ontario Securities Commission (OSC)

Verbal arguments by: Robert Kohl, Senior Legal Counsel, Registrant Legal Services and Michael Denyszyn, Legal

Counsel, Registrant Legal Services for the staff of the OSC

Michael B. Miller and Julia Dublin of Aylesworth LLP for Trafalgar Associates Limited (TAL)

Overview

- 1. On November 4, 2009, OSC Registrant Regulation staff advised TAL that they had recommended to the Director that the application for registration of TAL as an exempt market dealer (EMD) be refused. If TAL's registration is granted, staff's understanding is that Ms. Zych will be designated as chief compliance officer and that Mr. Olsthoorn will be designated as ultimate designated person (UDP) of TAL. Both positions are registerable positions. As a result, if TAL's registration is refused, Mr. Olsthoorn's application for registration will also be refused. The registration application of Ms. Zych was not a subject matter of the opportunity to be heard (OTBH).
- Pursuant to section 31 of the Securities Act (Ontario) (Act), TAL and Mr. Olsthoorn are entitled to an OTBH before a
 decision is made by the Director. TAL and Mr. Olsthoorn requested a verbal OTBH, which occurred on January 8,
 2010.
- My decision is based on staff counsel's arguments, the applicants' counsel's arguments, the testimony of various witnesses on behalf of TAL and Mr. Olsthoorn, and my reading of the documentary evidence referred to at the OTBH.
- 4. I have set out staff's recommendation first, set out the general requirements for registration, analyzed each of staff's reasons for recommending refusal of TAL's and Mr. Olsthoorn's registration (together with the applicants' arguments on each point), and concluded with my decision and reasons for each of TAL and Mr. Olsthoorn.

Staff's recommendation to the Director

- 5. Staff recommended that TAL's registration as an EMD (and thus Mr. Olsthoorn's registration as UDP of TAL) be refused for three primary reasons the past conduct of Mr. Furtak and TAL, the class action suit against TAL and others, and the conduct of Mr. Olsthoorn in completing registration applications.
- 6. Each of these reasons is discussed separately below. Staff argued that the three reasons, in their totality, are sufficient for me to find that TAL's registration and Mr. Olsthoorn's registration should be refused.

The Law

7. Section 25 of the Act generally requires that any person or company that trades in securities, advises others in securities investments or acts as an investment fund manager, be registered in the relevant category. A registrant is in a position to provide valuable services to the public, both in the form of direct services to individual investors and as part of the larger system that provides the public with the benefits of fair and efficient capital markets. A registrant also

has a corresponding capacity to do material harm to investors and to the public at large. Determining whether an applicant should be registered is thus an important component of the OSC's public interest mandate. As well, as noted in numerous decisions by the Commission, other securities commissions and the courts, registration is a privilege, not a right.

- 8. Subsection 27(1) of the Act states that, on application by a person or company, the Director shall register the person or company unless it appears to the Director that the person or company is not suitable for registration or that the proposed registration is otherwise objectionable. Therefore, the question for me to determine as Director in this matter is whether TAL and/or Mr. Olsthoorn are suitable for registration and/or whether their registration is otherwise objectionable.
- 9. Subsection 27(2) of the Act provides that in determining whether a person or company is suitable for registration, the Director shall consider whether the person or company has satisfied the requirements prescribed in the regulations relating to proficiency, solvency and integrity, and such other factors as the Director considers relevant. The criterion at issue here is integrity.
- 10. The purposes of the Act (as set out in section 1.1) are to provide protection to investors from unfair, improper or fraudulent practices and to foster fair and efficient capital markets and confidence in capital markets.
- 11. Prior Commission decisions have held that registration is "otherwise objectionable" if it is determined, with reference to the purposes of the Act, that it is not in the public interest for the person or company to be registered. For example, in *Re Mithras Management Ltd.*, (1990) 13 OSCB 1600, the Commission held that:

The role of this Commission is to protect the public interest by removing from the capital markets ... those whose conduct in the past leads us to conclude that their conduct in the future may well be detrimental to the integrity of those capital markets ... We are here to restrain, as best we can, future conduct that is likely to be prejudicial to the public interest by having capital markets that are both fair and efficient. In so doing we must, of necessity, look to past conduct as a guide to what we believe a person's future conduct might reasonably be expected to be ..."

Reasons for staff recommending refusal of TAL's registration

Past conduct of Mr. Furtak and TAL

- 12. The first issue relates to the past conduct of Mr. Furtak (who together with Mr. Olsthoorn own TAL).
- 13. In May, 2003, the Commission approved a settlement agreement between staff of the Commission, TAL and Mr. Furtak. In the settlement agreement, TAL and Mr. Furtak agreed that they had participated in a distribution which contravened Ontario securities laws. As part of the settlement discussions, TAL repaid all investors impacted. Mr. Furtak was prohibited from trading for six months and TAL undertook that it would not apply for registration with the Commission for four months.
- 14. Using the test described in Mithras above, staff argues that I, as Director, must necessarily place a strong reliance on Furtak's and TAL's past behaviour in assessing TAL's current fitness for registration.
- 15. Although I agree that the position set out in Mithras applies in this case, I do not agree with staff's conclusion that TAL's registration should be refused because of the 2003 settlement agreement.
- 16. My reading of the transcript to the settlement hearing shows that:
 - a. Mr. Furtak and TAL recognized their misconduct and agreed to the suggested sanctions, thus saving staff the necessity of bringing a more lengthy and expensive proceeding,
 - b. All of the investors impacted were "made whole" by TAL and any financial benefit to either Mr. Furtak or TAL was disgorged,
 - c. Mr. Furtak took full responsibility before the hearing panel for his misconduct, and
 - d. the panel itself struggled with the terms of the settlement agreement. To quote the Chair of the panel: "With a number of concerns, and I must say with much hesitation on the part of some of us, we are going to approve this settlement. We are troubled by a number of facts which we feel have not been fully set out and which makes our decision [to approve the settlement agreement] difficult ... We have to determine these matters in

the public interest, and we have to determine that these matters are ... contrary to the Act ... and we have to determine that there [are] facts that enable us to do that. This barely meets that requirement."

17. In my view, absent any information or evidence to the contrary in the seven year period since the date of the settlement agreement, Mr. Furtak should not continue to be penalized for conduct which occurred approximately seven years ago and for which he was sanctioned by the Commission. The panel itself in the settlement hearing was troubled by the terms of the settlement agreement. In my view, staff cannot now use this settlement agreement as evidence that TAL is not currently suitable for registration. If the past conduct of Mr. Furtak was more egregious or if there was any evidence presented by staff that Mr. Furtak or TAL hadn't "learned their lesson" in the approximately seven years since the settlement agreement was entered into, I would have come to a different conclusion.

Class action suit against TAL

- 18. The second issue related to the class action suit against TAL and others. I was provided with a copy of the statement of claim against TAL, Mr. Olsthoorn, Mr. Furtak and others dated September 18, 2008. The class action suit has not been certified. As well, one of the witnesses in the hearing advised that the statement of claim had now been withdrawn against Mr. Olsthoorn and Mr. Furtak and that it was expected to be withdrawn against TAL shortly.
- 19. Staff argued that, while it was difficult to assess the impact of this issue on TAL's application for registration, it was an issue that I should consider in making my decision on whether TAL should be registered.
- 20. I decided not to place any weight on this issue in making my decision. Many statements of claim never get certified and, even if certified, the evidence before me is that none of Mr. Furtak, Mr. Olsthoorn or TAL is now expected to be named in any resulting class action suit.

Conduct of Mr. Olsthoorn

- 21. The last issue before me was the conduct of Mr. Olsthoorn in completing various registration documents. This was the issue that troubled me the most. There were several types of issues identified.
- 22. The first related to Mr. Olsthoorn's use of his legal second name in one registration application form (Gerardus) and the use of the anglicized version of his second name (Gerald) in another registration application form. (As an aside, I'd note that in his testimony, Mr. Olsthoorn indicated that if asked what his middle name was he would usually say "Gerard".) In my view, these errors are, at best, careless errors on the part of Mr. Olsthoorn in completing his registration forms.
- 23. The second type of misconduct was of more concern to me. Mr. Olsthoorn initially filed an application to be approved as an officer and director (non-trading, resident) of TAL. As above, staff's understanding is that Mr. Olsthoorn is to become the UDP of TAL.
- 24. In the TAL registration application, Mr. Olsthoorn fails to disclose that he was previously registered in British Columbia as a mutual fund salesperson from 1995 to 1999 and, in Ontario, as a mutual fund and limited market dealer (LMD) salesperson from 2000 to 2001. Mr. Olsthoorn subsequently filed a second application for registration for a second firm, White Capital Corporation. In the White Capital application for registration, Mr. Olsthoorn includes his previous registrations in British Columbia and Ontario. But in his testimony, there is still some lack of clarity on Mr. Olsthoorn's registration as an LMD salesperson in Ontario. Our records show that he was registered as an LMD salesperson from 2000 to 2001. However, when asked a direct question when he was in the witness box, Mr. Olsthoorn states definitively that he was not previously registered as a LMD salesperson in Ontario.
- 25. One of the most important pieces of information for staff in assessing whether to register a firm or an individual is whether the applicant has been previously registered, in what capacity, and what their regulatory history is. While staff may have identified Mr. Olsthoorn's previous registrations in British Columbia and Ontario on its own, the differences in second name in Mr. Olsthoorn's registration applications may have hindered this process.
- 26. There were also other inconsistencies identified between the two registration forms completed by Mr. Olsthoorn which related to the description of his current employment.
- 27. All of these issues combined led me to consider whether Mr. Olsthoorn is suitable for registration as the UDP of TAL and/or whether his registration was otherwise objectionable.
- 28. At the OTBH, TAL's counsel argued that it was not inappropriate for Mr. Olsthoorn to have two applications for registration before OSC staff at the same time. Mr. Olsthoorn cannot, however, be registered with two different firms at

the same time. While I agree with this technical legal argument, my view is that Mr. Olsthoorn should have indicated to staff that he had two registration applications before them.

29. TAL's counsel also argued that the registration application process is iterative and that only errors or omissions in the "finalized" registration application form should be considered. With respect, I do not agree. Registrants and applicants for registration file certified documents with staff. These documents should be complete and correct when filed and registrants and applicants for registration should not look at the registration process as an opportunity to perfect their registration applications.

Decision and reasons

- 30. After having heard the arguments of staff and TAL's counsel and the evidence of the TAL witnesses, it is my decision that the registration of TAL should be granted. In my view, the so called "red flags" discussed at the OTBH and as summarized in this decision as they relate to TAL do not provide a sufficient and reasonable basis to deny the registration of TAL.
- 31. The next question for me was whether I should grant Mr. Olsthoorn's application for registration. While I ultimately decided to grant his application as UDP for TAL, Mr. Olsthoorn (and TAL) should be aware that I seriously considered alternative courses of action including
 - a. refusing TAL's application for registration (and thus Mr. Olsthoorn's application for registration)
 - b. approving TAL's registration and not approving Mr. Olsthoorn's application, or
 - c. approving TAL's registration and requiring Mr. Olsthoorn to take prescribed courses before registering him (which would have required TAL either to hire someone else on at least an interim basis that staff considered appropriate as a UDP or delaying its registration application until Mr. Olsthoorn was registered).
- 32. I was somewhat troubled by the lack of care that Mr. Olsthoorn took in completing his registration forms for both TAL and White Capital. Although I ultimately decided that Mr. Olsthoorn should be registered and that there was not a sufficient and reasonable basis to deny his registration, I was not entirely convinced that the errors described above relating to prior registrations were simple mistakes, nor was I entirely convinced that the errors related to the spelling of his second name or the description of his current employment were entirely unintentional.
- 33. In my view these errors demonstrate a lack of care by Mr. Olsthoorn in completing registration forms and, by extension, a lack of focus on his obligations as an applicant for registration. Given that Mr. Olsthoorn intends to be UDP for TAL, it was appropriate for staff to raise these concerns for consideration by a Director. My sincere hope is that Mr. Olsthoorn, once registered, takes his ongoing obligations as a registrant more seriously than he took in completing his application for registration with TAL or White Capital.
- 34. For this reason, I am also recommending that staff of the Compliance team of the Compliance and Registrant Regulation branch complete a review of TAL's operations over the next twelve months in order to determine whether TAL and Mr. Olsthoorn are fulfilling their ongoing registration obligations.

"Marrianne Bridge, FCA"
Manager, Compliance
Ontario Securities Commission

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 |
|--------------|-------------------------------|--------------------|-------------------------------|-------------------------|
| | | | | |

THERE ARE NO ITEMS FOR THIS WEEK.

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 |
|-----------------------------|---|--------------------|-------------------------------|-----------------------------|---|
| Garrison International Ltd. | 29 Oct 09 | 10 Nov 09 | 10 Nov 09 | 03 Feb 10 | |

4.2.2 Outstanding Management & Insider Cease Trading Orders

| Company Name | Date of Order or Temporary Order | Date of Hearing | Date of Permanent Order | Date of Lapse/ Expire | Date of Issuer Temporary Order |
|--------------------------------|---|--------------------|-------------------------------|-----------------------------|--------------------------------------|
| Coalcorp Mining Inc. | 07 Oct 09 | 19 Oct 09 | 19 Oct 09 | | |
| Garrison International Ltd. | 29 Oct 09 | 10 Nov 09 | 10 Nov 09 | 03 Feb 10 | |
| Toxin Alert Inc. | 06 Nov 09 | 18 Nov 09 | 18 Nov 09 | | |
| Seprotech Systems Incorporated | 30 Dec 09 | 11 Jan 10 | 11 Jan 10 | | |



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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

| | | ON FORMS | 45 40054 | A NID 45 50454 |
|-------------------|-----------|----------|----------|----------------|
| REPORTS OF TRADES | SHRMILLED | ONFORMS | 45-106F1 | ΔNI) 45-501F1 |

| Transaction Date | No of Purchasers | Issuer/Security | Total Purchase Price (\$) | No of Securities Distributed | | |
|-----------------------------|---------------------|--|------------------------------|------------------------------------|--|--|
| 01/15/2010 | 1 | 17 Capital Fund L.P Limited Partnership Interest | 73,950,000.00 | N/A | | |
| 01/22/2010 | 1 | Achillion Pharmaecuticals, Inc Common Shares | 494,395.20 | 225,000.00 | | |
| 12/31/2009 | 50 | ACM Commercial Mortgage Fund - Units | 4,505,325.66 | N/A | | |
| 12/30/2009 | 7 | Adex Mining Inc Units | 1,009,040.00 | 8,408,665.00 | | |
| 12/30/2009 | 18 | Aegis Investment Management (Golf) Inc Special Shares | 255,600.00 | 1,420,000.00 | | |
| 12/16/2009 | 19 | African Gold Group Inc Units | 6,000,000.00 | N/A | | |
| 01/08/2010 | 11 | Alberta Social Ventures Inc Common Shares | 193,000.00 | 482,500.00 | | |
| 01/15/2010 | 43 | Aldridge Minerals Inc Units | 3,780,000.00 | 3,780,000.00 | | |
| 12/04/2009 | 1 | Allegro Investment Corporation S.A. Luxembourg - Notes | 10,501,000.00 | 0.00 | | |
| 01/12/2010 | 81 | Amarc Resources Ltd Common Shares | 5,300,000.00 | 11,000,000.00 | | |
| 12/29/2009 | 14 | Argosy Energy Inc Units | 4,299,852.40 | 444,363.00 | | |
| 01/15/2010 | 2 | Associated Banc-Corp Common Shares | 574,000.00 | 50,000.00 | | |
| 09/30/2009 to 12/31/2009 | 59 | Auspice Capital Advisors Ltd Trust Units | 1,755,681.00 | N/A | | |
| 12/10/2009 | 110 | Baffinland Iron Mines Corporation - Units | 23,023,000.00 | N/A | | |
| 12/03/2009 | 1 | Baillie Gifford Emerging Markets Fund - Units | 114,905,460.52 | 30,757,102.85 | | |
| 12/09/2009 | 16 | Bank of America Corporation - Units | 393,233,030.00 | N/A | | |
| 01/14/2010 to 01/22/2010 | 46 | Base Oil & Gas Ltd Common Shares | 1,298,000.00 | 4,800,000.00 | | |
| 01/19/2010 | 1 | Bayfield Ventures Corp Common Shares | 11,000.00 | 20,000.00 | | |
| 01/22/2010 | 1 | BBV A Senior Finance, S.A Notes | 7,475,614.60 | 1.00 | | |
| 12/31/2009 | 3 | Bison Gold Resources Inc Common Shares | 900,000.00 | 2,727,272.00 | | |
| 11/18/2009 | 1 | Bontan Corporation Inc Common Shares | 0.00 | N/A | | |
| 11/13/2009 | 1 | Bontan Corporation Inc Common Shares | 0.00 | N/A | | |
| 12/15/2009 | 11 | Bontan Corporation Inc Units | 1,826,317.00 | 8,725,000.00 | | |

| Transaction Date | No of Purchasers | Issuer/Security | Total Purchase Price (\$) | No of Securities Distributed |
|-----------------------------|---------------------|--|------------------------------|------------------------------------|
| 09/30/2009 to 11/30/2009 | 5 | Bristol Gate US Dividend Growth Fund L.P Limited Partnership Units | 3,290,785.00 | 32,407.22 |
| 01/21/2010 | 14 | BTI Systems Inc Debentures | 3,427,435.80 | N/A |
| 12/16/2009 | 1 | Canadian Orebodies Inc Common Shares | 0.00 | 1,600,000.00 |
| 11/06/2009 | 1 | Canoe Unique Energy (Cdn) Limited Partnership - Units | 250,000.00 | 36,895.00 |
| 01/14/2010 | 43 | CareVest Blended Mortgage Investment Corporation - Preferred Shares | 1,408,235.00 | 1,408,235.00 |
| 12/17/2009 | 33 | CareVest Capital Blended Mortgage Investment Corp Preferred Shares | 3,000,041.00 | 3,000,041.00 |
| 01/14/2010 | 37 | CareVest First Mortgage Investment Corporation - Preferred Shares | 1,150,733.00 | 1,150,733.00 |
| 12/03/2009 to 12/10/2009 | 42 | Carpathian Gold Inc Units | 7,186,988.00 | 21,778,752.00 |
| 01/15/2010 | 103 | CDP Financial Inc Notes | 1,356,500,000.00 | N/A |
| 12/31/2009 | 53 | Centurion Apartment Real Estate Investment Trust - Units | 1,030,040.00 | 103,004.00 |
| 01/14/2010 | 26 | Chandler Investment LP - Limited Partnership Units | 8,184,800.00 | 8,000.00 |
| 01/22/2009 to 12/30/2009 | 1 | CIF Global High Income Opportunities Fund - Units | 1,827,446.25 | 62,744.87 |
| 12/30/2009 | 12 | Claude Resources Inc Warrants | 13,800,000.00 | N/A |
| 12/22/2009 | 20 | Cogitore Resources Inc Flow-Through Shares | 961,695.00 | 2,747,700.00 |
| 12/29/2009 | 67 | Commerce Resources Corp Units | 1,281,001.00 | 1,067,500.00 |
| 12/21/2009 | 9 | Conquest Resources Limited - Flow-Through Shares | 1,831,920.00 | 3,748,912.00 |
| 12/22/2009 to 01/04/2010 | 2 | Continental Nickel Limited - Common Shares | 443,687.00 | 230,000.00 |
| 12/17/2009 | 33 | Cougar Minerals Corporation - Flow-Through Shares | 749,900.00 | 4,999,333.00 |
| 12/18/2009 | 7 | Crown Minerals Inc Units | 500,000.00 | 3,333,331.00 |
| 12/30/2009 | 10 | Cypress Development Corp Flow-Through Shares | 159,249.90 | 1,061,666.00 |
| 01/20/2010 | 1 | DJO Finance LLC/DJO Finance Corporation - Notes | 2,246,234.37 | N/A |
| 01/11/2010 | 103 | Dome Ventures Corporation - Warrants | 13,010,000.00 | 28,911,111.00 |
| 01/01/2009 to 12/31/2009 | 47 | EFG Private Portfolio Series Inc Units | 16,483,612.83 | N/A |
| 12/31/2009 | 24 | EnergyFields 2009 Special Flow-Through Limited Partnership - Limited Partnership Units | 485,000.00 | 4,850.00 |

| Transaction Date | No of Purchasers | Issuer/Security | Total Purchase Price (\$) | No of Securities Distributed |
|-----------------------------|---------------------|---|------------------------------|------------------------------------|
| 12/18/2009 | 17 | Equitable Group Inc Debentures | 9,202,000.00 | N/A |
| 01/01/2009 to 12/31/2009 | 3 | ExxonMobil Canada Ltd. Master Trust - Units | 54,933,690.39 | 5,007,827.96 |
| 01/18/2010 | 11 | FCI Energy Opportunities (Cdn) L.P Limited Partnership Units | 1,950,000.00 | 1,950.00 |
| 01/13/2010 | 1 | First Leaside Fund - Trust Units | 4,866.82 | 4,715.00 |
| 01/13/2010 to 01/19/2010 | 10 | First Leaside Fund - Trust Units | 372,328.00 | 372,328.00 |
| 01/18/2010 | 1 | First Leaside Fund - Trust Units | 10,704.00 | 10,704.00 |
| 12/09/2009 | 1 | First Point Minerals Corp Common Shares | 9,943,834.00 | 10,198,808.00 |
| 12/13/2009 | 7 | Fixmo, Inc Preferred Shares | 1,250,000.70 | 961,539.00 |
| 12/07/2009 | 4 | Focus Metals Inc Common Shares | 80,000.00 | 1,600,000.00 |
| 12/04/2009 | 17 | Focus Metals Inc Units | 299,625.00 | 3,995,000.00 |
| 01/20/2010 | 2 | Ford Motor Credit Company LLC - Note | 1,739,748.85 | 1.00 |
| 12/03/2009 | 1 | Freeport Capital Inc Common Shares | 25,000.00 | 100,000.00 |
| 01/05/2010 | 25 | GDC Investments Inc Common Shares | 479,600.00 | 4,796.00 |
| 12/31/2009 | 25 | Gold Star Resources Corp Common Shares | 191,500.00 | 1,915,000.00 |
| 12/07/2009 | 14 | Gold World Resources Inc Units | 236,500.00 | N/A |
| 12/23/2009 | 58 | Great Bear Uranium Corp Common Shares | 1,190,000.00 | 11,900,000.00 |
| 12/15/2009 | 3 | GS International Infrasture Partners II, - Limited Partnership Interest | 265,500,000.00 | N/A |
| 12/31/2009 | 15 | Gulf & Pacific Equities Corp Debentures | 1,753,250.00 | N/A |
| 01/21/2010 | 7 | Gulf & Pacific Equities Corp Debentures | 600,000.00 | N/A |
| 12/16/2009 | 1 | Halo Resources Ltd Units | 225,000.00 | 4,500,000.00 |
| 12/08/2009 | 1 | Halo Resources Ltd Units | 75,000.00 | 1,500,000.00 |
| 12/16/2008 to 12/15/2009 | 223 | Heathbridge Capital Management Ltd Units | 3,892,523.85 | 522,082.75 |
| 12/17/2009 | 9 | High Desert Gold Corporation - Common Shares | 595,000.00 | 3,718,750.00 |
| 01/15/2010 | 26 | International Montoro Resources Inc Common Shares | 260,000.00 | 5,200,000.00 |
| 01/15/2010 | 7 | International Montoro Resources Inc Flow-Through Shares | 40,125.00 | 535,000.00 |
| 01/15/2010 | 9 | Invesco Mortgage Capital Inc Common Shares | 21,558,364.00 | 985,300.00 |
| 01/01/2009 to 12/01/2009 | 2 | Jemekk Total Return Fund L.P Limited Partnership Units | 315,000.00 | N/A |
| 12/10/2009 | 8 | Jiminex Inc Units | 480,000.00 | 3,200,000.00 |

| Transaction Date | No of Purchasers | Issuer/Security | Total Purchase Price (\$) | No of Securities Distributed |
|-----------------------------|---------------------|--|------------------------------|------------------------------------|
| 01/06/2010 to 01/12/2010 | 3 | KmX Corp Debentures | 2,899,260.00 | N/A |
| 01/11/2010 | 4 | Liquid Computing Corporation - Debenture | 250,000.00 | 1.00 |
| 01/08/2010 | 1 | Liquid Computing, Inc Debenture | 250,000.00 | 1.00 |
| 12/16/2009 | 123 | Lucara Diamond Corp Receipts | 110,000,000.00 | 110,000,000.00 |
| 12/10/2009 to 12/16/2009 | 54 | Magnum Energy Inc Common Shares | 1,935,960.00 | 3,795,999.00 |
| 12/18/2009 to 12/23/2009 | 17 | Marathon PGM Corporation - Flow-Through Shares | 1,257,500.00 | 1,006,000.00 |
| 01/15/2010 | 20 | McConachie Development Investment Corporation - Units | 331,970.00 | 33,197.00 |
| 12/11/2009 | 32 | MCO Capital Inc Common Shares | 502,263.30 | 6,088,040.00 |
| 01/20/2010 | 18 | Medallion Resources Ltd Units | 376,250.00 | 2,150,000.00 |
| 11/11/2009 | 1 | Micromem Technologies Inc Units | 71,500.00 | N/A |
| 12/04/2009 to 12/07/2009 | 9 | Midlands Minerals Corporation - Units | 882,149.85 | N/A |
| 12/31/2009 | 50 | MineralFields 2009-II Super Flow-Through Limited Partnership - Limited Partnership Units | 1,679,000.00 | 16,790.00 |
| 12/31/2009 | 9 | MineralFields 2009-IIISuper Flow-Through Limited Partnership - Limited Partnership Units | 1,272,000.00 | 12,720.00 |
| 12/31/2009 | 23 | MineralFields 2009-IV Super Flow-Through Limited Partnership - Limited Partnership Units | 1,280,000.00 | 12,800.00 |
| 12/31/2009 | 509 | MineralFields 2009-V Super Flow-Through Limited Partnership - Limited Partnership Units | 19,999,800.00 | 199,798.00 |
| 12/31/2009 | 50 | MineralFields 2009-VI Super Flow-Through Limited Partnership - Limited Partnership Units | 2,555,000.00 | 25,550.00 |
| 12/31/2009 | 413 | MineralFields 2009-VII Super Flow-Through Limited Partnership - Limited Partnership Units | 16,058,500.00 | 160,585.00 |
| 12/31/2009 | 21 | MineralFields 2009-VIII Super Flow-Through Limited Partnership - Limited Partnership Units | 3,380,000.00 | 33,800.00 |
| 12/31/2009 | 468 | MineralFields 2009 Super Flow-Through Limited Partnership - Limited Partnership Units | 19,306,750.00 | 193,067.50 |
| 01/20/2009 to 12/21/2009 | 10 | Miralta Capital L.P Units | 3,611,000.00 | 3,611.00 |
| 11/25/2009 to 12/04/2009 | 19 | Mustang Minerals Corp Flow-Through Shares | 1,267,955.12 | 9,753,499.00 |
| 11/20/2009 | 32 | Nanika Resouces Inc Units | 450,000.00 | 4,444,442.00 |
| 10/27/2009 | 32 | Nanika Resources Inc Units | 900,000.00 | 11,250,000.00 |
| 12/17/2009 to 12/24/2009 | 80 | Newport Canadian Equity Fund - Units | 2,343,393.36 | 19,238.29 |

| Transaction Date | No of Purchasers | Issuer/Security | Total Purchase Price (\$) | No of Securities Distributed |
|-----------------------------|---------------------|---|------------------------------|------------------------------------|
| 12/17/2009 to 12/24/2009 | 74 | Newport Fixed Income Fund - Units | 2,737,409.83 | 26,188.00 |
| 12/18/2009 to 12/24/2009 | 84 | Newport Global Equity Fund - Units | 2,838,900.00 | 48,869.40 |
| 11/30/2009 | 5 | Newport Strategic Yield Fund - Units | 239,999.27 | 21,057.00 |
| 12/17/2009 to 12/24/2009 | 84 | Newport Yield Fund - Units | 2,528,977.76 | 23,022.86 |
| 12/31/2009 | 9 | Newstart Canada - Debt | 577,000.00 | N/A |
| 01/01/2010 | 95 | Norema Income Fund - Units | 129,350.00 | 2,587.00 |
| 01/01/2010 | 2 | North American Capital Inc Preferred Shares | 45,000.00 | 2.00 |
| 12/22/2009 | 19 | Northern Shield Resources Inc Common Shares | 347,500.00 | 2,780,000.00 |
| 12/21/2009 | 7 | Nuinsco Resources Limited - Units | 1,520,109.81 | 16,890,109.00 |
| 01/13/2010 | 65 | One Exploration Inc Common Shares | 3,737,009.19 | 21,982,407.00 |
| 12/04/2009 to 12/22/2009 | 44 | Oremex Resources Inc Units | 971,439.98 | 7,272,616.00 |
| 12/15/2009 | 73 | Oro Silver Resources Ltd Common Shares | 1,476,250.00 | 8,683,823.00 |
| 12/03/2009 | 7 | Oroco Resource Corp Units | 287,887.50 | 1,279,500.00 |
| 12/18/2009 | 7 | Osisko Mining Corporation - Common Shares | 3,562,455.00 | N/A |
| 12/30/2009 | 95 | Otish Energy Inc Common Shares | 959,598.00 | 2,559,920.00 |
| 12/10/2009 | 25 | Petaquilla Minerals Ltd Common Shares | 12,000,000.00 | 24,000,000.00 |
| 05/14/2009 | 16 | Phillipine Metals Corp Common Shares | 329,600.00 | N/A |
| 01/12/2010 to 01/20/2010 | 5 | Plasco Energy Group Inc Units | 842,549.97 | 56,169.00 |
| 01/13/2010 | 5 | Primary Petroleum Corp Common Shares | 395,000.00 | 4,937,500.00 |
| 01/25/2010 | 16 | Prophecy Resource Corp Units | 828,580.80 | 2,761,936.00 |
| 01/15/2010 | 32 | Q-Gold Resources Ltd Units | 326,550.00 | 1,866,000.00 |
| 01/01/2009 to 12/31/2009 | 368 | RBC Dexia Investor Services Trust - Units | 7,453,234,163.52 | 745,332,413.00 |
| 12/15/2009 to 12/21/2009 | 31 | Red Mile Resources Fund No. 7 - Limited Partnership Units | 55,064,580.00 | 46,468.00 |
| 12/23/2009 | 1 | RediShred Capital Corp Units | 450,000.00 | 3,000,000.00 |
| 12/30/2009 | 12 | Romios Gold Resources Inc Flow-Through Shares | 1,617,500.00 | 8,716,662.00 |
| 12/11/2009 to 12/15/2009 | 23 | Seafield Resources Ltd Units | 725,025.00 | 5,800,200.00 |
| 01/20/2010 | 33 | Silverback Media Corp Units | 17,942,527.00 | 38,222,223.00 |

| Transaction Date | No of Purchasers | Issuer/Security | Total Purchase Price (\$) | No of Securities Distributed |
|-----------------------------|---------------------|--|------------------------------|------------------------------------|
| 01/15/2010 | 83 | Skyline Apartment Real Estate Investment Trust - Trust Units | 5,607,711.07 | 509,791.91 |
| 12/31/2009 | 4 | SNS Silver Corp Flow-Through Shares | 1,000,000.00 | 4,347,826.00 |
| 01/22/2010 | 4 | Sorenson Communications, Inc Note | 11,399,729.66 | 1.00 |
| 12/24/2009 to 12/30/2009 | 17 | Spider Resources Inc Flow-Through Shares | 2,320,399.86 | N/A |
| 12/21/2009 | 1 | Spruce Ridge Resources Ltd Common Shares | 0.00 | 525,873.00 |
| 12/31/2009 | 3 | Starfield Resources Inc Flow-Through Shares | 500,000.00 | 4,761,904.00 |
| 12/14/2009 | 50 | Steller Pacific Ventures Inc Common Shares | 0.00 | N/A |
| 01/13/2010 | 1 | Streetlight Intelligence Inc Options | 500,000.00 | N/A |
| 12/10/2009 | 10 | Stroud Resources Ltd Units | 300,000.00 | 6,000,000.00 |
| 12/21/2009 | 7 | Tantalus Systems Corp Preferred Shares | 14,302,365.00 | 12,516,851.00 |
| 02/28/2009 to 04/30/2009 | 4 | Tera Balanced Small Cap - Trust Units | 249,999.10 | 11,571.50 |
| 02/28/2009 to 10/30/2009 | 5 | Tera Capital Limited Partnership 2 - Limited Partnership Units | 339,611.43 | 2,184.50 |
| 01/12/2009 to 10/30/2009 | 3 | Tera Hi Income Fund - Units | 114,985.57 | N/A |
| 01/15/2010 | 1 | TG World Energy Corp Warrants | 7,500,000.00 | N/A |
| 01/15/2010 | 22 | The Canadian Professional Services Trust - Units | 28,328.87 | 56,657.84 |
| 11/01/2009 to 12/01/2009 | 2 | The Group 1 Balanced Fund LP - Limited Partnership Units | 2,000,000.00 | 180,955.40 |
| 01/02/2009 to 12/16/2009 | 16 | The Strategic Retirement Fund - Units | 764,916.63 | 7,554.08 |
| 01/15/2010 | 1 | Timbercreek Mortgage Investment Corporation - Common Shares | 2,000,000.00 | 200,000.00 |
| 12/31/2009 | 101 | Trans-America Genetique S.E.C Limited Partnership Units | 1,120,000.00 | 1,120.00 |
| 12/23/2009 | 31 | TransGaming Inc Units | 8,912,239.00 | 12,731,770.00 |
| 12/14/2009 | 71 | Traxion Energy Inc Common Shares | 3,262,500.01 | 43,500,000.00 |
| 12/22/2009 | 185 | Trelawney Mining and Exploration Inc Units | 10,411,300.00 | 4,605,000.00 |
| 12/21/2009 to 12/29/2009 | 6 | Tribute Minerals Inc Units | 1,299,000.08 | 2,500,000.00 |
| 12/11/2009 | 1 | Vaaldiam Resources Ltd Common Shares | 150,000.00 | 5,000,000.00 |
| 01/12/2010 | 106 | VersaPay Corporation - Receipts | 3,531,401.00 | 2,354,267.00 |
| 01/13/2010 | 61 | Videotron Ltd Notes | 300,000,000.00 | N/A |

| Transaction Date | No of Purchasers | Issuer/Security | Total Purchase Price (\$) | No of Securities Distributed |
|-----------------------------|---------------------|--|------------------------------|------------------------------------|
| 12/09/2009 to 12/15/2009 | 6 | Wallbridge Mining Company Limited - Flow- Through Shares | 654,999.00 | 2,314,811.00 |
| 01/15/2010 | 32 | Walton AZ Mystic Vista Limited Partnership - Units | 896,553.20 | 87,154.00 |
| 01/15/2010 | 41 | Walton AZ Verona Investment Corporation - Common Shares | 932,950.00 | 93,295.00 |
| 01/15/2010 | 24 | Walton TX Austin Land Investment Corporation - Common Shares | 598,480.00 | 59,848.00 |
| 01/15/2010 | 4 | Walton TX Austin Land Limited Partnership - Limited Partnership Units | 778,198.98 | 75,774.00 |
| 12/04/2009 | 3 | Western Copper Corporation - Units | 5,375,000.00 | 2,150,000.00 |
| 12/08/2009 | 5 | Western Troy Capital Resources Inc Flow- Through Shares | 1,600,000.00 | 4,000,000.00 |
| 01/07/2010 | 21 | Wireless2 Technologies Inc Units | 400,050.00 | 5,334,000.00 |
| 12/18/2009 | 8 | xRM Global Inc Common Shares | 1,704,662.00 | 3,409,324.00 |
| 12/17/2009 to 12/18/2009 | 15 | Yorbeau Resources Inc Common Shares | 1,379,000.00 | 5,516,000.00 |
| 12/07/2009 | 12 | Yorbeau Resources Inc Common Shares | 1,350,000.00 | 5,400,000.00 |



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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Aura Minerals Inc.

Principal Regulator - British Columbia

Type and Date:

Amended and Restated Preliminary Short Form Prospectus

dated January 26, 2010

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

\$100,800,000.00 - 24,000,000 Common Shares

Price: \$4.20 per Common Share Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.

Wellington West Capital Markets Inc.

Raymond James Ltd.

Dundee Securities Corporation

Genuity Capital Markets

Promoter(s):

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Project #1526152

Issuer Name:

Canadian First Financial Holdings Limited

Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated January 27, 2010

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

\$600,000.00 - 400,000 Common Shares

Price: \$1.20 per Common Share

Underwriter(s) or Distributor(s):

Promoter(s):

Project #1527554

1 10,000 # 1027 004

Issuer Name:

DPVC Inc.

Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated January 27, 2010

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

\$6,890,000.00 (19,685,714 Common Shares)

Price: \$0.35 per Common Share

Minimum Subscription: \$350 (1,000 Common Shares)

Underwriter(s) or Distributor(s):

Wellington West Capital Inc.

Sora Group Wealth Advisors Inc.

Promoter(s):

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Project #1527724

Issuer Name:

Geologix Explorations Inc.

Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated January 27, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

\$ * - * Units (consisting of Common Shares and Warrants)

Price: \$ * per Unit

Underwriter(s) or Distributor(s):

Salman Partners Inc.

Fraser Mackenzie Limited

Raymond James Ltd.

Promoter(s):

Project #1527703

Issuer Name:

Golden Minerals Company

Principal Regulator - Ontario

Type and Date:

Second Amended and Restated Preliminary Long Form

Prospectus dated January 25, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

US\$104,824,920.00 - * Shares of Common Stock

US\$ * per Share of Common Stock

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.

Promoter(s):

Project #1515200

Issuer Name:

Ivanhoe Energy Inc.

Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated January 29, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

\$125,000,001.00 - 41,666,667 Common Shares and

10,416,667 Purchase Warrants

Issuable upon Conversion of41,666,667 Outstanding

Special Warrants

Price: \$3.00 per Special Warrant

Underwriter(s) or Distributor(s):

Macquarie Capital Markets Canada Ltd

Promoter(s):

Project #1529520

Mavrix Explore 2010 - I FT Limited Partnership

Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated January 25, 2010

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

Maximum offering: \$50,000,000.00 (5,000,000 Units) Minimum offering: \$5,000,000.00 (500,000 Units)

Minimum Subscription: 250 Units Subscription Price: \$10.00 per Unit Underwriter(s) or Distributor(s): Dundee Securities Corporation

BMO Nesbitt Burns Inc. Canaccord Financial Ltd.

Scotia Capital Inc.
Raymond James Ltd.

Desjardins Securities Inc.

GMP Securities L.P.

M Partners Inc.

Macquarie Capital Markets Canada Ltd. Wellington West Capital Markets Inc.

Industrial Alliance Securities Inc. Queensbury Securities Inc.

Research Capital Corporation

Promoter(s):

Mavrix Explore 2010 - I FT Management Limited

Mavirx Fund Management Inc.

Project #1527360

Issuer Name:

MINT Income Fund

Principal Regulator – Alberta

Type and Date:

Amendment #1 dated January 26, 2010 to Preliminary Short Form Prospectus dated January 18, 2010 NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.
Middlefield Capital Corporation

Promoter(s):

Project #1526231

Issuer Name:

Noront Resources Ltd.

Type and Date:

Preliminary Short Form Prospectus dated February 1, 2010

Receipted on February 2, 2010

Offering Price and Description:

\$6,700,001.00 - 2,436,364 Common Shares

Price: \$2.75 per Common Share Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1530068

Issuer Name:

O'Leary BRIC-Plus Income & Growth Fund

Principal Regulator - Quebec

Type and Date:

Preliminary Long Form Prospectus dated January 26, 2010

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

\$ * - * Units

Price: \$12.00 per Unit Minimum Purchase: 100 Units Underwriter(s) or Distributor(s):

CIBC World Markets Inc. RBC Dominion Securities Inc. BMO Nesbitt Burns Inc.

Scotia Capital Inc.

National Bank Financial Inc.

Canaccord Financial Ltd.

HSBC Securities (Canada) Inc.

Macquarie Capital Markets Canada Ltd.

Dundee Securities Corporation

GMP Securities L.P.

Raymond James Ltd.

Wellington West Capital Markets Inc.

Desjardins Securities Inc.

Manulife Securities Incorporated

MGI Securities Inc. Paradigm Capital Inc.

Research Capital Corporation

Promoter(s):

O'Leary Funds Management LP

Project #1527359

Issuer Name:

Qwest Energy 2010 Flow-Through Limited Partnership

Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated February 1, 2010

NP 11-202 Receipt dated February 1, 2010

Offering Price and Description:

Maximum Offering: \$25,000,000.00 (1,000,000 Units) Minimum Offering: \$5,000,000.00 (200,000 Units)

Price: \$25.00 per Unit

Minimum Purchase: 100 Units Underwriter(s) or Distributor(s):

Dundee Securities Corporation

BMO Nesbitt Burns Inc.

RBC Dominion Securities Inc.

Scotia Capital Inc.

HSBC Securities (Canada) Inc.

Canaccord Financial Ltd.

GMP Securities L.P.

Manulife Securities Inc.

Raymond James Ltd.

Wellington West Capital Management Inc.

Promoter(s):

Qwest Investment Management Corp.

Project #1530016

RESULT ENERGY INC.

Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated January 29, 2010

NP 11-202 Receipt dated February 1, 2010

Offering Price and Description:

\$144,345,095.00 - 529,803,912 Common Shares issuable

on exercise of outstanding Special Warrants

Price: \$0.28 per Special Warrant Underwriter(s) or Distributor(s):

Macquarie Capital Markets Canada Ltd.

National Bank Financial Inc.

FirstEnergy Capital Corp.

GMP Securities L.P.

BMO Nesbitt Burns Inc.

CIBC World Markets Inc.

Cormark Securities Inc.

Genuity Capital Markets Inc.

TD Securities Inc.

Research Capital Inc.

Thomas Weisel Partners Canada Inc.

Promoter(s):

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Project #1529357

Issuer Name:

Rio Novo Gold Inc.

Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Long Form Prospectus

dated January 28, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

GMP Securities L.P.

RBC Dominion Securities Ltd.

Thomas Weisel Partners Canada Inc.

Canaccord Financial Ltd.

Macquarie Capital Markets Canada Ltd.

TD Securities Inc.

Cormark Securities Inc.

MGI Securities Inc.

Promoter(s):

CoralBrook Ltd.

Project #1526750

Issuer Name:

Seabridge Gold Inc.

Principal Regulator - Ontario

Type and Date:

Preliminary Base Shelf Prospectus dated January 26, 2010

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

\$100,000,000.00 - COMMON SHARES

Underwriter(s) or Distributor(s):

Promoter(s):

-

Project #1527272

Issuer Name:

Second Wave Petroleum Inc.

Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated January 29, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

\$10,000,000.00 -5,000,000 Common Shares

Price: \$2.00 per Common Share

Underwriter(s) or Distributor(s):

Wellington West Capital Markets Inc.

Acument Capital Finance Partners Limited

GMP Securities L.P.

CIBC World Markets Inc.

Promoter(s):

-

Project #1529276

Issuer Name:

Sprott Physical Gold Trust

Principal Regulator - Ontario

Type and Date:

Second Amended and Restated Preliminary Long Form

Base PREP Prospectus dated February 1, 2010

NP 11-202 Receipt dated February 2, 2010

Offering Price and Description:

US\$ *- * Units

Price: US\$10.00 per Unit

Minimum Subscription: US\$1,000 (100 Units)

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

Morgan Stanley Canada Limited

BMO Nesbitt Burns Inc.

Scotia Capital Inc.

TD Securities Inc.

Canaccord Capital Ltd.

GMP Securities L.P.

Dundee Securities Corporation

HSBC Securities (Canada) Inc.

Promoter(s):

Sprott Asset Management LP

Project #1513451

Stornoway Diamond Corporation Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated February 2, 2010 NP 11-202 Receipt dated February 2, 2010

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.

Promoter(s):

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Project #1530228

Issuer Name:

Superior Plus Corp.

Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated January 26, 2010

NP 11-202 Receipt dated January 26, 2010

Offering Price and Description:

\$60,247,500.00 - 4,350,000 Common Shares

Price: \$13.85 per Common Share Underwriter(s) or Distributor(s):

Scotia Capital Inc.

National Bank Financial Inc.

TD Securities Inc.

CIBC World Markets Inc.

BMO Nesbitt Burns Inc.

Cormark Securities Inc.

Promoter(s):

-

Project #1527303

Issuer Name:

Whiterock Real Estate Investment Trust

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

\$45,074,250.00 -3,015,000 Units

Price: \$14.95 per Unit

Underwriter(s) or Distributor(s):

TD Securities Inc.

CIBC World Markets Inc.

Scotia Capital Inc.

BMO Nesbitt Burns Inc.

Canaccord Financial Ltd.

National Bank Financial Inc.

Dundee Securities Corporation

Promoter(s):

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Project #1528143

Issuer Name:

Alexco Resource Corp.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 1, 2010

NP 11-202 Receipt dated February 1, 2010

Offering Price and Description:

C\$25,725,000.00 - 7,350,000 COMMON SHARES Price:

C\$3.50 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.

Cormark Securities Inc.

Promoter(s):

Project #1525212

Issuer Name:

Anderson Energy Ltd.

Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated January 27, 2010

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

\$27,912,500.00 - 19,250,000 Common Shares

Price: \$1.45 per Common Share

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc

RBC Dominion Securities Inc.

Cormark Securities Inc.

National Bank Financial Inc.

CIBC World Markets Inc.

GMP Securities L.P.

Promoter(s):

Project #1525659

Issuer Name:

Aquarius Capital Corp.

Principal Regulator - Ontario

Type and Date:

Final Prospectus dated February 1, 2010

NP 11-202 Receipt dated February 2, 2010

Offering Price and Description:

Minimum Offering: \$200,000.00 or 2,000,000 Common Shares; Maximum Offering: \$400,000.00 or 4,000,000

Common Shares: Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Northern Securities Inc.

Promoter(s):

Project #1445400

Aura Minerals Inc.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

\$100,800,000.00 - 24,000,000 Common Shares

Price: \$4.20 per Common Share Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.

Wellington West Capital Markets Inc.

Raymond James Ltd.

Dundee Securities Corporation

Genuity Capital Markets

Promoter(s):

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Project #1526152

Issuer Name:

Bellamont Exploration Ltd.

Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 1, 2010

NP 11-202 Receipt dated February 1, 2010

Offering Price and Description:

\$20,000,000.00 - 25,000,000 Subscription Receipts each

representing the right to receive one Class A Share Price: \$0.80 per Subscription Receipt

Underwriter(s) or Distributor(s):

FirstEnergy Capital Corp.

RBC Dominion Securities Inc.

GMP Securities L.P.

National Bank Financial Inc.

Haywood Securities Inc.

Mackie Research Capital Corporation

Promoter(s):

-

Project #1526890

Issuer Name:

Brett Resources Inc.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated January 29, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

\$26,092,500.00 - 12,425,000 Common Shares

Price: \$2.10 per Common Share

Underwriter(s) or Distributor(s):

Dundee Securities Corporation

Canaccord Financial Limited

Cormark Securities Inc.

Promoter(s):

-

Project #1525739

Issuer Name:

Build America Investment Grade Bond Fund

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

Maximum \$125,000,000.00 Class A Units and Class F

Units

(Maximum 5,000,000 Class A Units and/or Class F Units)

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

CIBC World Markets Inc.

RBC Dominion Securities Inc.

Scotia Capital Inc.

HSBC Securities (Canada) Inc.

National Bank Financial Inc.

TD Securities Inc.

GMP Securities L.P.

Blackmont Capital Inc.

Canaccord Financial Ltd.

Dundee Securities Corporation

Raymond James Ltd.

Desjardins Securities Inc.

Research Capital Corporation

Wellington West Capital Markets Inc.

Promoter(s):

Connor, Clark & Lunn Capital Markets Inc.

Project #1518293

Canadian High Income Equity Fund Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 27, 2010 NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

Maximum Offering: \$200,000,004.00 (16,666,667

Combined Units)

Minimum Offering: \$40,000,008.00 (3,333,334 Combined

Units)

Price: \$12.00 per Combined Unit

(Each Combined Unit consists of one Unit and one Warrant

to purchase one Unit)

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.

RBC Dominion Securities Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Scotia Capital Inc.

TD Securities Inc.

Canaccord Financial Ltd.

HSBC Securities (Canada) Inc.

Raymond James Ltd.

Desjardins Securities Inc.

Dundee Securities Corporation

Manulife Securities Incorporated

Research Capital Corporation

Blackmont Capital Inc.

Wellington West Capital Markets Inc.

Promoter(s):

Brompton Funds Management Limited

Project #1517208

Issuer Name:

Claude Resources Inc.

Principal Regulator - Saskatchewan

Type and Date:

Final Short Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

\$13,800,000.00 - 12,000,000 Common Shares and 6.000.000 Common Share Purchase Warrants

Price: \$1.15 per Special Warrant

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

Wellington West Capital Markets Inc.

Toll Cross Securities Inc.

D&D Securities Company

Promoter(s):

_

Project #1524535

Issuer Name:

Claymore Canadian Financial Monthly Income ETF Claymore Equal Weight Banc & Lifeco ETF

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated February 2, 2010

Offering Price and Description:

Common Units and Advisor Class Units @ Net Asset Value

Underwriter(s) or Distributor(s):

Claymore Investments, Inc.

Promoter(s):

-

Project #1520189

Issuer Name:

Claymore Gold Bullion ETF Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 29, 2010

NP 11-202 Receipt dated February 1, 2010

Offering Price and Description:

Hedged Common Units and Non-Hedged Common Units @ Net Asset Value

Underwriter(s) or Distributor(s):

Claymore Investments, Inc.

Promoter(s):

Claymore Investments, Inc.

Project #1515309

Issuer Name:

CORUS Entertainment Inc.

Principal Regulator - Ontario

Type and Date:

Final Base Shelf Prospectus dated January 29, 2010

NP 11-202 Receipt dated February 1, 2010

Offering Price and Description:

\$500,000,000.00

Debt Securities

Underwriter(s) or Distributor(s):

Promoter(s):

Project #1526478

Crombie Real Estate Investment Trust Principal Regulator - Nova Scotia

Type and Date:

Final Short Form Prospectus dated January 29, 2010 NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

\$45,000,000.00 - 5.75% Series C Convertible Unsecured

Subordinated Debentures
Price: \$1,000.00 per Debenture
Underwriter(s) or Distributor(s):

Onderwriter(s) or distributor

CIBC World Markets Inc.

TD Securities Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Canaccord Financial Ltd.

Macquarie Capital Markets Canada Ltd.

Beacon Securities Limited Raymond James Ltd.

Jennings Capital Inc.

Promoter(s):

Project #1526404

Issuer Name:

Enablence Technologies Inc. Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated January 27, 2010

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

Up to \$25,000,000.00 - Up to 62,500,000 Common Shares

Price: \$0.40 per Common Share Underwriter(s) or Distributor(s):

Paradigm Capital Inc. Raymond James Ltd.

Promoter(s):

_

Project #1523668

Issuer Name:

Extendicare Real Estate Investment Trust

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

\$75,033,750.00 - 8,025,000 REIT Units

Price: \$9.35 per REIT Unit

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

CIBC World Markets Inc.

TD Securities Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Versant Partners Inc.

Promoter(s):

-

Project #1525669

Issuer Name:

Horizons BetaPro S&P/TSX 60 Bull Plus ETF

Horizons BetaPro S&P/TSX 60 Bear Plus ETF

Horizons BetaPro S&P/TSX Global Base Metals Bull Plus

Horizons BetaPro S&P/TSX Global Base Metals Bear Plus FTF

Horizons BetaPro COMEX® Gold Bullion Bull Plus ETF

Horizons BetaPro COMEX®Gold Bullion Bear Plus ETF

Horizons BetaPro NYMEX® Crude Oil Bull Plus ETF

Horizons BetaPro NYMEX® Crude Oil Bear Plus ETF

Horizons BetaPro NYMEX® Natural Gas Bull Plus ETF

Horizons BetaPro NYMEX® Natural Gas Bear Plus ETF

Horizons BetaPro S&P Agribusiness North America Bull

Plus ETF

Horizons BetaPro S&P Agribusiness North America Bear Plus ETF

Horizons BetaPro S&P/TSX 60 Inverse ETF

Horizons BetaPro S&P/TSX Capped Financials Inverse

Horizons BetaPro S&P/TSX Capped Energy Inverse ETF

Horizons BetaPro S&P/TSX Global Gold Inverse ETF

Horizons BetaPro S&P 500® Inverse ETF

Horizons BetaPro NYMEX® Natural Gas Inverse ETF

Horizons BetaPro NYMEX® Crude Oil Inverse ETF

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated February 2, 2010

Offering Price and Description:

Mutual fund securities at net asset value

Underwriter(s) or Distributor(s):

Promoter(s):

-

Project #1516465

Issuer Name:

JJR VI Acquisition Corp.

Principal Regulator - Ontario

Type and Date:

Final CPC Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

\$250,000.00 - 2,500,000 Common Shares

Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Blackmont Capital Inc.

Promoter(s):

Ronald D. Schmeichel

Project #1522940

Jov Leon Frazer Preferred Equity Fund

Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated January 28, 2010 NP 11-202 Receipt dated February 2, 2010

Offering Price and Description:

Class A, F, I and T Units

Underwriter(s) or Distributor(s):

Promoter(s):

Project #1520254

Issuer Name:

MSP 2010 Resource Limited Partnership

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 27, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

Underwriter(s) or Distributor(s):

CIBC World Market Inc.

BMO Nesbitt Burns Inc.

RBC Dominion Securities Inc.

National Bank Financial Inc.

Scotia Capital Inc.

HSBC Securities (Canada) Inc.

Dundee Securities Corporation

Blackmont Capital Inc.

Canaccord Financial Ltd.

M. Partners Inc.

Manulife Securities Incorporated

Raymond James Ltd.

Wellington West Capital Markets Inc.

Designation Securities Inc.

Promoter(s):

MSP 2010 GP Inc.

Mackenzie Financial Corporation

Project #1516502

Issuer Name:

Mukuba Resources Limited (formerly, BF Minerals Ltd.)

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 27, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

\$5,000,000.00 - Minimum 11,111,111 Units

\$10,000,000.00 - Maximum 22,222,222 Units

Price: \$0.45 per Unit

Underwriter(s) or Distributor(s):

GMP Securities L.P.

Canaccord Financial Ltd.

Promoter(s):

Mukuba Resources Limited (Guernsey)

Project #1492652

Issuer Name:

NCE Diversified Flow-Through (10) Limited Partnership

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

Limited Partnership Units

Maximum Offering: \$100,000,000.00 (4,000,000 Units) Minimum Offering: \$5,000,000.00 (200,000 Units)

Price per Unit: \$25.00

Minimum Subscription: \$5,000.00 (200 Units)

Underwriter(s) or Distributor(s): RBC Dominion Securities Inc.

CIBC World Market Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

TD Securities Inc.

HSBC Securities (Canada) Inc.

Scotia Capital Inc.

Canaccord Financial Ltd.

Dundee Securities Corporation

Raymond James Ltd.

Blackmont Capital Inc.

Manulife Securities Incorporated

Burgeonvest Bick Securities Limited

Designation Securities Inc.

Industrial Alliance Securities Inc.

Jory Capital Inc.

Laurentian Bank Securities Inc.

M Partners Inc.

Research Capital Corporation

Wellington West Capital Markets Inc.

Promoter(s):

Petro Assets Inc.

Project #1518972

(2010) 33 OSCB 1294 February 5, 2010

Sentry Select Balanced Class

Sentry Select Balanced Fund

Sentry Select Canadian Energy Growth Class

Sentry Select Canadian Energy Growth Fund

Sentry Select Canadian Income Class

Sentry Select Canadian Income Fund

Sentry Select Canadian Resource Class

Sentry Select China Fund

Sentry Select Diversified Total Return Fund

Sentry Select Dividend Growers Fund

Sentry Select Energy Income Fund

Sentry Select Growth & Income Fund

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Sentry Select Mining Opportunities Class

Sentry Select Money Market Class

Sentry Select Money Market Fund

Sentry Select Precious Metals Growth Class

Sentry Select Precious Metals Growth Fund

Sentry Select REIT Fund

Sentry Select Small Cap Income Fund

Principal Regulator - Ontario

Type and Date:

Amendment #1 dated January 27, 2010 to the Final

Simplified Prospectuses and Annual Information Form

dated June 15, 2009

NP 11-202 Receipt dated February 2, 2010

Offering Price and Description:

_

Underwriter(s) or Distributor(s):

Sentry Select Capital Inc.

Sentry Select Capital Inc.

Promoter(s):

Sentry Select Capital Inc.

Project #1416042

Issuer Name:

Sprott 2010 Flow-Through Limited Partnership

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated January 27, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

Limited Partnership Units

Maximum Offering: \$100,000,000.00 (4,000,000 Units)
Minimum Offering: \$10,000,000.00 (400,000 Units)

Price per Unit: \$25.00

Minimum Subscription: \$5,000.00 (200 Units)

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

TD Securities Inc.

CIBC World Markets Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Dundee Securities Corporation

Scotia Capital Inc.

Canaccord Financial Inc.

GMP Securities L.P.

HSBC Securities (Canada) Inc.

Blackmont Capital Inc.

Desjardins Securities Inc.

Manulife Securities Incorporated

Wellington West Capital Markets Inc.

Promoter(s):

Sprott 2010 Corporation

Sprott Asset Management GP Inc.

Project #1517715

Issuer Name:

Victoria Gold Corp. (formerly Victoria Resource

Corporation)

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated January 26, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

\$14,999,999.00 - 23,809,522 Common Shares issuable upon exercise of 23,809,522 Outstanding Special Warrants

Price: \$0.63 per Special Warrant

Underwriter(s) or Distributor(s):

Raymond James Ltd.

Wellington West Capital Markets Inc.

Desjardins Securities Inc.

CI Capital Markets Inc.

GMP Securities L.P.

Sandfire Securities Inc.

Promoter(s):

Project #1519709

Webb Enhanced Growth Fund Principal Regulator - Ontario

Type and Date:

Amendment #3 dated January 8, 2010 to the Final Simplified Prospectus and Annual Information Form dated July 29, 2009

NP 11-202 Receipt dated January 27, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Promoter(s):

Webb Asset Management Canada, Inc.

Project #1447924

Issuer Name:

Wild Stream Exploration Inc. Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated January 29, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

\$26,235,000.00 - 5,300,000 Common Shares

Price: \$4.95 per Common Share **Underwriter(s) or Distributor(s):**

National Bank Financial Inc.

Paradigm Capital Inc.

FirstEnergy Capital Corp.

GMP Securities L.P.

Promoter(s):

-

Project #1526422

Issuer Name:

Perseus Mining Limited

Principal Regulator - British Columbia

Type and Date:

Final Long Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 28, 2010

Offering Price and Description:

C\$34,164,000.00 - 23,400,000 Ordinary Shares Issuable on Conversion of 23,400,000 Subscription Receipts

Underwriter(s) or Distributor(s):

Cormark Securities Inc.

Clarus Securities Inc.

Dundee Securities Corporation

BMO Nesbitt Burns Inc.

CIBC World Markets Inc.

GMP Securities LP

Promoter(s):

_

Project #1519387

Issuer Name:

MRF 2010 Resource Limited Partnership

Principal Regulator - Alberta

Type and Date:

Final Long Form Prospectus dated January 28, 2010

NP 11-202 Receipt dated January 29, 2010

Offering Price and Description:

\$100,000,000.00 (maximum) - (maximum - 4,000,000

Units @ \$25/Unit)

\$10,000,000.00 (minimum) - (minimum – 400,000 Units @

\$25/Unit)

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.

RBC Dominion Securities Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Scotia Capital Inc.

TD Securities Inc.

Canaccord Capital Inc.

Dundee Securities Corporation

HSBC Securities (Canada) Inc.

Manulife Securities Incorporated

Middlefield Capital Corporation

Raymond James Ltd.

Blackmont Capital Inc.

GMP Securities L.P.

Wellington West Capital Markets Inc.

Promoter(s):

Middlefield Limited

Middlefield Group Limited

Project #1520368

Chapter 12

Registrations

12.1.1 Registrants

| Туре | Company | Category of Registration | Effective Date |
|-------------------------------------|--|--|-------------------|
| New Registration | Bayfront Capital Partners Ltd. | Exempt Market Dealer | January 28, 2010 |
| Voluntary Surrender of Registration | Barclays Global Investors Services Canada Limited | Investment Dealer | February 1, 2010 |
| Name Change | From: Blackmont Capital Inc. To: Macquarie Private Wealth Inc./Gestion privée de Partrimoine Macquarie Inc. | Investment Dealer | February 1, 2010 |
| Change of Registration Category | RCI Investment Management Inc. | From: Exempt Market Dealer and Portfolio Manager To: Exempt Market Dealer, Portfolio Manager and Investment Fund Manager. | February 2, 2010. |
| Change of Registration Category | Harvest Portfolios Group Inc | From: Exempt Market Dealer To: Exempt Market Dealer and Investment Fund Manager. | February 2, 2010 |
| Change of Registration Category | Enriched Investing Incorporated | From: Exempt Market Dealer and Portfolio Manager To: Exempt Market Dealer, Portfolio Manager and Investment Fund Manager. | February 2, 2010 |
| Change of Registration Category | Burgeonvest Bick Securities Limited | From: Investment Dealer To: Investment Dealer and Investment Fund Manager. | February 2, 2010 |
| New Registration | Noumena Capital Partners Ltd. | Exempt Market Dealer Investment Fund Manager Portfolio Manager | February 2, 2010 |

| Туре | Company | Category of Registration | Effective Date |
|------------------------------------|---|---|------------------|
| Change of Registration Category | Quadravest Capital Management Inc. | From: Exempt Market Dealer, Portfolio Manager To:Exempt Market Dealer, Portfolio Manager, Investment Fund Manager | February 2, 2010 |
| Name Change | From: Research Capital Corporation To: Mackie Research Capital Corporation | Investment Dealer | January 31, 2010 |

Chapter 13

SROs, Marketplaces and Clearing Agencies

13.1 SROs

13.1.1 MFDA Hearing Panel Makes Findings Against Michele and Jeffrey Longchamps

NEWS RELEASE For immediate release

MFDA HEARING PANEL MAKES FINDINGS AGAINST MICHELE AND JEFFREY LONGCHAMPS

January 28, 2010 (Toronto, Ontario) – A disciplinary hearing in the matter of Michele Longchamps and Jeffery Longchamps (the "Respondents") concluded today before a Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada ("MFDA") in Toronto, Ontario.

The Hearing Panel found that the allegations against the Respondents had been established and imposed the following penalties and costs:

- A permanent prohibition on the authority of the Respondents to conduct securities related business in any capacity while in the employ of or associated with any MFDA Member;
- A fine in the amount of \$1,597,843.66 imposed upon Michele Longchamps in respect of Allegation 1 and 2;
- A fine in the amount \$848,921.83 imposed upon Jeffrey Longchamps in respect on Allegation 3;
- Costs in the amount of \$10,000 imposed upon Michele Longchamps; and
- Costs in the amount of \$10,000 imposed upon Jeffrey Longchamps.

The Hearing Panel advised that it will issue written reasons for its decision in due course.

A copy of the <u>Notice of Hearing</u> 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 141 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 Sets Dates for Corner, Halladay, Hanson, Moore and Rainbird Hearing in Toronto

NEWS RELEASE For immediate release

MFDA SETS DATES FOR CORNER, HALLADAY, HANSON, MOORE AND RAINBIRD HEARING IN TORONTO

January 29, 2010 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Colin Corner, Heather D. Halladay, John J. Hanson, Richard G. Moore and James E. Rainbird (the "Respondents") by Notice of Hearing dated October 21, 2008.

An appearance took place in this proceeding today by teleconference before a three-member Hearing Panel of the MFDA's Central Regional Council.

The hearing of this matter on its merits has been scheduled to take place on July 5-6, 8-9 and 12-16, 2010, commencing at 10:00 a.m. (Eastern), or as soon thereafter as the hearing can be held, in the hearing room at the offices of the MFDA located at 121 King Street West, Toronto, Ontario. The hearing will be open to the public, except as may be required for the protection of confidential matters.

A copy of the <u>Notice of Hearing</u> is available on the MFDA website at <u>www.mfda.ca</u>.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 141 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Marco Wynnyckyj
Hearings Coordinator
416-945-5146 or mwynnyckyj@mfda.ca

13.3 Clearing Agencies

13.3.1 Technical Amendments to CDS Procedures – WR1098 Regulation SHO Correction Screens – Notice of Effective Date

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

WR1098 REGULATION SHO CORRECTION SCREENS

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE CDS PROCEDURE AMENDMENT

Background

Earlier this year, CDS provided its New York Link cross-border service participants with a series of CDSX input screens and a report designed to allow monitoring of close out transactions on U.S. equity fail-to-deliver positions that were subject to the Securities and Exchange Commission's Regulation SHO Rule 204. At that time, no correction capability was provided in the event of manual input error.

It has subsequently been determined that there is a need for both a management monitoring tool, as well as input correction facilities. To achieve this, the following three changes will be made to the Reg SHO function of CDSX.

A new screen will be added that will list all of a participant's current business day's close-out requirements (currently this information is available on report RMS140, the 'Projected Close Out Report – New York Link Service'). This list screen will serve as the first point of entry into the Reg SHO function, and will be updated with real-time information as the participant completes input identifying their required close-out positions have been covered, or are exempt.

This screen will also serve as a management tool, allowing participants to quickly verify:

- their firm's on-line input has been completed by the daily 10:00 a.m. ET deadline
- the quantity identified as being covered by the participant is correct
- the quantity that has been left uncovered for CDS to take action on is correct

A second new screen – the 'Exemption Correction' screen - will be added to allow participants to change a future-dated position previously entered incorrectly as a 'Long', to a 'Deemed to Own' position.

On the 'RegSHO Covered Position Declaration' screen, a participant will now be allowed to change a current day's position incorrectly declared as covered, to being exempt as a Long or Deemed position, up to the daily 10:00 a.m. ET cutoff time.

The CDS Procedures marked for these amendments may be accessed at the CDS website at:

http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-blacklined?Open.

Description of Proposed Amendments

The proposed amendments describe the new screens and correction facilities to be provided in the Reg SHO function of CDSX, and will require changes to:

New York Link Participant Procedures Chapter 2: Regulation SHO

CDS Procedure Amendments are reviewed and approved by CDS's Strategic Development Review Committee ("SDRC"). The SDRC determines or reviews, prioritizes and oversees CDS-related systems development and other changes proposed by participants and CDS. The SDRC's membership includes representatives from the CDS Participant community and it meets on a monthly basis.

These amendments were reviewed and approved by the SDRC on December 17, 2009.

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered technical amendments as required to ensure consistency or compliance with an existing rule, securities legislation or other regulatory requirement.

C. EFFECTIVE DATE OF THE CDS PROCEDURE AMENDMENT

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as amended on November 1, 2006, and Annexe A ("Protocole d'examen et d'approbation des Règles de Services de Dépot et de Compensation CDS Inc. par l'Autorité des marchés financiers") of AMF Decision 2006-PDG-0180, made effective on November 1, 2006, CDS has determined that the proposed amendments will become effective on a date subsequently determined by CDS, and as stipulated in the related CDS Bulletin.

D. QUESTIONS

Questions regarding this notice may be directed to:

Laura Ellick
Manager, Business Systems Development & Support
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416 365-3872 Fax: 416 365-9625 e-mail: lellick@cds.ca

Chapter 25

Other Information

25.1 Exemptions

25.1.1 Man Canada AHL DP Investment 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 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, 19.3.

November 10, 2009

McMillan

Attention: Jason Chertin

Dear Sirs/Mesdames:

Re: Man Canada AHL DP Investment Fund (the Fund)

Exemptive Relief Application under Section 19.1 of National Instrument 41-101 *General Prospectus Requirements* ("NI 41-501") Application No. 2009/0693, SEDAR Project No. 1444657

By letter dated October 15, 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 Funds' prospectus, provided the Fund's final prospectus is filed no later than November 13, 2009.

Yours very truly,

"Rhonda Goldberg"
Manager, Investment Funds Branch

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