

The Ontario Securities Commission

OSC Bulletin

February 26, 2010

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

The Ontario Securities Commission

Cadillac Fairview Tower
Suite 1903, Box 55
20 Queen Street West
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M5H 3S8

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

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M1T 3V4

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

FEBRUARY 26, 2010

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

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

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

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Patrick J. LeSage	—	PJL
Carol S. Perry	—	CSP
Charles Wesley Moore (Wes) Scott	—	CWMS

SCHEDULED OSC HEARINGS

March 1, 2010 **M P Global Financial Ltd., and Joe Feng Deng**

10:00 .m.

s. 127(1)

M. Britton in attendance for Staff

Panel: DLK/MCH

March 1, 2010

9:00 a.m.

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

s. 127 and 127.1

Y. Chisholm in attendance for Staff

Panel: PJL/PLK

March 1-8, 2010

Teodosio Vincent Pangia

10:00 a.m.

s. 127

A. Heydon in attendance for Staff

Panel: TBA

March 3, 2010

10:00 a.m.

Brilliant Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York

s. 127

S. Horgan in attendance for Staff

Panel: TBA

March 5, 2010 10:00 a.m.	Peter Robinson and Platinum International Investments Inc. s. 127 M. Boswell in attendance for Staff Panel: DLK	March 22, 2010 2:30 p.m.	Paladin Capital Markets Inc., John David Culp and Claudio Fernando Maya s. 127 C. Price in attendance for Staff Panel: DLK
March 5, 2010 10:30 a.m.	Uranium308 Resources Inc., Uranium308 Resources PLC., Michael Friedman, George Schwartz, Peter Robinson, Alan Marsh Shuman and Innovative Gifting Inc. s. 127 M. Boswell in attendance for Staff Panel: DLK	March 25-26, 2010 10:00 a.m.	Gold-Quest International, 1725587 Ontario Inc. carrying on business as Health and Harmony, Harmony Club Inc., Donald Iain Buchanan, Lisa Buchanan and Sandra Gale s. 127 H. Craig in attendance for Staff Panel: TBA
March 10, 2010 10:00 a.m.	Global Energy Group, Ltd. And New Gold Limited Partnerships s. 127 H. Craig in attendance for Staff Panel: TBA	March 25-26, 2010 10:00 a.m.	W.J.N. Holdings Inc., MSI Canada Inc., 360 Degree Financial Services Inc., Dominion Investments Club Inc., Leveragepro Inc., Prosporex Investment Club Inc., Prosporex Investments Inc., Prosporex Ltd., Prosporex Inc., Networth Financial Group Inc., Networth Marketing Solutions, Dominion Royal Credit Union, Dominion Royal Financial Inc., Wilton John Neale, Ezra Douse, Albert James, Elnonieth "Noni" James, David Whitely, Carlton Ivanhoe Lewis, Mark Anthony Scott, Sedwick Hill, Trudy Huynh, Dorlan Francis, Vincent Arthur, Christian Yeboah, Azucena Garcia, Angela Curry and Prosporex Forex SPV Trust s. 127 H. Daley in attendance for Staff Panel: TBA
March 22 – April 16, 2010 10:00 a.m.	Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited s. 127 M. Britton/J.Feasby in attendance for Staff Panel: JDC/KJK		
March 22, 2010 10:00 a.m.	Nest Acquisitions and Mergers, IMG International Inc., Caroline Myriam Frayssignes, David Pelcowitz, Michael Smith, and Robert Patrick Zuk s. 37, 127 and 127.1 C. Price in attendance for Staff Panel: CSP	March 29; March 31 – April 1; April 6-9, 2010 10:00 a.m. March 30, 2010 2:30 p.m.	Shane Suman and Monie Rahman s. 127 and 127(1) C. Price in attendance for Staff Panel: JEAT/PLK

April 12, 2010	Abel Da Silva	June 28, 2010	Shallow Oil & Gas Inc., Eric O'Brien, Abel Da Silva, Gurdip Singh Gahunia aka Michael Gahunia and Abraham Herbert Grossman aka Allen Grossman
10:00 a.m.	s. 127	10:00 a.m.	
	M. Boswell in attendance for Staff		
	Panel: DLK		s. 127(7) and 127(8)
April 13, 2010	Axcess Automation LLC, Axcess Fund Management, LLC, Axcess Fund, L.P., Gordon Alan Driver and David Rutledge, Steven M. Taylor and International Communication Strategies		M. Boswell in attendance for Staff
2:30 p.m.			Panel: TBA
	s. 127	June 29, 2010	Oversea Chinese Fund Limited Partnership, Weizhen Tang and Associates Inc., Weizhen Tang Corp., and Weizhen Tang
	M. Adams in attendance for Staff	10:00 a.m.	
	Panel: TBA		s. 127 and 127.1
			M. Britton in attendance for Staff
May 3-28, 2010	Sextant Capital Management Inc., Sextant Capital GP Inc., Sextant Strategic Opportunities Hedge Fund L.P., Otto Spork, Robert Levack and Natalie Spork		Panel: TBA
10:00 a.m.		July 9, 2010	Hillcorp International Services, Hillcorp Wealth Management, Suncorp Holdings, 1621852 Ontario Limited, Steven John Hill, John C. McArthur, Daryl Renneberg and Danny De Melo
	s. 127	10:00 a.m.	
	S. Kushneryk in attendance for Staff		s. 127
	Panel: PJL/MCH		A. Clark in attendance for Staff
May 31 – June 4, 2010	Lyndz Pharmaceuticals Inc., James Marketing Ltd., Michael Eatch and Rickey McKenzie		Panel: CSP
10:00 a.m.		September 13 – September 24, 2010	New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 Ontario Ltd., L. Jeffrey Pogachar, Paola Lombardi and Alan S. Price
	s. 127(1) and (5)	10:00 a.m.	
	J. Feasby in attendance for Staff		s. 127
	Panel: TBA		S. Kushneryk in attendance for Staff
June 21, 2010	Rezwealth Financial Services Inc., Pamela Ramoutar, Chris Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 Ontario Inc. and Sylvan Blackett		Panel: TBA
10:00 a.m.			
	s. 127(1) and (5)	March 7, 2011	Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton
	A. Heydon in attendance for Staff	10:00 a.m.	
	Panel: TBA		s. 127
			H. Craig in attendance for Staff
			Panel: TBA

TBA	<p>Yama Abdullah Yaqeen</p> <p>s. 8(2)</p> <p>J. Superina in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>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</p> <p>s. 127</p> <p>C. Price in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell</p> <p>s. 127</p> <p>J. Waechter in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Biovail Corporation, Eugene N. Melnyk, Brian H. Crombie, John R. Miszuk and Kenneth G. Howling</p> <p>s. 127(1) and 127.1</p>
TBA	<p>Frank Dunn, Douglas Beatty, Michael Gollogly</p> <p>s. 127</p> <p>K. Daniels in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>J. Superina, A. Clark in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)</p> <p>s. 127 and 127.1</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Global Partners Capital, Asia Pacific Energy Inc., 1666475 Ontario Inc. operating as "Asian Pacific Energy", Alex Pidgeon, Kit Ching Pan also known as Christine Pan, Hau Wai Cheung, also known as Peter Cheung, Tony Cheung, Mike Davidson, or Peter McDonald, Gurdip Singh Gahunia also known as Michael Gahunia or Shawn Miller, Basis Marcellinius Toussaint also known as Peter Beckford, and Rafique Jiwani also known as Ralph Jay</p> <p>s. 127</p> <p>M. Boswell in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun</p> <p>s. 127</p> <p>C. Price in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Gregory Galanis</p> <p>s. 127</p> <p>P. Foy in attendance for Staff</p> <p>Panel: TBA</p>		

TBA	MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric	TBA	Coventree Inc., Geoffrey Cornish and Dean Tai
	s. 127 and 127(1)		s. 127
	D. Ferris in attendance for Staff		J. Waechter in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony	TBA	IBK Capital Corp. and William F. White
	s. 127 and 127.1		s. 127
	J. Feasby in attendance for Staff		M. Vaillancourt in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	Gold-Quest International, Health and Harmony, Iain Buchanan and Lisa Buchanan	TBA	Lehman Cohort Global Group Inc., Anton Schnedl, Richard Unzer, Alexander Grundmann and Henry Hehlsinger
	s. 127		s. 127
	H. Craig in attendance for Staff		H. Craig in attendance for Staff
	Panel: TBA		Panel: JEAT/CSP/SA
TBA	Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson	TBA	Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance
	s. 127(1) and 127(5)		s. 127
	M. Boswell in attendance for Staff		J. Feasby in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	Sulja Bros. Building Supplies, Ltd. (Nevada), Sulja Bros. Building Supplies Ltd., Kore International Management Inc., Petar Vucicevich and Andrew DeVries	TBA	Tulsiani Investments Inc. and Sunil Tulsiani
	s. 127 and 127.1		s. 127
	M. Britton in attendance for Staff		M. Vaillancourt/T. Center in attendance for Staff
	Panel: TBA		Panel: TBA
		TBA	Maple Leaf Investment Fund Corp. and Joe Henry Chau
			s. 127
			M. Vaillancourt/T. Center in attendance for Staff
			Panel: TBA

TBA

**Maple Leaf Investment Fund Corp.,
Joe Henry Chau (aka: Henry Joe
Chau, Shung Kai Chow and Henry
Shung Kai Chow), Tulsiani
Investments Inc., Sunil Tulsiani
and Ravinder Tulsiani**

s. 127

M. Vaillancourt/T. Center 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. Boulton and Peter Y. Atkinson**

**Irwin Boock, Stanton Defreitas, Jason Wong,
Saudia Allie, Alena Dubinsky, Alex Khodjaints
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 31-315 – Omnibus / blanket orders exempting registrants from certain provisions of NI 31-103 Registration Requirements and Exemptions

CSA STAFF NOTICE 31-315

**OMNIBUS / BLANKET ORDERS EXEMPTING REGISTRANTS
FROM CERTAIN PROVISIONS OF NATIONAL INSTRUMENT 31-103
REGISTRATION REQUIREMENTS AND EXEMPTIONS**

Since the coming into force of National Instrument 31-103 *Registration Requirements and Exemptions* (NI 31-103), the Canadian Securities Administrators (the CSA or we) have received applications requesting exemptions from certain provisions of the Instrument. CSA members have issued orders (the “orders”) that provide

- The continuation of transition/grandfathering provisions for persons and companies adding a jurisdiction
- Relief from the chief compliance officer (CCO) proficiency requirements for portfolio managers adding a category
- Relief from proficiency requirements for portfolio managers adding registration in the mutual fund dealer or exempt market dealer category
- Relief from the time limits on examination requirements for dealing representatives of exempt market dealers (in Ontario and Newfoundland and Labrador only) and scholarship plan dealers in all jurisdictions who were registered when NI 31-103 came into force
- Relief from client notification requirements under section 14.5 of NI 31-103 for certain Canadian registrants with head offices outside of the local jurisdiction
- Relief from requirements to establish whether a client is an insider under section 13.2(2)(b) of NI 31-103 for mutual fund dealers

This Notice summarizes the orders, which will take effect on February 26, 2010.

We are publishing the orders with this Notice. The orders are also available on websites of CSA members, including:

www.lautorite.qc.ca
www.albertasecurities.com
www.bcsc.bc.ca
www.msc.gov.mb.ca
www.gov.ns.ca/nssc
www.nbsc-cvmnb.ca
www.osc.gov.on.ca
www.sfsc.gov.sk.ca

1. Continuation of transition/grandfathering provisions for persons and companies adding a jurisdiction

Under several provisions of Part 16 [*Transition*] of NI 31-103, a person or company may be exempt from another provision of NI 31-103. However, as drafted, the exemptions available in Part 16 are only available in a jurisdiction if the person or company was registered in that jurisdiction when NI 31-103 came into force.

Each regulator has issued an order that provides an exemption from a requirement in the jurisdiction of the regulator if the person or company is exempt from the same requirement in another jurisdiction due to the application of a section in Part 16.

2. Relief from CCO proficiency requirements for portfolio managers adding a category

Paragraphs 3.6(b) [*Mutual fund dealer – chief compliance officer*], 3.10(b) [*Exempt market dealer – chief compliance officer*], and 3.14(c) [*Investment fund manager – chief compliance officer*] of NI 31-103 provide that an individual may be designated as a registrant’s chief compliance officer if the individual has met the proficiency requirements for a chief compliance officer of a portfolio manager in section 3.13 [*Portfolio manager – chief compliance officer*].

However, as drafted, NI 31-103 does not allow a mutual fund dealer, exempt market dealer or investment fund manager to designate someone as its chief compliance officer where the individual is exempt from the proficiency in section 3.13 due to the application of subsection 16.9(2) [*Registration of chief compliance officers*].

Each regulator has issued an order that allows a portfolio manager that has added the category mutual fund dealer, exempt market dealer or investment fund manager to its registration to designate an individual as its chief compliance officer if the individual was designated as the firm's chief compliance officer due to the application of subsection 16.9(2) of NI 31-103.

3. *Relief from dealing representative proficiency requirements for portfolio managers adding registration in the mutual fund dealer or exempt market dealer category*

Paragraphs 3.5(b) [*Mutual fund dealer – dealing representative*] and 3.9(c) [*Exempt market dealer – dealing representative*] of NI 31-103 provide that an individual may act as a dealing representative of a mutual fund dealer and exempt market dealer if the individual has met the proficiency requirements of an advising representative of a portfolio manager in section 3.11 [*Portfolio manager – advising representative*]. However, as drafted, NI 31-103 does not allow an individual to act as a dealing representative of a mutual fund dealer or exempt market dealer where the individual is exempt from the proficiency in section 3.11 due to the application of section 16.10(1) [*Proficiency for dealing and advising representatives*].

Each regulator has issued an order that allows an advising representative of a portfolio manager to act as a dealing representative of a mutual fund dealer or exempt market dealer if the individual is exempt from the proficiency in section 3.11 due to the application of section 16.10(1) of NI 31-103.

4. *Relief from the time limits on examination requirements for dealing representatives of scholarship plan dealers and, in Ontario and Newfoundland and Labrador only, exempt market dealers, who were registered when NI 31-103 came into force*

Section 3.3 [*Time limits on examination requirements*] of NI 31-103 provides that an individual is deemed not to have passed an examination or successfully completed a program unless having done so within the time period set out in the section. This section applies to dealing representatives of scholarship plan dealers in all jurisdictions and exempt market dealers in Ontario and Newfoundland only who, due to subsections 16.10(2) and (3) [*Change of registration categories – firms*], have a one year exemption from the proficiency requirements under sections 3.7 [*Scholarship plan dealer – dealing representative*] and 3.9 [*Exempt market dealer – dealing representative*].

Therefore, in order for these dealing representatives to be in compliance with their category's proficiency requirements on September 28, 2010 they must have met the examination or course requirements under those sections within the time period specified in section 3.3 of NI 31-103.

Each regulator has issued an order that exempts a dealing representative of a scholarship plan dealer from section 3.3 if the individual was registered as a dealing representative in that jurisdiction when NI 31-103 came into force and has remained registered since that date. The order in Ontario and Newfoundland and Labrador also exempts a dealing representative of an exempt market dealer if the individual was registered as a dealing representative in those jurisdictions when NI 31-103 came into force and has remained registered since that date.

5. *Relief from client notification requirements under section 14.5 of NI 31-103 for certain Canadian registrants with head offices outside of the local jurisdictions*

Section 14.5 [*Notice to clients by non-resident registrants*] of NI 31-103 provides that unless a registered firm's head office is located in the same jurisdiction as a client of the firm, the firm must provide the client with a written statement disclosing information specified in that section.

Each regulator has issued an order that exempts a registered firm from section 14.5 if the firm's head office is in another jurisdiction of Canada and the firm has a physical place of business in the jurisdiction of the regulator.

6. *Relief from the requirement to establish whether a client is an insider under paragraph 13.2(2)(b) of NI 31-103 for mutual fund dealers*

Paragraph 13.2(2)(b) [*Know your client*] of NI 31-103 provides that a registrant must take reasonable steps to establish whether a client is an insider of a reporting issuer or any other issuer whose securities are publicly traded.

Each regulator has issued an order that exempts a mutual fund dealer from paragraph 13.2(2)(b).

Questions

If you have questions regarding this Notice or the orders please direct them to any of the following:

Michael Brady
Senior Legal Counsel, Capital Markets Regulation
British Columbia Securities Commission
Tel: 604-899-6561
1-800-373-6393
mbrady@bcsc.bc.ca

Navdeep Gill
Legal Counsel, Market Regulation
Alberta Securities Commission
Tel: 403-355-9043
navdeep.gill@asc.ca

Dean Murrison
Deputy Director, Legal/Registration
Saskatchewan Financial Services Commission
Tel: 306-787-5879
dean.murrison@gov.sk.ca

Chris Besko
Legal Counsel, Deputy Director
The Manitoba Securities Commission
Tel. (204) 945-2561
Toll Free (Manitoba only) 1-800-655-5244
chris.besko@gov.mb.ca

Dirk de Lint
Senior Legal Counsel
Registrant Legal Services
Ontario Securities Commission
Tel: 416-593-8090
ddelint@osc.gov.on.ca

Sophie Jean
Conseillère en réglementation
Surintendance de l'assistance à la clientèle et de la distribution
Autorité des marchés financiers
Tel: 514-395-0337, ext. 4786
Toll-free: 1 877 525-0337
sophie.jean@lautorite.qc.ca

Brian W. Murphy
Deputy Director, Capital Markets
Nova Scotia Securities Commission
Tel: 902-424-4592
murphybw@gov.ns.ca

Susan Powell
Senior Legal Counsel
New Brunswick Securities Commission
Tel: (506) 643-7697
Susan.powell@gnb.ca

Katharine Tummon
Superintendent of Securities
Prince Edward Island Securities Office
Tel: 902-368-4542
kptummon@gov.pe.ca

Craig Whalen
Manager of Licensing, Registration and Compliance
Financial Services Regulation Division
Securities Commission of Newfoundland and Labrador
Tel: 709-729-5661
cwhalen@gov.nl.ca

Louis Arki, Director, Legal Registries
Department of Justice, Government of Nunavut
Tel: (867) 975-6587
larki@gov.nu.ca

Donn MacDougall
Deputy Superintendent, Legal & Enforcement
Office of the Superintendent of Securities
Government of the Northwest Territories
PO Box 1320
Yellowknife, NT X1A 2L9
Tel: (867) 920-8984
donald.macdougall@gov.nt.ca

Frederik J. Pretorius
Manager Corporate Affairs (C-6)
Dept of Community Services
Government of Yukon
Tel: (867) 667-5225
Fred.Pretorius@gov.yk.ca

February 26, 2010

1.2 Notices of Hearing

**1.2.1 Chartcandle Investments Corporation et al. –
ss. 127, 127.1**

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

AND

**IN THE MATTER OF
CHARTCANDLE INVESTMENTS CORPORATION,
CCI FINANCIAL, LLC, CHARTCANDLE INC.,
PSST GLOBAL CORPORATION,
STEPHEN MICHAEL CHESNOWITZ and
CHARLES PAULY**

**NOTICE OF HEARING
Sections 127 and 127.1**

TAKE NOTICE THAT the Ontario Securities Commission will hold a hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), at the offices of the Commission located at 20 Queen Street West, Toronto, 17th Floor, commencing on March 22, 2010, at 11:30 a.m. or as soon thereafter as the hearing can be held.

AND TAKE NOTICE THAT the purpose of the hearing is to consider whether it is in the public interest for the Commission, at the conclusion of a hearing, to make an order:

1. pursuant to clause 2 of section 127(1) that trading in any securities by the respondents cease permanently or for such period as is specified by the Commission;
2. pursuant to clause 2.1 of section 127(1) that acquisition of any securities by the respondents is prohibited permanently or for such period as is specified by the Commission;
3. pursuant to clause 3 of section 127(1) that any exemptions contained in Ontario securities law do not apply to the respondents permanently or for such period as is specified by the Commission;
4. pursuant to clause 6 of section 127(1) that the respondents be reprimanded;
5. pursuant to clause 7 of section 127(1) that each of the individual respondents resign all positions that he holds as a director or officer of an issuer;
6. pursuant to clause 8 of section 127(1) that each of the individual respondents

be prohibited from becoming or acting as a director or officer of any issuer;

7. pursuant to clause 8.2 of section 127(1) that the respondents be prohibited from becoming or acting as a director or officer of a registrant;
8. pursuant to clause 9 of section 127(1) that the respondents each pay an administrative penalty for each failure to comply with Ontario securities law;
9. pursuant to clause 10 of section 127(1) that the respondents each disgorge to the Commission any amounts obtained as a result of their non-compliance with Ontario securities law; and
10. pursuant to section 127.1 that the respondents pay the costs of the investigation and hearing.

BY REASON OF the allegations set out in the Statement of Allegations of Staff of the Commission dated February 17, 2010 and such additional allegations as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this 17th day of February, 2010.

"Daisy Aranha"

Per: John Stevenson
Secretary to the Commission

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

AND

**IN THE MATTER OF
CHARTCANDLE INVESTMENTS CORPORATION,
CCI FINANCIAL, LLC, CHARTCANDLE INC.,
PSST GLOBAL CORPORATION,
STEPHEN MICHAEL CHESNOWITZ and
CHARLES PAULY**

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

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

I. OVERVIEW

1. This proceeding involves the solicitation of residents of the United States and Ontario, for the purpose of investing money to be managed by Stephen Michael Chesnowitz ("Chesnowitz") through the Chartcandle Inc. Investment Hedge Fund (the "Chartcandle Fund").
2. Staff allege that the respondents' course of conduct spanned the period from December 1, 2004 to December, 31, 2006 (the "Material Time").

II. BACKGROUND

A. THE CORPORATE RESPONDENTS

3. Chartcandle Investments Corporation ("Chartcandle Corp.") was incorporated in Alberta on December 8, 2004 and then continued in Ontario as of December 15, 2005. During the Material Time, the place of business for Chartcandle Corp. was Petersburg, Ontario.
4. CCI Financial, LLC ("CCI Financial") was incorporated in Nevada, United States of America on August 24, 2005. During the Material Time, the place of business for CCI Financial was Petersburg, Ontario.
5. Chartcandle Inc. ("Chartcandle Inc.") was incorporated in Nevada, United States of America on August 3, 2005. Chartcandle Inc. was held out as the manager, managing partner or general partner of CCI Financial. During the Material Time, the place of business for Chartcandle Inc. was Petersburg, Ontario.
6. PSST Global Corporation ("PSST Global") was incorporated in Ontario on September 2, 2005. During the Material Time, the registered address

and place of business for PSST Global was Kitchener, Ontario.

7. None of the corporate respondents have ever been registered with the Commission in any capacity.

B. THE INDIVIDUAL RESPONDENTS

8. During the Material Time, Chesnowitz resided in Petersburg, Ontario. Chesnowitz was a director of Chartcandle Corp., PSST Global, and the sole director of Chartcandle Inc. Chesnowitz held himself out as a director of CCI Financial and caused a resolution to be passed authorizing himself to conduct trading and banking on behalf of CCI Financial. Chesnowitz has never been registered with the Commission in any capacity.
9. During the Material Time, Chesnowitz was the directing and controlling mind behind all of the corporate respondents.
10. Charles Pauly ("Pauly") resides in Clinton, Ontario. Pauly has never been registered with the Commission in any capacity.
11. John Williams ("Williams") was an investment advisor operating in Maryland, United States of America, who solicited investors to raise funds to be invested and managed by Chesnowitz.

III. TRADING/ADVISING WITH INVESTOR FUNDS

A. THE CHARTCANDLE FUND

12. Chesnowitz met Williams in 2005 and they subsequently developed a business relationship whereby Williams solicited U.S. residents to invest funds to be managed by Chesnowitz through the Chartcandle Fund.
13. Chesnowitz solicited a small number of Ontario residents directly to invest in the Chartcandle Fund and have their investments managed by Chesnowitz.
14. Chesnowitz purported to sell partnership interests and/or debt instruments in the various corporate respondents in order to facilitate investment in the Chartcandle Fund.
15. Chesnowitz held himself out to Williams, and to potential investors, as an experienced trader with an established trading system that produced consistent returns over long periods of time. Furthermore, Chesnowitz, represented that he had been mentored by several prominent traders. These representations were not true.
16. Chesnowitz was the Trader and President of the Chartcandle Fund and was the only individual

responsible for directing all trading in the Chartcandle Fund.

17. Investor funds were transferred to bank accounts under the control of Chesnowitz in several ways: (i) investors transferred funds to Wells Fargo bank accounts opened in the name of Chartcandle Corp. and CCI Financial in the United States (the "Wells Fargo Accounts"); (ii) investors transferred funds to one of several Canadian bank accounts located at the Bank of Montreal or TD Canada Trust opened in the name of Chartcandle Corp. (the "Canadian Accounts"); and (iii) investor funds were forwarded from Millenium Trust Company, LLC to Chesnowitz for the purpose of investing on behalf of various U.S. investors.
18. Chesnowitz transferred, directly or indirectly, investor funds from: (i) the Wells Fargo Accounts; (ii) the Canadian Accounts; and (iii) the funds sent from Millenium Trust Company, LLC to Chesnowitz, to brokerage accounts controlled by Chesnowitz. During the Material Time, Chesnowitz engaged in trading on behalf of investors without any trading strategy.
19. As a result of Chesnowitz's trading activity, significant losses were incurred in a very short period of time. During the Material Time approximately \$1.5 million was lost through trading by Chesnowitz, including \$1.2 million in a 24-hour period on or about May 22, 2006.
20. On July 31, 2006 approximately \$950,000 was frozen in a brokerage account controlled by Chesnowitz as a result of unrelated bankruptcy proceedings in the United States. Subsequently, approximately \$300,000 was returned to Chartcandle Corp. through the bankruptcy proceedings, however these funds were not used to reimburse investor losses.
21. During the Material Time, Chesnowitz received, directly or indirectly, approximately \$4 million from 53 investors for the purposes of investment in the Chartcandle Fund.

IV. FRAUDULENT CONDUCT

A. MYCHARTCANDLE.COM

22. Investors were provided access to www.mychartcandle.com (the "Website") as a means to follow their investments and review their accounts statements. The Website was created at the direction of Chesnowitz, and this was the only method of reporting provided to investors.
23. Pauly inputted data into a database used to update the Website with investment return percentages provided to him by Chesnowitz. The Website was updated on a regular basis at the direction of Chesnowitz. Despite heavy trading

losses incurred by Chesnowitz during the Material Time, he directed Pauly to post false and misleading returns on the Website that did not reflect actual trading results.

24. Pauly knew that Chesnowitz had incurred significant trading losses during the Material Time and accordingly, that the returns he was posting on the Website were false and misleading to investors.
25. Pauly communicated with investors providing passwords and technical support to facilitate investors' access to the Website. Pauly and Chesnowitz were aware that investors were relying on the Website and its contents to follow their investments.
26. During the Material Time, Chesnowitz provided some investors directly, or indirectly through Williams, with a purported monthly return on their investment using capital from other investors.

B. PSST GLOBAL

27. During the Material Time, PSST Global held assets valued at approximately \$220,000 that were purchased with investor funds and used for personal purposes by Chesnowitz. PSST Global did not engage in any other business apart from holding these assets.

V. CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND CONTRARY TO THE PUBLIC INTEREST

28. The specific allegations advanced by Staff are:
 - (a) During the Material Time, the respondents traded in securities without registration in respect of which there was no exemption available, contrary to section 25(1)(a) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act");
 - (b) During the Material Time, Chesnowitz acted as an advisor with respect to investing in, buying or selling securities without registration in respect of which there was no exemption available contrary to section 25(1)(c) of the Act;
 - (c) During the Material Time, the respondents engaged or participated in acts, practices or courses of conduct relating to securities that the respondents knew or reasonably ought to have known perpetrated a fraud on persons, contrary to section 126.1(b) of the Act;
 - (d) During the Material Time, Chesnowitz, being the sole director of Chartcandle

Inc., a director of Chartcandle Corp. and PSST Global, as well as a de facto director of CCI Financial did authorize, permit or acquiesce in the commission of the violations of sections 25 and 126.1 of the Act, as set out above, by Chartcandle Corp., Chartcandle Inc., PSST Global and CCI Financial or by the employees, agents or representatives of Chartcandle Corp., Chartcandle Inc., PSST Global and CCI Financial, pursuant to section 129.2 of the Act; and

- (e) The respondents conduct was contrary to the public interest and harmful to the integrity of the capital markets of Ontario.

29. Staff reserve the right to make such further and other allegations as Staff may advise and the Commission may permit.

DATED at Toronto, the 17th day of February, 2010.

1.4 Notices from the Office of the Secretary

1.4.1 Chartcandle Investments Corporation et al.

**FOR IMMEDIATE RELEASE
February 24, 2010**

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

AND

**IN THE MATTER OF
CHARTCANDLE INVESTMENTS CORPORATION,
CCI FINANCIAL, LLC, CHARTCANDLE INC.,
PSST GLOBAL CORPORATION,
STEPHEN MICHAEL CHESNOWITZ and
CHARLES PAULY**

TORONTO – The Office of the Secretary issued a Notice of Hearing setting the matter down to be heard on March 22, 2010 at 11:30 a.m. or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Notice of Hearing dated February 17, 2010 and Statement of Allegations of Staff of the Ontario Securities Commission dated February 17, 2010 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:

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

Theresa Ebdon
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)

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Navina Capital Corp. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from section 2.1 of NI 81-101 to permit bottom fund in an exchange traded two-tier structure to file a long form prospectus using Form 41-101F2 rather than a simplified prospectus using Form 81-101F1; units of both the top fund and the bottom fund to be qualified by long form prospectus; bottom fund will issue one unit to the manager and become subject to NI 81-102.

Applicable Legislative Provisions

Sections 2.1 and 6.1 of National Instrument 81-101 – Mutual Fund Prospectus Disclosure.

November 25, 2009

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ONTARIO
(THE JURISDICTION)

AND

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

AND

IN THE MATTER OF
NAVINA CAPITAL CORP.
(THE MANAGER),
LAZARD GLOBAL CONVERTIBLE BOND FUND
(THE TOP FUND) AND
LAZARD STRATEGIC GLOBAL CONVERTIBLE BOND
TRUST (THE BOTTOM FUND AND,
TOGETHER WITH THE TOP FUND, THE FUNDS)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Bottom Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting it from Section 2.1 of National Instrument 81-101 – *Mutual Fund Prospectus Disclosure* (**NI 81-101**) to permit the Bottom Fund to qualify its units for distribution by long form prospectus using Form 41-101F2 prescribed under National Instrument 41-101 –

General Prospectus Requirements rather than by simplified prospectus using Form 81-101F1 prescribed under NI 81-101 (the **Requested Relief**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the Bottom Fund has provided notice that section 4.7(1) of Multilateral Instrument 11-102 – *Passport System* (**MI 11-102**) is intended to be relied upon in the Province of Quebec.

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 Manager and the Funds:

1. The Manager is the manager of the Funds. The head office of the Manager is located in Ontario. The Manager and the Funds are not in default of securities legislation in any jurisdiction. The Manager will retain Lawrence Asset Management Inc. (the **Investment Manager**) to provide investment advisory and portfolio management services to the Funds. The Investment Manager is registered in Ontario in the category of Portfolio Manager. The Investment Manager will retain Lazard Asset Management LLC to provide investment advisory services to the Bottom Fund.
2. The Top Fund will make an offering of its units to the public on a best efforts basis pursuant to a final long form prospectus in respect of which a preliminary long form prospectus was filed on SEDAR on October 8, 2009 under SEDAR Project #1484233 in all provinces of Canada (the **Offering**). The Toronto Stock Exchange has conditionally approved the listing of the units of the Top Fund.
3. The Top Fund is a closed-end investment trust governed by the laws of the Province of Ontario. The Top Fund's investment objectives are to provide its unitholders with: (a) monthly tax-efficient distributions initially targeted to be \$0.0583 per unit (\$0.70 per annum to yield 7.0%

on the \$10.00 per unit issue price); and (b) the opportunity for capital appreciation by obtaining exposure to an actively managed portfolio comprised primarily of U.S. dollar denominated global convertible bonds (the **Portfolio**). The Top Fund will obtain exposure to the Portfolio by entering into the Forward Agreement (as defined below).

4. The Bottom Fund is a mutual fund trust governed by the laws of the Province of Ontario newly created to acquire the Portfolio.
5. The Top Fund will invest the net proceeds of the Offering in a portfolio of common shares of Canadian public companies (the **Common Share Portfolio**). The Top Fund will then enter into a forward agreement (the **Forward Agreement**) with a Canadian chartered bank or an affiliate of a Canadian chartered bank whose obligations are guaranteed by a Canadian chartered bank (the **Counterparty**). Pursuant to the Forward Agreement, the Counterparty will agree to pay to the Top Fund on the business day immediately prior to Conversion (the **Forward Termination Date**), as the purchase price for the Common Share Portfolio, an amount based on the value of either: (i) the units of the Bottom Fund; or (ii) a notional portfolio comprised primarily of U.S. dollar denominated global convertible bonds managed by the Investment Manager. The Top Fund will partially settle the Forward Agreement prior to the Forward Termination Date in order to fund monthly distributions as well as redemptions of its units and for payment of expenses of the Top Fund.
6. It is intended that, on or about June 30, 2011, the Top Fund will automatically convert to an open-end mutual fund and delist its units which will become redeemable daily at their net asset value per unit (the **Conversion**). The Manager intends to extend the Forward Agreement beyond the Conversion.
7. The Bottom Fund filed a preliminary long form non-offering prospectus dated October 19, 2009 on SEDAR under SEDAR Project #1486842 in the Provinces of Ontario and Quebec in accordance with NI 41-101. The Bottom Fund intends to withdraw its preliminary long form non-offering prospectus and file and obtain a receipt for a preliminary long form offering prospectus and a final long form offering prospectus (the **Final Prospectus**).
8. Units of the Bottom Fund will not be listed on an exchange and will be redeemable daily at their net asset value per unit. In anticipation of the Conversion and the resulting application to the Top Fund, as an open-end mutual fund, of National Instrument 81-102 – *Mutual Funds* ("NI 81-102"), the Bottom Fund wishes to attract the application of NI 81-102. To that end, the Bottom

Fund proposes to issue one unit to the Manager for nominal consideration pursuant to the Final Prospectus, which unit may be redeemed in the future.

9. As a result, the Bottom Fund will become a mutual fund under securities legislation subject to NI 81-102 and NI 81-101. However, the operations of the Bottom Fund will differ from those of a conventional mutual fund. Unlike a conventional mutual fund, the Bottom Fund does not intend to issue units on a continuous basis under the Final Prospectus. The Bottom Fund will only issue one unit to the Manager under the Final Prospectus; no other units of the Bottom Fund will be issued under the Final Prospectus.
10. In the absence of being granted the Requested Relief, the Filer would be required to file a simplified prospectus in the form of Form 81-101F1 prescribed under NI 81-101. The use of the simplified prospectus form to qualify units of the Bottom Fund may create confusion in the investment dealer channel in which units of the Top Fund will be sold and may consequently negatively impact the marketing of the units of the Top Fund.

Decision

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

The decision of the principal regulator under the Legislation is that the Requested Relief is granted, provided that the Filer files a Final Prospectus that is a long form prospectus in the form of Form 41-101F2 prescribed under National Instrument 41-101 *General Prospectus Requirements*.

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

2.1.2 Ross Smith Enhanced Index Fund LP and Ross Smith Enhanced Index GP Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions. Relief granted from NI 81-101, which requires a mutual fund to use a simplified prospectus, and NI 81-102 for relief from restrictions on payment of organizational costs and preparation of compliance reports – The fund is a ‘mutual fund’ for securities legislation purposes but is fundamentally different from a conventional mutual fund – structure is more akin to a closed-end Fund – Units are not in continuous distribution and not listed on any exchange – Units are redeemable once a week at net asset value.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 1.3 and 6.1.

National Instrument 81-102 Mutual Funds, ss. 3.3, 12.1 and 19.

February 16, 2010

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

AND

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

AND

**IN THE MATTER OF
ROSS SMITH ENHANCED INDEX FUND LP
(THE PARTNERSHIP) AND
ROSS SMITH ENHANCED INDEX GP LTD.
(THE FILER)**

DECISION

Background

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

- (a) National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**), which requires a mutual fund to provide its securityholders with a simplified prospectus and to concurrently file an annual information form; and

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

(Items (a) and (b) above are referred to as the **Exemption Sought**).

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

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

Interpretation

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

"Manager" means Ross Smith Asset Management Inc.

"NAV" means net asset value.

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

"Partnership" means Ross Smith Enhanced Index Fund LP.

"Preliminary Prospectus" means the preliminary prospectus of the Filer dated on or about December 22, 2009.

"Units" means limited partnership units in the capital of the Partnership.

Representations

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

1. The Partnership is an investment fund (as defined in NI 81-106) to be established under the laws of the Province of Alberta pursuant to the filing of a certificate of limited partnership. The Filer will be the general partner of the Partnership. The Manager will be responsible for the management and administration of the Partnership pursuant to the terms of an Investment Management Agreement to be entered into between the Filer, the Partnership and the Manager.
2. The principal office of the Filer, the Manager and the Partnership is in Calgary, Alberta.
3. The Partnership will be authorized to issue an unlimited number of Units.
4. The Units will be offered for sale on a best efforts basis through a syndicate of agents, each of whom will be members of the Investment Industry Regulatory Organization of Canada.
5. The Partnership will invest in a managed portfolio of stocks selected to closely match portfolio returns of the S&P/TSX 60 Index and designed to provide Unitholders with: (i) returns that correspond with the returns of the S&P/TSX 60 Index, without reference to reinvestment of dividends or distributions, with limited tracking error; and (ii) allocations of capital losses realized on the sale of certain securities that comprise the S&P/TSX 60 Index that have decreased in value.
6. Upon the issuance of a receipt for the final prospectus, the Partnership will be a reporting issuer in every Province and Territory of Canada.
7. The Units will not be listed on an exchange.
8. There will be no issuances of Units following the completion of the Offering other than pursuant to any distribution reinvestment plan adopted by the Partnership.
9. Commencing 30 days following closing of the Offering and subject to the Partnership's ability to suspend redemptions in certain circumstances, Units may be surrendered for redemption on any business day. Redemption requests received will be processed on a weekly basis with Unitholders receiving a redemption price per Unit equal to the NAV per Unit as calculated on the last business day of the week in which such redemption request is received, less any costs associated with redemption. The redemption amount will be paid and the Unitholder will receive payment on or before the 3rd business day following the redemption date.
10. The expenses incurred in connection with the Offering of Units by the Partnership of up to 1.5% of the gross proceeds of the Offering will be paid, together with the agent's fees, by the Partnership.

The Manager has agreed to pay all expenses incurred in connection with the Offering, other than the agent's fees, that exceed 1.5% of the gross proceeds of the Offering.

11. The Manager considers the Partnership to be similar to a closed-end fund, as Units of the Partnership will be offered through a one-time offering through investment dealers.
12. Neither the Filer nor the Manager is in default of securities legislation in any jurisdiction.

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 Exemption Sought is granted, provided that, in lieu of a simplified prospectus as specified in NI 81-101, the Partnership file a long form prospectus in the form of Form 41-101F2 pursuant to National Instrument 41-101 *General Prospectus Requirements* which prospectus will constitute the Simplified Prospectus of the Partnership.

Blaine Young
Associate Director, Corporate Finance

November 10, 2009

2.1.3 Magma Energy Corp.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – An issuer wants relief from the requirement in National Instrument 52-107 to audit acquisition statements in accordance with Canadian or U.S. GAAS – The issuer acquired or will acquire a business whose historical financial statements have not been audited in accordance with Canadian or U.S. GAAS – The acquired business' financial statements have been audited in accordance with International Standards on Auditing – The issuer will be including the acquired business' financial statements in a short form prospectus of the issuer and a business acquisition report of the issuer – For various reasons, it would be impractical to re-audit the acquired business' financial statements in accordance with Canadian or U.S. GAAS – The audit report will be accompanied by a statement by the auditor that describes any material differences in the form of report as compared to a Canadian GAAS audit report, and indicates that its report would not contain a reservation if it were prepared in accordance with Canadian GAAS.

An issuer wants relief from the requirement in National Instrument 44-101 to review interim acquisition statements in accordance with Canadian or U.S. GAAS – The issuer acquired or will acquire a business whose historical financial statements have not been audited in accordance with Canadian or U.S. GAAS – The acquired business' annual financial statements have been audited in accordance with International Standards on Auditing – The issuer will be including the acquired business' financial statements in a short form prospectus of the issuer – The review of the interim acquisition statements will be done in accordance with the International Standards for Review Engagements.

An applicant wants to keep an application and decision document confidential for a limited amount of time after the decision document is issued – The disclosure of the information before a specific transaction is announced would be detrimental to the person affected – The information will be made available after a specific date.

Applicable Legislative Provisions

National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, ss. 6.2 and 9.1.

National Instrument 44-101 Short Form Prospectus Distributions, ss. 4.3 and 8.1.

National Instrument 51-102 Continuous Disclosure Obligations, s. 8.2.

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

AND

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

AND

**IN THE MATTER OF
MAGMA ENERGY CORP.
(THE FILER)**

DECISION

Background

- 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer (the Application) for a decision under the securities legislation of the Jurisdictions (the Legislation) that:
 - (a) the Filer be exempted from complying with the requirement in section 6.2 of National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107) that acquisition statements must be audited in accordance with Canadian GAAS or United States generally accepted auditing standards (US GAAS) with respect to certain annual financial statements of Orka (as defined below) to be included in a short form prospectus of the Filer (the Prospectus) to be filed under National Instrument 44-101 *Short Form Prospectus Distribution* (NI 44-101) and in a business acquisition report (the BAR) required to be filed under section 8.2 of National Instrument 51-102 *Continuous Disclosure Obligations*;
 - (b) the Filer be exempted from complying with the requirement in section 4.3 of NI 44-101 that any interim financial statements included in a short form prospectus be reviewed in accordance with Canadian GAAS or US GAAS with respect to certain interim financial statements of Orka (as defined below) to be included in the Prospectus (together with the relief requested in paragraph (a), the Requested Relief on Auditing Standards); and

- (c) that the Application and this decision be held in confidence by the Decision Makers (the Requested Confidentiality Relief).

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

- (a) the British Columbia Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 (MI 11-102) is intended to be relied on in Alberta, Manitoba, Saskatchewan, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Northwest Territories, Nunavut and Yukon; and
- (c) this decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

- 2 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

- 3 This decision is based on the following facts represented by the Filer:
1. the Filer's head office is located at 410 – 625 Howe Street, Vancouver, British Columbia, V6C 2T6;
 2. the Filer is a corporation existing under the *Business Corporations Act* (British Columbia);
 3. the Filer is a reporting issuer in each of the provinces and territories of Canada, except Québec; the Filer is not in default of securities legislation in any jurisdiction;
 4. the common shares of the Filer are listed and posted for trading on the Toronto Stock Exchange under the symbol "MXY";
 5. the Filer's annual financial statements are prepared in accordance with Canadian GAAP and are audited in accordance with Canadian GAAS;
 6. on July 23, 2009, the Filer entered into an agreement (the Initial Agreement) to acquire 10.78% of the issued and

outstanding shares of HS Orka hf (Orka); on August 31, 2009, the Filer entered into three additional agreements (together with the Initial Agreement, the Agreements) to acquire 32.32% of the issuance and outstanding shares of Orka; if the transactions contemplated by the Agreements (the Transactions) are completed, the Filer would hold 43.1% of the issued and outstanding shares of Orka;

7. the Transactions, if completed, would constitute a "significant acquisition" for the Filer within the meaning of section 8.3 of NI 51-102, for which the Filer would be required to file a business acquisition report in accordance with section 8.2 of NI 51-102;
8. Orka is a limited liability company incorporated and domiciled in Iceland, and is not a public company;
9. Orka's auditors are KPMG hf, the Iceland affiliate of KPMG International, a global network of professional firms providing audit, tax and advisory services;
10. Orka's auditor has represented to the Filer that it has expertise and experience in International Standards on Auditing (ISA) as issued by the International Auditing and Assurance Standards Board (IAASB);
11. the Filer intends to file the Prospectus for an offering of securities in order to raise sufficient capital to complete the Transactions (the Proposed Offering);
12. under section 10.2 of Form 44-101F1 certain historical audited annual financial statements and unaudited interim financial statements of Orka will be required to be included in the Prospectus;
13. under section 8.4 of NI 51-102, certain historical audited annual financial statements and unaudited interim financial statements of Orka will be required to be included in the BAR;
14. the Filer intends to include the following financial statements of Orka in the Prospectus and BAR:
 - (a) audited annual consolidated financial statements of Orka and the notes thereto as at and for the years ended December 31, 2008 and 2007, together with the auditor's report thereon

- (Orka Annual Financial Statements); and
- (b) unaudited interim condensed financial statements of Orka and the notes thereto as at and for the three and nine month periods ended September 30, 2009 (Orka Interim Financial Statements);
15. the Orka Annual Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS) and audited in accordance with ISA as issued by the IAASB and will include a reconciliation to Canadian GAAP for the most recently completed financial year prior to the acquisition, in accordance with the requirements of subsection 6.1(4) of NI 52-107;
16. the Orka Interim Financial Statements have been prepared in accordance with IFRS and are to be reviewed by Orka's auditors in accordance with the International Standards for Review Engagements issued by the IAASB for inclusion in the Prospectus and will include a reconciliation to Canadian GAAP for the most recently completed financial period prior to the acquisition, in accordance with the requirements of subsection 6.1(4) of NI 52-107;
17. section 6.2 of NI 52-107 and section 4.3 of NI 44-101 do not permit the Filer to file the Orka Annual Financial Statements and the Orka Interim Financial Statements audited in accordance with ISA or reviewed in accordance with the International Standards for Review Engagements issued by the IAASB because the Filer is not a "foreign issuer" within the meaning of NI 52-107; and
18. having the Orka Annual Financial Statements audited a second time in accordance with Canadian GAAS and having the Orka Interim Financial Statements reviewed a second time in accordance with Canadian GAAS would cause the Filer substantial additional costs and management time and delay in filing the Prospectus.

The decision of the Decision Makers is that

1. the Requested Relief on Auditing Standards is granted, provided that:
 - (a) the Orka Annual Financial Statements are audited in accordance with ISA as issued by the IAASB;
 - (b) the Orka Interim Financial Statements are reviewed in accordance with International Standards on Review Engagements issued by the IAASB; and
 - (c) the auditor's report accompanying the Orka Annual Financial Statements contains or is accompanied by a statement by the auditor that:
 - (i) describes any material differences in the form and content of the auditor's report as compared to an auditor's report prepared in accordance with Canadian GAAS; and
 - (ii) indicates that an auditor's report prepared in accordance with Canadian GAAS would not contain a reservation; and
2. the Requested Confidentiality Relief is granted until the earlier of
 - (a) the date the Filer publicly announces the Proposed Offering;
 - (b) the date that a preliminary short form prospectus is filed in respect of the Proposed Offering, and
 - (c) the date that is 90 days from the date of this decision.

"Noreen Bent"
 Acting Director, Corporate Finance
 British Columbia Securities Commission

Decision

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

2.1.4 NAL Petroleum (ACE) Ltd. – 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).

February 19, 2010

Bennett Jones LLP
4500 Bankers Hall East
855 - 2 Street SW
Calgary, AB T2P 4K7

Attention: Matthew R. Olson

Dear Sir:

Re: NAL Petroleum (ACE) Ltd. (the Applicant) – Application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, 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
- (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 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
Alberta Securities Commission

2.1.5 Templeton Growth Fund, Ltd. et al.

Headnote

National Policy 11-203 – Exemption granted from requirements contained in paragraphs 2.5(2)(a) and 2.5(2)(c) of National Instrument 81-102 – Top mutual funds proposing to invest up to 7.5% of net assets in securities of underlying mutual fund governed by the laws of Luxembourg – Relief granted subject to certain conditions, including that the underlying fund follows investment restrictions and practices that are substantially similar to those that govern the top funds and that the top funds be required to divest if the investment restrictions and practices that the underlying fund follows cease to be materially consistent with Part 2 of NI 81-102 – a top fund's aggregate investment in underlying mutual funds that are not subject to National Instrument 81-101 and NI 81-102 and not qualified in the jurisdictions where the top fund is qualified cannot exceed 10% of net assets – National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

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

February 3, 2010

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

AND

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

AND

**IN THE MATTER OF
TEMPLETON GROWTH FUND, LTD.,
TEMPLETON INTERNATIONAL STOCK FUND,
TEMPLETON GLOBAL SMALLER
COMPANIES FUND AND TEMPLETON GLOBAL
INCOME FUND
(collectively, the "Existing Top Funds")**

AND

**FRANKLIN TEMPLETON INVESTMENTS CORP.
("FTIC" or the "Manager")**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from FTIC and the Existing Top Funds (collectively, the "Filers") for a decision under the securities legislation of the Jurisdiction of the principal regulator (the

"Legislation") exempting the Top Funds (as defined below) from

- (i) the prohibition contained in paragraph 2.5(2)(a) of National Instrument 81-102 *Mutual Funds* (NI 81-102) against a mutual fund investing in another mutual fund that is not subject to NI 81-102 and National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (NI 81-101); and
- (ii) the prohibition contained in paragraph 2.5(2)(c) of NI 81-102 against a mutual fund investing in another mutual fund's securities where those securities are not qualified for distribution in the local jurisdiction

to enable each Top Fund to invest up to 7.5% of its net assets, taken at market value at the time of the investment, in TCOF, as defined below (the "Exemption Sought").

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

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

Interpretation

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

"Franklin Templeton Investments" means Franklin Resources, Inc. and its subsidiaries;

"FTSMF" means Franklin Templeton Selected Markets Funds, an umbrella SICAV under the laws of Luxembourg;

"SICAV" means Société d'Investissement à Capital Variable, an open-end mutual fund governed by the laws of Luxembourg;

"TCOF" means Templeton China Opportunities Fund, a sub-fund forming part of FTSMF and governed by the laws of Luxembourg;

"Top Funds" means, collectively, the Existing Top Funds and other top funds managed by the Manager after the date of this Decision that have an investment objective which includes capital appreciation by investing in equity or debt securities of issuers located or carrying on business in the Pacific Rim, or more broadly, around the world;

"UCITS" means *Undertakings for Collective Investment in Transferable Securities* and refers to the investment funds

authorized by the European Union as investment funds suitable to be distributed in more than one country of Europe;

“UCITS Directive” means the Council Directive 85/611/EEC of December 20, 1985 on the coordination of laws, regulations and administrative provisions relating to UCITS, as amended; and

“Valuation Day” means generally, a week day on which the banks are normally open for business in Luxembourg or any business day on which the New York Stock Exchange is open for normal business (other than during a suspension of normal dealing) and on which the net asset value per share of each class of TCOF is determined.

Representations

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

1. The Manager is a corporation existing under the laws of Ontario, having its head office in Toronto, Ontario. The Manager is registered as a portfolio manager in Ontario as well as British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Yukon and as a mutual fund dealer in Ontario and Alberta.
2. The Manager is a wholly-owned subsidiary of Templeton Worldwide, Inc., a Delaware corporation, which is a direct wholly-owned subsidiary of Franklin Resources, Inc. (“FRI”). FRI is a global investment management organization operating as Franklin Templeton Investments. Franklin Templeton Investments provides global and domestic investment management solutions for institutional and retail clients managed by its Franklin, Templeton, Mutual Series, Bissett and Fiduciary Trust investment teams. In addition to Canada, FRI and its subsidiaries maintain offices in 30 other countries.
3. The Manager is the manager of the Existing Top Funds. Each Existing Top Fund is a mutual fund subject to NI 81-102 and distributes securities under a simplified prospectus and annual information form prepared in accordance with NI 81-101.
4. The Manager and the Existing Top Funds are not in default of securities legislation in any Canadian jurisdiction.
5. The Manager obtained an exemption from NI 81-102 dated February 13, 2009 on behalf of the mutual funds that it manages that invest a portion of their assets in global/international equities to allow each such mutual fund to invest up to 10% of its net assets in underlying mutual funds that are not subject to NI 81-101 and NI 81-102 and

that are not qualified for distribution in the local jurisdiction.

The Existing Top Funds

6. The investment objective of Templeton Growth Fund, Ltd. is long-term capital appreciation by investing primarily in equity securities of companies around the world, and fixed income securities issued by governments or companies of any country.
7. The investment objective of Templeton International Stock Fund is long-term capital appreciation by investing primarily in equity securities of companies outside of Canada and the United States.
8. The investment objective of Templeton Global Smaller Companies Fund is long-term capital appreciation by investing primarily in equity securities of smaller companies around the world.
9. The investment objective of Templeton Global Income Fund is current income while maintaining prospects for capital appreciation by investing primarily in debt and equity securities issued around the world.

Access to the China A-Share Market

10. Historically, foreign investors interested in investing in China were only able to participate in China’s H-share market. The H-share market comprises 43 companies listed on the Hong Kong Stock Exchange, with a market cap of approximately USD 400 billion.
11. China’s A-share market comprises approximately 1600 companies listed on the Shanghai Stock Exchange and the Shenzhen Stock Exchange, with a market cap that is approximately eight times larger than the H-share market (approximately USD 3 trillion).
12. The Manager believes that it is in the best interests of the Top Funds to obtain exposure to locally-listed Chinese stocks in China’s A-share market and thereby obtain clear exposure to the local opportunities presented by the Chinese economy.
13. Foreign fund management institutions, insurance companies, securities companies and other asset management institutions are now able to invest in the China A-share market by applying to the China Securities Regulatory Commission (“CSRC”) for status as a Qualified Foreign Institutional Investor (“QFII”) and applying to the State Administration of Foreign Exchange (“SAFE”) for an investment quota (“Investment Quota”).

Restrictions of the QFII Program

14. Templeton Investment Counsel, LLC ("TIC"), an affiliate of the Manager that is a U.S. registered adviser under the *Investment Advisers Act of 1940*, has obtained QFII status from the CSRC and has now obtained an Investment Quota from SAFE of USD 200 million. TIC must remit the investment principal corresponding to its Investment Quota into an account held with a local sub-custodian bank within six months from the Investment Quota approval date, unless an extension is approved by SAFE.
15. According to the current practice of the QFII program, for an open-ended fund, there is a lock-up period of one year in which the investment principal may not be repatriated (the "Lock-Up Period") commencing from the day when the full amount equal to the Investment Quota is remitted into the People's Republic of China (the "PRC"). Thereafter, redemptions are subject to the PRC laws and practice affecting a fund's ability to obtain approval from SAFE to remit the proceeds thereof out of the PRC.
16. Net realized profits for any fiscal year of a QFII fund can be repatriated at calendar year end provided that an annual audit is undertaken by a Chinese certified public accountant of the QFII's transaction history at the local sub-custodian bank and subject to payment of all applicable taxes and SAFE approval. The purpose of the audit is solely intended to determine the amount of the QFII fund's net realized profits that may be repatriated. All repatriations of gains and income on A-shares require the approval of SAFE.
17. An entity that has been granted QFII status can establish a QFII vehicle approved by the CSRC to invest in the China A-share market. Franklin Templeton Investments understands that, to date, the QFII vehicles established under the QFII regulations and approved by the CSRC have been foreign-domiciled funds.
18. Because TIC is an investment management company requiring access to the China A-share market for numerous internally run funds domiciled overseas and given the complexity of having multiple foreign funds participate in the QFII program, the CSRC expressed a strong preference that Franklin Templeton Investments create a new fund to act as a master fund in a master-feeder fund structure to invest in the China A-share market. Consequently, TIC has established an investment model whereby several open-end retail mutual funds managed by affiliates of Franklin Templeton Investments, including the Top Funds, can indirectly benefit from an investment in the China A-share market by investing in TCOF, a master fund that is domiciled in Luxembourg.

TCOF

19. TCOF is a sub-fund of FTSMF, which, pending regulatory approval in Luxembourg, is expected to be launched in February 2010. FTSMF is an umbrella SICAV having its central administration and transfer agency services performed by Franklin Templeton International Services S.A., a Luxembourg regulated entity and an indirect subsidiary of FRI.
20. A prospectus for TCOF has been filed and is expected to be approved by the Luxembourg financial sector regulator, the Commission de Surveillance du Secteur Financier, in February 2010.
21. TIC will act as the portfolio manager of TCOF.
22. Subject to pending regulatory approval in Luxembourg, the investment objective of TCOF is capital appreciation, which it seeks to achieve through a policy of investing all or almost all of its assets in China A-Shares of Chinese companies listed on the Shanghai and Shenzhen Stock Exchanges. However, since the investment objective is more likely to be achieved through an investment policy that is flexible and adaptable, TCOF may also seek on an ancillary basis, investment opportunities in other types of securities as permitted under the PRC securities related laws and regulations, including, but not limited to, debt and fixed income securities and bonds. TCOF may invest up to 5% of its net assets in cash deposits and, on a temporary basis, up to 15% of its net assets in aggregate, in cash and money market instruments.
23. Because Franklin Templeton Investments' open-end retail mutual funds domiciled in the United States are not permitted to invest in a Luxembourg domiciled master fund, TIC is also establishing a second QFII master fund that will be domiciled in the Cayman Islands (the "Cayman Fund"). TIC's Investment Quota will be shared by TCOF and the Cayman Fund.
24. Shares of TCOF are only offered to Franklin Templeton Investments' open-ended retail mutual funds managed by Franklin Templeton Investments affiliates, including the Manager. It is anticipated that TCOF's share of TIC's Investment Quota, and accordingly its initial assets under management, will amount up to approximately USD 43 million. It is expected that TCOF will hold approximately 50 positions and will therefore be sufficiently diversified.
25. Due to the restrictions of the QFII program, an investment in TCOF is subject to the aforementioned Lock-Up Period. After this Lock-Up Period, subject to TIC believing that it will reasonably be able to obtain approval from SAFE

to repatriate sufficient funds under the Investment Quota, shares of TCOF will be redeemable on each Valuation Day upon 30 calendar days prior written notice to TCOF's transfer agent.

26. As the restrictions imposed by the PRC investment regulations apply at the Investment Quota level, the actions of other investors accessing the PRC market through the Investment Quota and the actions of other investors in TCOF wishing to redeem on a particular redemption day could all adversely impact the ability of a Top Fund to realize the full value of its redemption request in respect of any particular redemption day. These restrictions would apply to all non-Chinese investors dealing with the Investment Quota.
27. Redemption requests will be honoured by TCOF on a pro-rata basis, taking into account the redemption requests tendered by the other investors accessing the PRC market through the Investment Quota (including investors in the Cayman Fund).
28. Due to the restrictions of the QFII program, units of TCOF are "illiquid assets", as that term is defined in NI 81-102.

Fund-on-fund investment strategy to obtain exposure to China A-shares

29. The Manager believes that it is in the best interests of the Top Funds to invest in TCOF in order to obtain exposure to the local opportunities presented by the Chinese economy. Each Top Fund's investment in units of TCOF is, or will be, consistent with its investment objective and strategies.
30. An investment in TCOF by a Top Fund is, or will be, consistent with the limit on investments in illiquid assets prescribed by s.2.4 of NI 81-102.
31. Given the requirements of the CSRC, the Top Funds would not be able to obtain exposure to China A-shares absent an investment in TCOF. However, section 2.5(2) of NI 81-102 does not permit the Top Funds to invest in an underlying fund that is not subject to NI 81-102 and NI 81-101 and is not distributed in the jurisdictions where the Top Funds are distributed.
32. Due to the nature of the QFII program, it would be extremely difficult, if not impossible, to launch a Canadian mutual fund able to invest in the China A-share market.
33. TCOF is a low-cost mutual fund whose investment objectives and strategies make it a suitable investment option for the Top Funds. Further, investing in China A-shares through TCOF would allow the Top Funds to achieve economies of

scale with other Franklin Templeton Investment mutual funds.

34. TCOF's portfolio manager, TIC, has the same investment philosophy and style as the portfolio advisors of the Existing Top Funds. As well, as TCOF is managed by a portfolio manager within Franklin Templeton Investments, the portfolio advisors of the Top Funds will benefit from understanding TCOF's investments and the management style of TIC, which understanding will benefit the Top Funds.
35. Under the laws of Luxembourg and the UCITS Directive, an open-ended fund that meets certain requirements that are deemed to render its supervision, shareholder protection, rules on asset segregation, borrowing, lending and uncovered sales, equivalent to the legal and regulatory framework of a UCITS (a "UCITS Equivalent Investment Fund") is eligible for investment by a UCITS. In accordance with the eligibility criteria laid down in the laws of Luxembourg and the UCITS Directive, TCOF is considered as a UCITS Equivalent Investment Fund.
36. The Lock-Up Period imposed by the QFII program in connection with an investment in China A-shares makes it impossible for TCOF to comply with Article 37 of the UCITS Directive, which stipulates that a UCITS must re-purchase or redeem its units at the request of any unitholder. However, although TCOF is not a UCITS, TCOF's portfolio will be managed in accordance with the investment restrictions applicable to UCITS. The investment restrictions applicable to UCITS are substantially similar to those of Part 2 of NI 81-102. Accordingly, TCOF follows investment restrictions and practices that are substantially similar to those that govern the Top Funds.
37. TCOF would not be considered a hedge fund and it does not use investment strategies that a Top Fund could not use directly. TCOF does not invest in other mutual funds.
38. The Top Funds' investment in TCOF is not for the purposes of distributing TCOF to the Canadian public. The investments by the Top Funds in TCOF are proposed to allow the Top Funds to better achieve their investment objectives by investing, to a limited extent, in a unique, suitable and professionally managed lower-cost mutual fund which is able to access the China A-share market and where the investment style and approach are well-suited to the portfolios of the Top Funds.
39. The Top Funds will otherwise comply fully with section 2.5 of NI 81-102 in investing in TCOF and will provide disclosure in their simplified prospectus regarding their investment in a foreign

fund, including the risks associated with such investment.

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) TCOF follows investment restrictions and practices that are substantially similar to those that govern the Top Funds;
- (B) the investment of the Top Funds in TCOF otherwise complies with section 2.5 of NI 81-102 and the Top Funds provide the disclosure contemplated for fund of fund investments in NI 81-101. Specifically, the investment by the Top Funds in TCOF is disclosed in their simplified prospectus;
- (C) a Top Fund will not purchase securities of TCOF if, immediately after the purchase, more than 7.5% of its net assets, taken at market value at the time of the purchase, would consist of investments in TCOF;
- (D) a Top Fund will not purchase securities of TCOF if, immediately after the purchase, more than 10% of its net assets, taken at market value at the time of the purchase, would consist of investments in underlying mutual funds that are not subject to NI 81-101 and NI 81-102 and that are not qualified in the jurisdictions where the Top Fund is qualified; and
- (E) the Top Funds shall not acquire any additional securities of TCOF and shall dispose of the securities of TCOF then held in an orderly and prudent manner, after the date that the investment restrictions and practices that TCOF follows change to be materially inconsistent with Part 2 of NI 81-102.

"Rhonda Goldberg"
Manager, Investment Funds
Ontario Securities Commission

2.1.6 IAT Air Cargo Facilities Income Fund – 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: IAT Air Cargo Facilities Income Fund, Re, 2010 ABASC 71

February 19, 2010

IAT Management Limited Partnership
2000, 5000 Miller Road
Richmond, BC V7B 1K6

Attention: Sandeep Manak

Dear Sir:

Re: IAT Air Cargo Facilities Income Fund (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
- (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 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 HSBC Global Asset Management (Canada) Limited and HSBC Global Inflation Linked Bond Pooled Fund

Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – National Instrument 81-102 *Mutual Funds* and from the requirements of the Securities Act (Ontario) – An issuer wants relief from the investment restrictions contained in subsection 2.1(1) of National Instrument 81-102 *Mutual Funds* prohibiting a mutual fund from investing more than 10% of the net assets of the fund, taken at market value at the time of the transaction, in securities of any one issuer – The foreign debt securities to be acquired by the issuer will be fully guaranteed by either foreign governments or certain development banks identified in NI 81-102; the debt securities must be highly rated government debt securities.

Applicable Ontario Provisions

National Instrument 81-102, s. 2.1.

February 12, 2010

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

AND

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

AND

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

AND

**HSBC GLOBAL INFLATION LINKED
BOND POOLED FUND
(the Fund)**

DECISION

Background

- 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) for an exemption under section 19.1 of National Instrument 81-102 *Mutual Funds* (NI 81-102) from the investment restrictions contained in subsection 2.1(1) of NI 81-102, which prohibits a mutual fund from investing more than 10% of the net assets of the fund, taken at market value at the time of the transaction, in the securities of any issuer (the Exemption Sought).

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

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

Interpretation

- 2 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

- 3 This decision is based on the following facts represented by the Filer:
1. the Filer is a company amalgamated under the laws of Canada and is registered as an adviser in the category of portfolio manager under applicable securities legislation in each of the provinces of Canada, with the exception of Prince Edward Island (the Reporting Jurisdictions);
 2. the Filer is not a "reporting issuer" within the meaning of applicable securities legislation in the Reporting Jurisdictions;
 3. the Fund is a "mutual fund" within the meaning of applicable securities legislation and is established as a trust under the laws of British Columbia;
 4. the Fund is a "reporting issuer" within the meaning of applicable securities legislation in each of the Reporting Jurisdictions; units of the Fund are qualified for distribution in each of the Reporting Jurisdictions under a simplified prospectus and annual information form filed with the applicable securities regulatory authorities in each of the Reporting Jurisdictions;
 5. the Filer is the manager and primary investment advisor of the Fund. The Filer has appointed a sub-advisor (the Sub-Advisor) that is responsible for the investment decisions of the Fund;
 6. the fundamental investment objective of the Fund is to generate income by investing primarily in inflation-protected fixed income securities issued by governments and corporations around the world;
 7. currently, the Fund's investment strategy is to invest in inflation linked bonds using the Barclay's Capital World Government Inflation-Linked Bond Index (the Index) as a guide to structuring the Fund and selecting investments; the Sub-Advisor will use the Index only as a guide and is not required to make the same investments as are in the Index; the Sub-Advisor seeks to generate returns in excess of the Index by employing several alpha sources including country allocation, duration management, yield curve positioning and security selection; both the strategy and the Index are currency hedged;
 8. the Index is among the most commonly used indices used to measure the aggregate performance of global inflation linked bonds and provides a broad based measure of global inflation linked bond markets;
 9. the Index is currently comprised of over 90 inflation linked bond issues that vary by quality, sector or region; as at December 8, 2009, the composition of the Index was as follows:

<u>Country</u>	<u>Rating</u>	<u>Weight</u>
United States	AAA	37.81%
United Kingdom	AAA	23.21%
Canada	AAA	2.75%
Australia	AAA	0.69%
France	AAA	14.95%
Germany	AAA	2.97%
Sweden	AAA	2.26%
Japan	AA	4.97%
Italy	A	8.94%
Greece	A	1.46%

10. the Filer would like the Fund to have the flexibility to invest up to:
 - (a) 35% of the Fund's net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by a permitted supranational agency (as defined in NI 81-102) or

governments other than the government of Canada, the government of a jurisdiction or the government of the United States of America and are rated "AAA" by Standard & Poor's, or have an equivalent rating by one or more other approved credit rating organizations; and

- (b) 20% of the Fund's net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by a permitted supranational agency (as defined in NI 81-102) or governments other than the government of Canada, the government of a jurisdiction or the government of the United States of America and are rated "AA" by Standard & Poor's, or have an equivalent rating by one or more other approved credit rating organizations,

(such evidences of indebtedness, Foreign Government Securities);

- 11. subsection 2.1(1) of NI 81-102 prohibits the Fund from purchasing a security of an issuer, other than a "government security" within the meaning of NI 81-102 or a security issued by a clearing corporation, if immediately after the purchase more than 10% of the net assets of the fund, taken at market value at the time of the purchase, would be invested in securities of the issuer; and
- 12. the Foreign Government Securities are not "government securities" within the meaning of NI 81-102.

Decision

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

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

- (a) the Fund may only invest up to:
 - (i) 35% of the Fund's net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies (as defined in NI 81-102) or governments other than the government of Canada, the government of a jurisdiction or the government of the United States of America and are rated "AAA" by Standard & Poor's, or have an equivalent rating by one or more other approved credit rating organizations; and
 - (ii) 20% of the Fund's net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies (as defined in NI 81-102) or governments other than the government of Canada, the government of a jurisdiction or the government of the United States of America and are rated "AA" by Standard & Poor's, or have an equivalent rating by one or more other approved credit rating organizations;
- (b) subparagraphs (i) and (ii) above shall not be combined for any one issuer;
- (c) the securities that are purchased under this Decision are traded on a mature and liquid market;
- (d) the acquisition of the securities purchased under this Decision is consistent with the fundamental investment objectives of the Fund;
- (e) the simplified prospectus of the Fund discloses any additional risks associated with the concentration of the net assets of the Fund in securities of fewer issuers, such as the potential additional exposure to the risk of default of the issuer in which the Fund has so invested and the risks, including foreign exchange risks, of investing in the country in which that issuer is located; and
- (f) the simplified prospectus of the Fund discloses, in the investment strategy section, the details of the Exemption Sought along with the conditions imposed and the type of securities covered by this Decision.

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

2.1.8 Heatherdale Resources Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – decision exempting the Filer from the requirement in s. 3.1 of NI 52-107 that financial statements be prepared in accordance with Canadian GAAP for so long as the Filer prepares its financial statements in accordance with IFRS-IASB.

Applicable Legislative Provisions

National Instrument 52-107, s. 9.1.

February 16, 2010

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

AND

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

AND

**IN THE MATTER OF
HEATHERDALE RESOURCES LTD.
(THE FILER)**

DECISION

Background

- 1 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) exempting the Filer from the requirement in section 3.1 of National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107) that financial statements be prepared in accordance with Canadian GAAP (the Exemption Sought), in order that the Filer may prepare its financial statements for financial periods ended October 31, 2009 and for periods beginning on or after November 1, 2009 in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IFRS-IASB).

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

- (a) the British Columbia 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 (Passport Jurisdiction); and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

- 2 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

- 3 This decision is based on the following facts represented by the Filer:
- 1. the Filer is a corporation incorporated under the laws of Alberta;

2. the registered office of the Filer is located at Suite 1020 – 800 West Pender Street, Vancouver, BC, V6C 2V6;
3. the Filer is a reporting issuer in the Jurisdictions and the Passport Jurisdiction;
4. the Filer is not in default of its reporting issuer obligations under the Legislation or the legislation of the Passport Jurisdiction;
5. the Filer's securities are listed on the TSX Venture Exchange (TSXV);
6. the Filer was a capital pool company listed on the TSXV under the name Brass Capital Corp until November 17, 2009 when it completed its qualifying transaction under TSXV Policy 2.4 *Capital Pool Companies* (Qualifying Transaction) with the target Heatherdale Resources Ltd. (Target);
7. the Filer changed its name to Heatherdale Resources Ltd. on November 16, 2009;
8. the Filer holds a 51% interest in a joint venture with CBR Gold Corp. in the form of a limited liability company (LLC) under the Delaware Limited Liability Company Act that is registered to carry on business in Alaska, and which holds 100% of the Niblack Project on Prince of Wales Island in southeast Alaska; the LLC is recently incorporated and expects to prepare its financial statements in accordance with IFRS;
9. upon the completion of the Qualifying Transaction, the Target became a subsidiary of the Filer and the Filer continued to carry on its business through the Target (Resulting Issuer);
10. the filing statement of Brass Capital Corp. describing the Qualifying Transaction dated November 9, 2009 contained financial statements for the Target prepared in accordance with IFRS for the year ended October 31, 2008 and the interim period ended July 31, 2009 (Filing Statement Financial Statements); the Filer analyzed the Filing Statement Financial Statements and determined there would have been no material differences, in recognition or measurement, had those Filing Statement Financial Statements been prepared in accordance with Canadian GAAP;
11. the Target has been preparing its financial statements in accordance with IFRS since its incorporation; the financial statements of the Target for its 2008 financial year were prepared in accordance with IFRS and were audited in such form; all interim financial reports prepared by the Target have been prepared in accordance with the international accounting standard on interim financial reporting as issued under IFRS-IASB;
12. the Qualifying Transaction is a reverse acquisition; although for legal purposes the Filer was the acquiror, for accounting purposes the Target was the acquirer; accordingly, the financial statements of the Resulting Issuer are those of the accounting acquiror, namely the Target;
13. the fiscal year end of the Resulting Issuer was changed to October 31 upon completion of the Qualifying Transaction;
14. the Filer will not file a management's discussion and analysis (MD&A) for the year ended October 31, 2009 as permitted under part 5.1(1.1) of National Instrument 51-102 *Continuous Disclosure Obligations*; the Filer will file Target's audited annual financial statements for the year ended October 31, 2009;
15. Brass Capital Corp. has not previously prepared financial statements that contain an explicit and unreserved statement of compliance with IFRS;
16. the Canadian Accounting Standards Board has confirmed that publicly accountable enterprises will be required to prepare their financial statements in accordance with IFRS-IASB for fiscal years beginning on or after January 1, 2011;
17. NI 52-107 sets out acceptable accounting principles for financial reporting under the Legislation by domestic issuers, foreign issuers, registrants and other market participants; under NI 52-107, a domestic issuer must use Canadian GAAP with the exception that an SEC registrant may use US GAAP; under NI 52-107, only foreign issuers may use IFRS-IASB;
18. in CSA Staff Notice 52-321 *Early Adoption of International Financial Reporting Standards, Use of US GAAP and Reference to IFRS-IASB*, staff of the Canadian Securities Administrators recognized that some issuers may wish to prepare their financial statements in accordance with IFRS-IASB for periods beginning prior to January 1, 2011 and indicated that staff were prepared to recommend exemptive relief on a case by case basis to permit a domestic issuer to do so, despite section 3.1 of NI 52-107;

19. subject to obtaining the Exemption Sought, the Filer will adopt IFRS-IASB concurrent with the completion of the Qualifying Transaction;
20. the Filer believes that the use of a single accounting standard would eliminate complexity and cost from the Filer's financial statement preparation process;
21. the Target has historically prepared its financial statements in accordance with IFRS, and since the Target is now the Resulting Issuer, there is no conversion plan necessary;
22. the Filer has carefully assessed the readiness of its staff, board of directors, audit committee, auditors, investors and other market participants for the adoption by the Filer of IFRS-IASB concurrent with the completion of the Qualifying Transaction and has concluded that they will be adequately prepared for the Filer's adoption of IFRS-IASB concurrent with the completion of the Qualifying Transaction;
23. the Filer has considered the implications of using IFRS-IASB concurrent with the completion of the Qualifying Transaction and on its obligations under securities legislation including, but not limited to, those relating to CEO and CFO certifications, business acquisition reports, offering documents, and previously released material forward looking information; and
24. the Filer will amend and restate its MD&A for the interim period ended August 31, 2009 with relevant information about its transition to IFRS-IASB, including:
 - (a) the key elements and timing of the Filer's changeover plan;
 - (b) an explanation that the Qualifying Transaction is a reverse acquisition;
 - (c) the Filer's accounting will be a continuation of the Target's accounting which has been IFRS since inception; and
 - (d) the Target will account for the Filer as a reverse asset acquisition and present consolidated financial statements.

Decision

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

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

- (a) the Filer prepares its annual financial statements for the financial year ended October 31, 2009 and for years beginning on or after November 1, 2009 in accordance with IFRS-IASB;
- (b) the Filer prepares its interim financial statements for interim periods beginning on or after November 1, 2009 in accordance with IFRS-IASB, except that if the Filer files interim financial statements prepared in accordance with Canadian GAAP for one or more interim periods for the financial year in which it adopts IFRS-IASB, the Filer will restate and re-file those interim financial statements in accordance with IFRS-IASB together with the related restated interim management's discussion and analysis and the certificates required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*; and
- (c) the Filer provides the communication set out in paragraph 24.

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

2.1.9 Freewest Resources Canada Inc. – s. 1(10)

“Alida Gualtieri”
Manager, Continuous Disclosure
Autorité des marchés financiers

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.

Applicable Legislative Provisions

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

Montréal, February 19, 2010

Freewest Resources Canada Inc.
C/o: Blake, Cassels & Graydon
199 Bay Street
Suite 2800, Commerce Court West
Toronto, Ontario M5L 1A9

Attention: Mrs. Cynthia Sargeant

Re: Freewest Resources Canada Inc. (the “Applicant”) - Application for a decision under the securities legislation of Québec, Alberta and Ontario (the “Jurisdictions”) that the Applicant is not a reporting issuer

Dear Madam:

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

As the Applicant has represented to the Decision Makers that:

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

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

2.1.10 Cenovus Energy Inc.

Headnote

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

Applicable Legislative Provisions

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

National Instrument 45-106 Prospectus and Registration Exemptions.

Citation: Cenovus Energy Inc., Re, 2010 ABASC 72

February 19, 2010

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

AND

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

AND

**IN THE MATTER OF
CENOVUS ENERGY INC.
(the Filer)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that trades of negotiable promissory notes or commercial paper of the Filer, maturing not more than one year from the date of issue (**Commercial Paper**) be exempt from the dealer registration requirement, the underwriter registration requirement and the prospectus requirement of the Legislation (respectively, the **Dealer Registration Exemption Sought**, the **Underwriter Registration Exemption Sought**, the **Prospectus Exemption Sought** and, together, the **Exemptions Sought**).

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

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

Interpretation

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

“Asset-Backed Commercial Paper” means Commercial Paper that is backed, secured or serviced by or from a discrete pool of mortgages, receivables or other financial assets or interests designed to ensure the servicing or timely distribution of proceeds to holders of that Commercial Paper;

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

“financial intermediary short-term debt registration exemption” means the exemption from the registration requirement, for a trade by a financial intermediary or a Schedule III bank, set out in clause 4.1(1)(a) of OSC Rule 45-501, or in a successor provision of OSC Rule 45-501, insofar as that clause or provision provides an exemption from the dealer registration requirement and the underwriter registration requirement for a trade of a type described in the short-term debt dealer registration exemption;

“market intermediary” has the meaning ascribed to that term in Ontario Securities Commission Rule 14-501 *Definitions*;

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

“OSC Rule 45-501” means Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*;

“Schedule III bank” means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);

"short-term debt dealer registration exemption" means the exemption from the dealer registration requirement set out in subsection 3.35 of NI 45-106, or in a successor provision in NI 45-106; and

"short-term debt underwriter registration exemption" means the deemed exemption from the underwriter registration requirement contained in subsection 1.5(2) of NI 45-106, or in a successor provision in NI 45-106, insofar as the deemed exemption relates to the short-term debt dealer registration exemption.

Representations

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

1. The Filer is a corporation governed by the *Canada Business Corporations Act* with its head office located in Calgary, Alberta.
2. The Filer is a reporting issuer in each of the jurisdictions of Canada where such concept exists and is not on the list of reporting issuers in default in any jurisdiction in Canada.
3. Subsections 1.5(2) and sections 2.35 and 3.35 of NI 45-106 provide, respectively, that exemptions from the underwriter registration, dealer registration and prospectus requirements of the Legislation for short-term debt (collectively, the **Commercial Paper Exemption**) are available only where such short-term debt "has an approved credit rating from an approved credit rating organization". NI 45-106 incorporates by reference the definitions for "approved credit rating" and "approved credit rating organization" that are used in National Instrument 81-102 *Mutual Funds* (NI 81-102).
4. The definition of "approved credit rating" in NI 81-102, requires, among other things, that (a) the rating assigned to such debt must be "at or above" certain prescribed short-term ratings, and (b) such debt must not have been assigned a rating by any "approved credit rating organization" that is not an "approved credit rating".
5. The Commercial Paper of the Filer has an "R-1(low)" rating from DBRS Limited and an "A-1(Low)" rating from Standard & Poor's Corporation, both of which meet the prescribed threshold in NI 81-102.
6. The Commercial Paper of the Filer does not meet the "approved credit rating" definition in NI 81-102 because it has a "P-2" rating from Moody's Investors Service, Inc. which is a lower rating than required by the Commercial Paper Exemption.

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 Exemptions Sought are granted provided that:

1. The Commercial Paper:
 - (a) matures not more than one year from the date of issue;
 - (b) is not convertible or exchangeable into or accompanied by a right to purchase another security other than Commercial Paper;
 - (c) is not Asset-Backed Commercial Paper; and
 - (d) has a rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating category that replaces a category listed below:

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

2. In Ontario, the Dealer Registration Exemption Sought and the Underwriter Registration Exemption Sought are not available in respect of a trade in Commercial Paper by a market intermediary (except for a trade in Commercial Paper with a registered dealer that is an affiliate of the market intermediary or a trade in Commercial Paper by a lawyer or accountant if the trade is incidental to the principal business of that lawyer or accountant) unless:
 - (a) the trade is made by a market intermediary that is a financial intermediary or Schedule III bank; and
 - (b) the trade is not made by a financial institution referred to in subsection 35.1(1) of the *Securities Act* (Ontario) in the circumstances to which that subsection applies.
3. In Newfoundland and Labrador, the Dealer Registration Exemption Sought and the Underwriter

Registration Exemption Sought are not available in respect of a trade in Commercial Paper by a market intermediary (except for a trade in Commercial Paper with a registered dealer that is an affiliate of the market intermediary or a trade in Commercial Paper by a lawyer or accountant if the trade is incidental to the principal business of that lawyer or accountant).

4. In each jurisdiction of Canada, the Prospectus Exemption Sought will terminate on the earlier of:
 - (a) 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the securities legislation of that jurisdiction of Canada that amends the conditions of the prospectus exemption contained in section 2.35 of NI 45-106 or provides an alternate exemption; and
 - (b) June 30, 2012.
5. Except as provided in paragraph 6 below, in each jurisdiction of Canada, the Dealer Registration Exemption Sought and the Underwriter Registration Exemption Sought will terminate on the earliest of:
 - (a) in the case of the Dealer Registration Exemption Sought, the date when the short-term debt dealer registration exemption does not apply in that jurisdiction of Canada;
 - (b) in the case of the Underwriter Registration Exemption Sought, the date when the short-term debt underwriter registration exemption does not apply in that jurisdiction of Canada; and
 - (c) June 30, 2012.
6. In Ontario, for a financial intermediary or Schedule III bank, the Dealer Registration Exemption Sought and the Underwriter Registration Exemption Sought will terminate on the earlier of:
 - (a) the date when the financial intermediary short-term debt registration exemption does not apply in Ontario; and
 - (b) June 30, 2012.

“William S. Rice, QC”
Alberta Securities Commission

“Stephen R. Murison”
Alberta Securities Commission

2.1.11 Scotia Asset Management L.P.

Headnote

National Policy 11-203 National Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from the investment prohibition in subsection 4.1(1) of NI 81-102 to permit purchases under private placements where the issuer is a reporting issuer in one or more Canadian jurisdiction – relief conditional on funds complying with conditions under s. 4.1(4)(a), (b), (c)(ii), and (d) which include approval by the funds’ independent review committee.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(1), 19.1.
National Instrument 81-107 Independent Review Committee for Investment Funds, s. 5.2(2).

February 12, 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 SCOTIA ASSET MANAGEMENT L.P. (the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the existing mutual funds subject to National Instrument 81-102 *Mutual Funds (NI 81-102)* for which the Filer currently acts as manager or portfolio adviser or both, and any other mutual funds subject to NI 81-102 which may be created in the future for which the Filer or an affiliate may act as manager or portfolio adviser or both (each, a **Fund** and collectively, the **Funds**), for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption from subsection 4.1(1) of NI 81-102 to enable the Funds to purchase equity securities (**Securities**) of a reporting issuer during the period of distribution (the **Distribution**) of the Securities pursuant to a private placement offering (a **Private Placement**) and for the 60-day period (the **60-day Period**) following completion of the Distribution (the Distribution and the 60-day period together, the **Prohibition Period**), notwithstanding that the dealer manager of the Funds or an associate or affiliate thereof acts or has acted as underwriter in connection with

the Distribution (each a **Relevant Offering** and the above is collectively, the **Exemption Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, 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 (Decision), unless otherwise defined.

IRC means Independent Review Committee.

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

Related Underwriter means Scotia Capital Inc.

Representations

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

1. The Filer is a limited partnership under the laws of Ontario and is registered as a portfolio manager in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, Newfoundland and Labrador and Yukon, as an exempt market dealer in Ontario and Newfoundland and as a commodity trading manager in Ontario. The head office of the Filer is located in Toronto, Ontario.
2. Each of the Funds is or will be an open-ended mutual fund trust or corporation established under the laws of Canada or a jurisdiction of Canada.
3. The securities of the Funds are or will be qualified for distribution in each of the provinces and territories of Canada pursuant to simplified prospectuses and annual information forms that have been prepared and filed in accordance with applicable securities legislation.
4. The Filer, or an affiliate or associate of the Filer, is or will be the manager and/or the portfolio adviser of the Funds. In addition, from time to time, third parties who are registered as portfolio managers may act as portfolio advisers to the Funds. Each

Fund is or will be a “dealer managed mutual fund”, as such term is defined in NI 81-102.

5. The Filer and the Funds are not in default of securities legislation in any jurisdiction of Canada.
6. The Filer has established an IRC in respect of the Funds in accordance with NI 81-107.
7. The Related Underwriter may be a party to an underwriting agreement with a reporting issuer in respect of Securities that are offered on a Private Placement basis. The Filer may wish to cause its relevant Funds to invest in such Securities during the Prohibition Period.
8. At the time of purchase by a Fund, the Securities will either be (i) equity securities of a reporting issuer or (ii) convertible securities, such as special warrants, which automatically permit the holder to purchase, convert or exchange such convertible securities into other equity securities of the reporting issuer once such other equity securities are listed and traded on an exchange.
9. Despite the affiliation between the Filer and the Related Underwriter, they operate independently of each other. In particular, the investment banking and related dealer activities of the Related Underwriter and the investment portfolio management activities of the portfolio adviser on behalf of the Funds are separated by “ethical” walls. Accordingly, no information flows from one to the other concerning their respective business operations or activities generally, except in the following or similar circumstances:
 - (a) in respect of compliance matters (for example, the Filer and the Related Underwriter may communicate to enable the Filer to maintain an up to date restricted-issuer list to ensure that the Filer complies with applicable securities laws); and
 - (b) the Filer and the Related Underwriter may share general market information such as discussion on general economic conditions, bank rates, etc.
10. The Funds will not be required or obligated to purchase any Securities during the Prohibition Period.
11. Any purchase of Securities by the Funds will be consistent with the investment objectives of the Funds and represent the business judgment of the Filer uninfluenced by considerations other than the best interests of the Funds.
12. To the extent that a Related Underwriter participates as an underwriter in an offering, the investment prohibition contained in subsection

- 4.1(1) of NI 81-102 (the Prohibition) restricts the Funds from making certain investments in the issuer's Securities during the relevant Prohibition Period, which can result in the portfolio adviser of the Fund incurring extra costs, which are ultimately borne by the relevant Fund, to substitute investments for those that it is prohibited from purchasing.
13. Subsection 4.1(1) of NI 81-102 provides an exemption from the Prohibition if the Filer or any of its associates or affiliates acts as a member of a selling group distributing 5% or less of the underwritten securities. However, this de minimis exemption is not available to entities that are underwriting a Distribution (as opposed to being in the selling group) and therefore the Funds cannot avail themselves of this exemption.
14. The Funds would not be restricted by the Prohibition if, in accordance with subsection 4.1(4) of NI 81-102, certain conditions are met, including that the IRC of the Funds has approved the transaction in accordance with subsection 5.2(2) of NI 81-107, that a prospectus is filed with one or more securities regulatory authorities or regulators in Canada in connection with a Relevant Offering and, during the 60-day Period, that the investment is made on an exchange on which the class of equity securities of the issuer is listed and traded.
15. The Filer will not be able to rely on subsection 4.1(4) of NI 81-102 if the offering is made on a Private Placement basis, as a prospectus is not filed in such circumstance. However, the Filer will comply with each of the other conditions in subsection 4.1(4), including subparagraph 4.1(4)(a) that the IRC of the Fund will approve any purchases of Securities during the Prohibition Period.
- 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) At the time of each purchase of Securities by a Fund during a Prohibition Period for a Relevant Offering;
 - (i) the investment will be in compliance with the investment objectives of the Fund;
 - (ii) the Fund has an IRC that complies with NI 81-107;
 - (iii) the IRC of the Fund will have approved the investment in
- accordance with subsection 4.1(4)(a) of NI 81-102; and
- (iv) the Fund complies with paragraphs 4.1(4)(c)(ii) and 4.1(4)(d) of NI 81-102;
- (b) Each issuer of Securities in a Relevant Offering is a reporting issuer under the applicable securities legislation in a Canadian jurisdiction at the time of each purchase by a Fund during the Prohibition Period for the Relevant Offering;
 - (c) (i) Prior to the first reliance on this Decision by a Fund, the website of the Fund or Filer, as applicable, discloses,

and

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

that the Fund may invest in Securities during the Prohibition Period pursuant to this Decision, notwithstanding that the Related Underwriter has acted as underwriter in the Relevant Offering of the same class of such Securities.
 - (d) On the date which is the earlier of:
 - (i) the date when an amendment to the annual information form of the Fund is filed for reasons other than this Decision; and
 - (ii) the date on which the initial or renewal annual information form of the Fund is receipted,

the annual information form of the Fund discloses the information referred to in paragraph (c) above and describes the policies or procedures and standing instructions if any, that have been approved by the IRC in relation to investments that can only be made pursuant to this Decision.
- This Decision will terminate on the coming into force of any legislation or rule of the principal regulator in the

Jurisdiction dealing with Private Placements in the context of section 4.1 of NI 81-102.

“Vera Nunes”

Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.12 Christopher Miller and other advising representatives of portfolio managers applying for registration as dealing representatives

Headnote

Under the order, a registrant who is exempt from section 3.11 of National Instrument 31-103 due to the application of subsection 16.10(1) is also exempt from sections 3.5 and 3.9 of National Instrument 31-103.

Instruments Cited

National Instrument 31-103 Registration Requirements and Exemptions, ss. 3.5, 3.9, 16.10(1).

February 26, 2010

**IN THE MATTER OF
NATIONAL INSTRUMENT 31-103
REGISTRATION REQUIREMENTS AND
EXEMPTIONS (“NI 31-103” or the “Instrument”)**

AND

**CHRISTOPHER MILLER (the “Lead Filer”) AND
OTHER ADVISING REPRESENTATIVES OF
PORTFOLIO MANAGERS APPLYING FOR
REGISTRATION AS DEALING REPRESENTATIVES**

DECISION

Interpretation

Unless otherwise defined in this decision or the context otherwise requires, terms used in this decision that are defined in NI 31-103 or National Instrument 14-101 *Definitions* have the same meaning.

Background

1. The Lead Filer is registered in Ontario as an advising representative of a portfolio manager and has been continuously registered in that category since NI 31-103 came into force.
2. The Lead Filer is applying for registration as a dealing representative of an exempt market dealer.
3. Under section 3.9 [*exempt market dealer – dealing representative*], a dealing representative must not act as a dealer on behalf of an exempt market dealer unless the individual has satisfied the proficiency requirements in paragraph (a), (b) or (c) of that section. Paragraph 3.9(c) provides that an individual may act as a dealer on behalf of an exempt market dealer if the individual has met the requirements of section 3.11 [*portfolio manager – advising representative*].
4. Because the Lead Filer was registered as an advising representative of a portfolio manager

when NI 31-103 came into force, he is exempt from section 3.11 [*portfolio manager – advising representative*] due to the application of subsection 16.10(1) [*proficiency for dealing and advising representatives*].

Application

The Lead Filer has applied to the Director, under section 15.1 of NI 31-103, for exemptions for himself and each advising representative of a portfolio manager registered in a jurisdiction of Canada on and since the date NI 31-103 came into force (together with the Lead Filer, the Filers or, individually, a Filer) from sections 3.5 [*mutual fund dealer – dealing representative*] and 3.9 [*exempt market dealer – dealing representative*] of NI 31-103, subject to the conditions and restrictions set out in this decision.

Decision

The decision of the Director is that each Filer is exempt from sections 3.5 [*mutual fund dealer – dealing representative*] and 3.9 [*exempt market dealer – dealing representative*] of NI 31-103 so long as the Filer is exempt from section 3.11 [*portfolio manager – advising representative*] in any jurisdiction of Canada due to the application of subsection 16.10(1) [*proficiency for dealing and advising representatives*].

“Erez Blumberger”
Deputy Director, Registrant Regulation
Ontario Securities Commission

2.1.13 Raymond James Ltd. and certain other registered firms registered as of the date of this decision

Headnote

The applicant has a physical place of business within Ontario and its head office in another jurisdiction of Canada. Under the order, the applicant and other similarly situated registered firms are exempted from the disclosure requirement in section 14.5 of National Instrument 31-103.

Instruments Cited

National Instrument 31-103 Registration Requirements and Exemptions, s. 14.5.

February 26, 2010

IN THE MATTER OF NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS AND EXEMPTIONS (“NI 31-103” or the “Instrument”)

AND

RAYMOND JAMES LTD. (the “Lead Filer”) AND CERTAIN OTHER REGISTERED FIRMS REGISTERED AS OF THE DATE OF THIS DECISION

DECISION

Interpretation

Unless otherwise defined in this decision or the context otherwise requires, terms used in this decision that are defined in NI 31-103 or National Instrument 14-101 *Definitions* have the same meaning.

Background

1. Section 14.5 of NI 31-103 provides that a registered firm whose head office is not located in Ontario must provide its clients in Ontario with a written statement disclosing information specified in the section.
2. The purpose of section 14.5 is to ensure clients are given information that may be relevant to their ability to obtain civil remedies against a registrant located outside Ontario.

Application

1. The Lead Filer has applied to the Director, under section 15.1 of NI 31-103, for exemptions for itself and each registered firm registered as of the date of this decision that has a physical place of business in Ontario (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from section 14.5 of NI 31-103, subject to the conditions and restrictions set out in this decision.

2. The Lead Filer represents that compliance with section 14.5 of NI 31-103 presents costs that are not justified in respect of a registered firm that has its head office in another jurisdiction of Canada and a physical place of business within Ontario.

Decision

The decision of the Director is that each Filer is exempt from section 14.5 of NI 31-103 so long as

- (a) the head office of the Filer is located in another jurisdiction of Canada, and
- (b) the Filer has a physical place of business in Ontario.

"Erez Blumberger"
Deputy Director, Registrant Regulation
Ontario Securities Commission

2.1.14 Jonathon Bolduc and certain other persons or companies registered under the Act

Headnote

Under the order, a registrant in Ontario is exempt from one or more sections of National Instrument 31-103 if the registrant is exempt from the same sections in another jurisdiction of Canada due to the application of a section of Part 16 [transition] in that other jurisdiction.

Instruments Cited

National Instrument 31-103 Registration Requirements and Exemptions, Part 3, ss. 12.1, 12.2, 12.3, 12.4, 12.5, 12.6, 12.7, 14.2, Division 3 of Part 13, 13.16, 14.14, 16.9(2), 16.10, 16.11, 16.13, 16.14, 16.15, 16.16, 16.17.

February 26, 2010

**IN THE MATTER OF
NATIONAL INSTRUMENT 31-103
REGISTRATION REQUIREMENTS AND
EXEMPTIONS (NI 31-103 or the Instrument)**

AND

**JONATHON BOLDUC (the "Lead Filer") AND
CERTAIN OTHER PERSONS OR COMPANIES
REGISTERED UNDER THE ACT**

DECISION

Interpretation

Unless otherwise defined in this decision or the context otherwise requires, terms used in this decision that are defined in NI 31-103 or National Instrument 14-101 *Definitions* have the same meaning.

Background

1. The Lead Filer applied to be registered in Ontario as a dealing representative after the coming into force of NI 31-103.
2. The Lead Filer has been registered as a dealing representative in Quebec continuously since September 28, 2009, the date NI 31-103 came into force.
3. Under section 16.10 of NI 31-103, section 3.5 of that Instrument does not apply to the Lead Filer in Quebec. However, because the Lead Filer was not registered in Ontario when NI 31-103 came into force, he is not exempt from section 3.5 in Ontario.

Application

The Filer has applied to the Director, under section 15.1 of NI 31-103, for exemptions for the Filer and each person or

company registered as of the date of this decision in another jurisdiction of Canada (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from certain sections of NI 31-103, subject to the conditions set out in this decision.

Decision

The decision of the Director is that a Filer is exempt from one or more sections of NI 31-103 listed in Appendix A if the following conditions apply:

- (a) the Filer has been continuously registered in another jurisdiction of Canada since NI 31-103 came into force;
- (b) the Filer remains registered in the jurisdiction referred to in paragraph (a) during their reliance on this exemption;
- (c) the Filer registered in Ontario after September 28, 2009 in the same category and, in the case of a registered individual, with the same sponsoring firm as the Filer is registered in the jurisdiction referred to in paragraph (a);
- (d) the Filer is exempt from the same section of NI 31-103 in the jurisdiction referred to in paragraph (a) due to the application of one of the following sections:
 - (i) subsections 16.9(2), (3) and (4) [*registration of chief compliance officers*];
 - (ii) section 16.10 [*proficiency for dealing and advising representatives*];
 - (iii) section 16.11 [*capital requirements*];
 - (iv) section 16.13 [*insurance requirements*];
 - (v) section 16.14 [*relationship disclosure information*];
 - (vi) section 16.15 [*referral arrangements*];
 - (vii) section 16.16 [*complaint handling*];
 - (viii) section 16.17 [*client statements – mutual fund dealers*].

“Erez Blumberger”
Deputy Director, Registrant Regulation
Ontario Securities Commission

Appendix A

Each section of Divisions 1 and 2 [*proficiency*] of Part 3
Section 12.1 [*capital requirements*]
Section 12.2 [*notifying the regulator of a subordination agreement*]
Section 12.3 [*insurance - dealer*]
Section 12.4 [*insurance - adviser*]
Section 12.5 [*insurance – investment fund manager*]
Section 12.6 [*global bonding or insurance*]
Section 12.7 [*notifying the regulator of a change, claim or cancellation*]
Section 14.2 [*relationship disclosure information*]
Each section of Division 3 [*referral arrangements*] of Part 13
Section 13.16 [*dispute resolution service*]
Section 14.14 [*client statements*]

2.1.15 Scotia Securities Inc. and other Mutual Fund Dealers registered as of the date of this decision

Headnote

Under the order, the applicant and other mutual funds dealers are exempted from the requirement in paragraph 13.2(2)(b) of National Instrument 31-103 to establish whether its clients are insiders of issuers.

Instruments Cited

National Instrument 31-103 Registration Requirements and Exemptions, s. 13.2(2)(b).

February 26, 2010

**IN THE MATTER OF
NATIONAL INSTRUMENT 31-103
REGISTRATION REQUIREMENTS AND
EXEMPTIONS ("NI 31-103" or the "Instrument")**

AND

**SCOTIA SECURITIES INC. (the "Lead Filer") AND
OTHER MUTUAL FUND DEALERS REGISTERED AS OF
THE DATE OF THIS DECISION**

DECISION

Interpretation

Unless otherwise defined in this decision or the context otherwise requires, terms used in this decision that are defined in NI 31-103 or National Instrument 14-101 *Definitions* have the same meaning.

Background

1. Paragraph 13.2(2)(b) of NI 31-103 provides that a registrant must take reasonable steps to establish whether a client is an insider of a reporting issuer or any other issuer whose securities are publicly traded.
2. The purpose of this requirement is to guard against abusive insider trading by, for example, allowing dealers to notify a client of the client's obligation to file an insider trade report.
3. If a registrant limits its trading with clients to mutual fund securities, only in very rare circumstances will a trade require the filing of an insider trade report.

Application

1. The Lead Filer has applied to the Director, under section 15.1 of NI 31-103, for exemptions for itself and each mutual fund dealer registered as of the date of this decision (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from paragraph

13.2(2)(b) of NI 31-103, subject to the conditions and restrictions set out in this decision.

2. The Lead Filer represents that compliance with paragraph 13.2(2)(b) of NI 31-103 presents significant costs that are not justified when trading with a client is limited to certain securities.

Decision

The decision of the Director is that each Filer is exempt from paragraph 13.2(2)(b) of NI 31-103 so long as the Filer is not registered in any other category specified in section 7.1 of NI 31-103.

"Erez Blumberger"
Deputy Director, Registrant Regulation
Ontario Securities Commission

2.1.16 Laurence Ginsberg and dealing representatives of exempt market dealers and scholarship plan dealers

Headnote

Under the order, section 3.3 does not apply to a Filer in respect of examinations and programs in sections 3.7 and 3.9 if the registrant was registered as a dealing representative of a scholarship plan dealer or exempt market dealer when NI 31-103 came into force.

Instruments Cited

National Instrument 31-103 Registration Requirements and Exemptions, ss. 3.3, 3.7, 3.9.

February 26, 2010

**IN THE MATTER OF
NATIONAL INSTRUMENT 31-103
REGISTRATION REQUIREMENTS AND
EXEMPTIONS (“NI 31-103” or the “Instrument”)**

AND

**LAURENCE GINSBERG (the “Lead Filer”) AND
DEALING REPRESENTATIVES OF EXEMPT
MARKET DEALERS AND
SCHOLARSHIP PLAN DEALERS**

DECISION

Interpretation

Unless otherwise defined in this decision or the context otherwise requires, terms used in this decision that are defined in NI 31-103 or National Instrument 14-101 *Definitions* have the same meaning.

Background

1. The Lead Filer is registered in Ontario as a dealing representative of an exempt market dealer and has been continuously registered in that category since NI 31-103 came into force.
2. Because the Lead Filer was registered as a dealing representative of an exempt market dealer when NI 31-103 came into force, he is exempt from section 3.9 [*exempt market dealer – dealing representative*] until September 28, 2010 due to the application of subsection 16.10(3) [*proficiency for dealing and advising representatives*].
3. On September 28, 2010, the Lead Filer will become subject to section 3.9 [*exempt market dealer – dealing representative*], which specifies the proficiency he must have to act as a dealing representative of an exempt market dealer.
4. Section 3.3 [*time limits on examination requirements*] of NI 31-103 provides that an

individual is deemed not to have passed an examination or successfully completed a program unless he or she has done so within the time period set out in that section.

5. The Lead Filer has passed the Canadian Securities Course Exam, the proficiency requirement in section 3.9 [*exempt market dealer – dealing representative*]. However, due to the application section 3.3 [*time limits on examination requirements*], he is deemed not to have passed the Exam because he did not pass it within the period set out in that section.

Application

The Lead Filer has applied to the Director, under section 15.1 of NI 31-103, for exemptions for himself and each dealing representative of an exempt market dealer and a scholarship plan dealer registered in a jurisdiction of Canada on and since the date NI 31-103 came into force (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from section 3.3 [*time limits on examination requirements*] of NI 31-103.

Decision

The decision of the Director is that section 3.3 [*time limits on examination requirements*] does not apply to a Filer in respect of an examination or program in

- (a) section 3.7 [*scholarship plan dealer – dealing representative*] if the Filer was registered in a jurisdiction of Canada as a dealing representative of a scholarship plan dealer on and since the date NI 31-103 came into force, and
- (b) section 3.9 [*exempt market dealer – dealing representative*] if the Filer was registered in Ontario or Newfoundland and Labrador as a dealing representative of an exempt market dealer on and since the date NI 31-103 came into force.

“Erez Blumberger”
Deputy Director, Registrant Regulation
Ontario Securities Commission

2.1.17 Vantage Asset Management Inc. and other portfolio managers applying for registration in another category

Headnote

The applicant and similarly situated portfolio managers are exempted from the proficiency requirements on chief compliance officers in sections 3.6, 3.10 and 3.14 of National Instrument 31-103.

Instruments Cited

National Instrument 31-103 Registration Requirements and Exemptions, ss. 3.6, 3.10, 3.13, 3.14, 16.9(2).

February 26, 2010

**IN THE MATTER OF
NATIONAL INSTRUMENT 31-103
REGISTRATION REQUIREMENTS AND
EXEMPTIONS (“NI 31-103” or the “Instrument”)**

AND

**VANTAGE ASSET MANAGEMENT INC.
(the “Lead Filer”) AND
OTHER PORTFOLIO MANAGERS APPLYING
FOR REGISTRATION IN ANOTHER CATEGORY**

DECISION

Interpretation

Unless otherwise defined in this decision or the context otherwise requires, terms used in this decision that are defined in NI 31-103 or National Instrument 14-101 *Definitions* have the same meaning.

Background

1. The Lead Filer is registered in Ontario as a portfolio manager and has been continuously registered in that category since NI 31-103 came into force.
2. The Lead Filer is applying for registration as an investment fund manager.
3. Under section 3.14 [*investment fund manager – chief compliance officer*], an investment fund manager must not designate an individual as its chief compliance officer unless the individual has satisfied the proficiency requirements in paragraph (a), (b) or (c) of that section. Paragraph 3.14(c) provides that an individual may be designated an investment fund manager's chief compliance officer if the individual has met the requirements of section 3.13 [*portfolio manager – chief compliance officer*].
4. Because the Lead Filer was registered as a portfolio manager when NI 31-103 came into

force, the Lead Filer's chief compliance officer is exempt from section 3.13 [*portfolio manager – chief compliance officer*] due to the application of subsection 16.9(2) [*registration of chief compliance officers*].

Application

The Lead Filer has applied to the Director, under section 15.1 of NI 31-103, for exemptions for the Lead Filer and each portfolio manager registered in a jurisdiction of Canada on and since the date NI 31-103 came into force (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from certain sections in Part 3 [*proficiency*] of NI 31-103, subject to the conditions and restrictions set out in this decision.

Decision

The decision of the Director is that each Filer is exempt from sections 3.6 [*mutual fund dealer – chief compliance officer*], 3.10 [*exempt market dealer – chief compliance officer*], and 3.14 [*investment fund manager – chief compliance officer*] of NI 31-103 so long as

- (a) the Filer is exempt from section 3.13 [*portfolio manager – chief compliance officer*] in any jurisdiction of Canada due to the application of subsection 16.9(2) [*registration of chief compliance officers*], and
- (b) the individual designated as the Filer's chief compliance officer in respect of the Filer's mutual fund dealer, exempt market dealer or investment fund manager activities is the same individual designated as the Filer's chief compliance officer in respect of the Filer's portfolio manager activities.

“Erez Blumberger”
Deputy Director, Registrant Regulation
Ontario Securities Commission

2.2 Orders

2.2.1 FN Subco Inc. – s. 1(10)b

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).

February 19, 2010

FN Subco Inc.
Exchange Tower, 130 King Street West
Suite 740, P.O. Box 467
Toronto, Ontario
M5X 1E4

Dear Sirs/Mesdames:

Re: FN Subco Inc. – Application for an order under clause 1(10)(b) of the Securities Act (Ontario) that the issuer is not a reporting issuer

The Applicant has applied to the Ontario Securities Commission for an order under clause 1(10)(b) of the Act that the Applicant is not a reporting issuer.

As the Applicant has represented to the Commission that:

- the outstanding securities of the Applicant, 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;
- no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
- the Applicant is not in default of any of its obligations under the Act as a reporting issuer; and
- the Applicant will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the Director granting the relief requested.

The Director is satisfied that it would not be prejudicial to the public interest to grant the requested relief and orders that the Applicant is not a reporting issuer.

“Lisa Enright”
Manager, Corporate Finance
Ontario Securities Commission

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

Headnote

Clause 104(2)(c) – Issuer bid – relief from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act – Issuer proposes to purchase, at a discounted purchase price, approximately 4,000,000 of its Class B Non-Voting shares from one shareholder and/or its affiliate – due to discounted purchase price, proposed purchases cannot be made through TSX trading system – but for the fact that the proposed purchases cannot be made through the TSX trading system, the Issuer could otherwise acquire the subject shares in reliance upon the issuer bid exemption available under section 101.2 of the Act and in accordance with the TSX rules governing normal course issuer bid purchases – no adverse economic impact on or prejudice to issuer or public shareholders – proposed purchases exempt from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act, subject to conditions.

Applicable Legislative Provisions

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

February 19, 2010

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

AND

**IN THE MATTER OF
ROGERS COMMUNICATIONS INC.**

**ORDER
(Clause 104(2)(c))**

UPON the application (the “**Application**”) of Rogers Communications Inc. (the “**Issuer**”) to the Ontario Securities Commission (the “**Commission**”) for an order pursuant to clause 104(2)(c) of the Act exempting the Issuer from sections 94 to 94.8 and 97 to 98.7 of the Act (the “**Issuer Bid Requirements**”) in connection with the proposed purchases (“**Proposed Purchases**”) by the Issuer of up to 4,000,000 (the “**Subject Shares**”) of the Issuer’s Class B Non-Voting shares (the “**Shares**”) from The Toronto-Dominion Bank and/or its affiliates (the “**Selling Shareholder**”);

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

AND UPON the Issuer having represented to the Commission that:

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

2. The head office of the Issuer is located at 333 Bloor Street East, 10th Floor, Toronto, Ontario, M4W 1G9.
3. The Issuer is a reporting issuer in each of the provinces of Canada and the Shares are listed for trading on the Toronto Stock Exchange (the "TSX") and the New York Stock Exchange. The Issuer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.
4. As at February 11, 2010, the authorized common share capital of the Issuer consists of 112,462,014 Class A Voting shares and 1,400,000,000 Shares, of which 479,948,041 Shares were issued and outstanding as at that date.
5. The executive head office of the Selling Shareholder is located in Toronto, Ontario.
6. The Selling Shareholder has advised the Issuer that it does not directly or indirectly own more than 5% of the issued and outstanding Shares.
7. To the knowledge of the Issuer after reasonable inquiry, the Selling Shareholder owns the Subject Shares and the Subject Shares were not acquired in anticipation of resale pursuant to the Proposed Purchases.
8. Pursuant to a "Notice of Intention to Make a Normal Course Issuer Bid" filed with the TSX, dated February 16, 2010 (the "**Notice**"), during the period from February 22, 2010 to February 21, 2011, the Issuer is permitted to make normal course issuer bid (the "**Bid**") purchases (each a "**Bid Purchase**") to a maximum of the lesser of 43,600,000 Shares and that number of Shares that can be purchased under the Bid for an aggregate purchase price of C\$1.5 billion in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX Rules**"). As of the date hereof, no Shares have been purchased under the Bid.
9. In addition to making Bid Purchases by means of open market transactions, the Notice contemplates that the Issuer may purchase Shares by way of exempt offer.
10. The Issuer and the Selling Shareholder intend to enter into one or more agreements of purchase and sale (each, an "**Agreement**") pursuant to which the Issuer will agree to acquire, by trades occurring during the period beginning on or after February 22, 2010 and ending on or prior to May 31, 2010, the Subject Shares from the Selling Shareholder for purchase prices (each, a "**Purchase Price**") that will be negotiated at arm's length between the Issuer and the Selling Shareholder. The Purchase Price will be at a discount to the prevailing market price and below the prevailing bid-ask price for the Shares.
11. The purchase of the Subject Shares by the Issuer pursuant to the Agreement will constitute an "issuer bid" for purposes of the Act to which the Issuer Bid Requirements would apply.
12. Because the Purchase Price will be at a discount to the prevailing market price and below the bid-ask price for the Shares at the time of each trade, the Proposed Purchases cannot be made through the TSX trading system and, therefore, will not occur "through the facilities" of the TSX. As a result, the Issuer will be unable to acquire the Subject Shares from the Selling Shareholder in reliance upon the exemption from the Issuer Bid Requirements that is available pursuant to Section 101.2(1) of the Act.
13. But for the fact that the Purchase Price will be at a discount to the prevailing market price and below the bid-ask price for the Shares at the time of the trade, the Issuer could otherwise acquire the Subject Shares as a "block purchase" (a "**Block Purchase**") in accordance with Section 629(1)7 of the TSX Rules and Section 101.2(1) of the Act.
14. The Selling Shareholder is at arm's length to the Issuer and is not an "insider" of the Issuer, an "associate" of an "insider" of the Issuer or an "associate" or "affiliate" of the Issuer, as such terms are defined in the Act. In addition, the Selling Shareholder is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus and Registration Exemptions* ("**NI 45-106**").
15. The Issuer will be able to acquire the Subject Shares from the Selling Shareholder in reliance upon the exemption from the dealer registration requirements of the Act that is available as a result of the combined effect of section 3.16 of NI 45-106 and Section 4.1(a) of Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*.
16. Management is of the view that the Issuer will be able to purchase the Subject Shares at a lower price than the price at which the Issuer will be able to purchase the Shares under the Bid and management is of the view that this is an appropriate use of the Issuer's funds.
17. The purchase of Subject Shares will not adversely affect the Issuer or the rights of any of the Issuer's securityholders. As the Subject Shares are non-voting shares, the Proposed Purchases will not affect control of the Issuer. The Proposed Purchases will be carried out with a minimum of cost to the Issuer.

- | | |
|--|---|
| 18. To the best of the Issuer's knowledge, as of February 11, 2010 the public float for the Shares consisted of approximately 91.01% for purposes of the TSX Rules. | (f) at the time that the Agreement is entered into by the Issuer and the Selling Shareholder and at the time of each Proposed Purchase, neither the Issuer nor the Selling Shareholder will be aware of any "material change" or "material fact" (each as defined in the Act) in respect of the Issuer that has not been generally disclosed. |
| 19. The market for the Shares is a "liquid market" within the meaning of Section 1.2 of Multilateral Instrument 61-101 <i>Protection of Minority Security Holders in Special Transactions</i> . | |
| 20. Other than the Purchase Price, no additional fee or other consideration will be paid in connection with the Proposed Purchases. | "David L. Knight"
Commissioner
Ontario Securities Commission |
| 21. At the time that an Agreement is entered into by the Issuer and the Selling Shareholder and at the time of each Proposed Purchase, neither the Issuer nor the Selling Shareholder will be aware of any "material change" or "material fact" (each as defined in the Act) in respect of the Issuer that has not been generally disclosed. | "Margot C. Howard"
Commissioner
Ontario Securities Commission |

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

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

- (a) the Proposed Purchases will be taken into account by the Issuer when calculating the maximum annual aggregate limit for the Bid Purchases in accordance with the TSX Rules;
- (b) the Issuer will refrain from conducting a Block Purchase in accordance with the TSX Rules during the calendar week it completes each Proposed Purchase and may not make any further Bid Purchases for the remainder of that calendar day;
- (c) the Purchase Price is not higher than the last "independent trade" (as that term is used in paragraph 629(l)1 of the TSX Rules) of a board lot of Shares immediately prior to the execution of each Proposed Purchase;
- (d) the Issuer will otherwise acquire any additional Shares pursuant to the Bid and in accordance with the TSX Rules;
- (e) immediately following its purchase of the Subject Shares from the Selling Shareholder, the Issuer will report the purchase of the Subject Shares to the TSX and issue and file a news release disclosing the purchase of the Subject Shares; and

2.2.3 TSX Inc. – s. 15.1 of NI 21-101 Marketplace Operation and s. 6.1 of OSC Rule 13-502 Fees

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 to TSX Inc. from the requirement in paragraph 3.2(1)(b) of 21-101 to file an amendment to Form 21-101F1 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 TSX Inc.'s exemption application.

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

AND

**IN THE MATTER OF
TSX INC.**

**ORDER
(Section 15.1 of National Instrument 21-101
Marketplace Operation ("NI 21-101")
and section 6.1 of Rule 13-502 Fees)**

UPON the application (the "Application") of TSX Inc. (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 3.2(1)(b) of NI 21-101 to file an amendment to the information previously provided in Form 21-101F1 (the "Form") regarding Exhibit N (fees) 45 days before implementation of the fee change (the "45 day filing requirement");

AND UPON the Applicant filing an updated Form on February 1, 2010, describing a fee change to be implemented on March 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 Rule 13-502, 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:

1. The Applicant operates the Toronto Stock Exchange and is a recognized stock exchange in Ontario with its head office in Toronto;
2. The Applicant would like to implement the Fee Change on March 1, 2010;

3. The Applicant has provided advance notice to the industry regarding the Fee Change;
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 implementing fee change 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; and
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 22nd day of February, 2010

"Susan Greenglass"
Director, Market Regulation
Ontario Securities Commission

2.2.4 Sahara Energy Ltd. – s. 144

Headnote

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

Statutes Cited

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

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

AND

**IN THE MATTER OF
SAHARA ENERGY LTD.
(the “Applicant”)**

**ORDER
(Section 144)**

WHEREAS the securities of the Applicant are subject to a temporary cease trade order made by the Director dated May 11, 2009 under paragraph 2 and paragraph 2.1 of subsection 127(1) and subsection 127(5) of the Act and a further cease trade order made by the Director dated May 22, 2009 under paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act directing that trading in the securities of the Applicant cease until the order is revoked by the Director (the “Cease Trade Order”);

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

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

AND UPON the Applicant having represented to the Ontario Securities Commission that:

1. The Applicant was incorporated by way of amalgamation under the *Business Corporations Act* (Alberta) on March 31, 2008.
2. The Applicant is a reporting issuer in Alberta, British Columbia and Ontario. The Applicant is not a reporting issuer in any other jurisdiction in Canada.
3. The Cease Trade Order was issued because the Applicant failed to file its audited annual financial statements for the year ended December 31,

2008, management’s discussion and analysis and certificates relating thereto.

4. The Applicant is also subject to cease trade orders issued by the Alberta Securities Commission and the British Columbia Securities Commission dated May 7, 2009 and May 11, 2009, respectively.
5. The Applicant has applied for a revocation of the cease trade orders issued by the Alberta Securities Commission and the British Columbia Securities Commission concurrent with its application to the Ontario Securities Commission.
6. The common shares of the Applicant are listed on the TSX Venture Exchange but are currently suspended from trading.
7. The Applicant has filed its audited annual financial statements for the year ended December 31, 2008, management’s discussion and analysis and certificates relating thereto. The Applicant has also filed its interim financial statements, management’s discussion and analysis and certificates for the interim periods ended March 31, 2009, June 30, 2009 and September 30, 2009.
8. The Applicant is up-to-date with its continuous disclosure obligations, has paid all outstanding filing fees and is not in default of any of its obligations as a reporting issuer under the Act.
9. The Applicant’s SEDAR and SEDI profiles are up-to-date.
10. The Applicant is not considering, nor is it involved in any discussions relating to a reverse take-over, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.

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

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

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

DATED at Toronto this 19th day of February, 2010.

“Michael Brown”
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.2.5 Chi-X Canada ATS Limited – s. 15.1 of NI 21-101 Marketplace Operation and s. 6.1 of OSC Rule 13-502 Fees

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 amended to Form 21-101F2 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 CHI-X's exemption application.

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

AND

**IN THE MATTER OF
CHI-X CANADA ATS LIMITED**

ORDER

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

UPON the application (the "Application") of Chi-X Canada Limited (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 F2") regarding Exhibit G(4) (fees) 45 days before implementation of the fee changes (the "45 day filing requirement");

AND UPON the Applicant filing an updated Form F2 on February 09, 2010 describing a fee change to be implemented on or about March 3, 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) \$5,000 in connection with the Application in accordance with section 4.1 and item E(1) of Appendix C of Rule 13-502, 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:

1. The Applicant is carrying on business as an alternative trading system in Ontario with its head office in Toronto;
2. The Applicant has consulted with industry participants prior to arriving at the new

fee model and plans to provide notice to the industry prior to implementation of the resulting fee schedule changes;

3. 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; and
4. Given that the notice period was created prior to multi-markets 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 requirement 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 \$5,000 in connection with the Application, and
 - (ii) paying an activity fee of \$1,500 in connection with the Fee Exemption Application.

DATED this 23rd day of February, 2010

"Susan Greenglass"
Director, Market Regulation
Ontario Securities Commission

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Electric-Spin Ltd.	08 Feb 10	19 Feb 10	19 Feb 10	
Campbell Resources Inc.	23 Feb 10	05 Mar 10		
Haemacure Corporation	19 Feb 10	03 Mar 10		

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
Axiotron Corp.	12 Feb 10	24 Feb 10	24 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		
Toxin Alert Inc.	06 Nov 09	18 Nov 09	18 Nov 09		
Seprotech Systems Incorporated	30 Dec 09	11 Jan 10	11 Jan 10		
Axiotron Corp.	12 Feb 10	24 Feb 10	24 Feb 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 SecuritiesSource (see www.carswell.com).

This chapter contains a weekly summary of insider transactions of Ontario reporting issuers in the System for Electronic Disclosure by Insiders (SEDI). The weekly summary contains insider transactions reported during the seven days ending Sunday at 11:59 pm.

To obtain Insider Reporting information, please visit the SEDI website (www.sedi.ca).

Chapter 8

Notice of Exempt Financings

REPORTS OF TRADES SUBMITTED ON FORMS 45-106F1 AND 45-501F1

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	# of Securities Distributed
12/31/2009	4	ACFAW.COM Inc. - Units	99,747,300.00	13,299,639.00
01/31/2010	40	ACM Commercial Mortgage Fund - Units	2,140,733.38	20,176.12
03/31/2009 to 06/30/2009	6	Adaly Opportunity Fund - Units	2,581,727.00	N/A
01/01/2009 to 12/01/2009	3	Agilith Quantitative Opportunity Fund LP - Units	165,000.00	165.00
02/08/2010	17	Alix Resources Corp. - Units	241,250.00	4,825,000.00
01/30/2009 to 05/29/2009	1	Amethyst Arbitrage Fund - Units	2,115,000.00	327,236.55
01/28/2010	29	Apella Resources Inc. - Units	1,191,700.00	5,958,500.00
12/30/2009	53	Arctic Star Diamond Corp. - Units	375,000.00	7,500,000.00
03/31/2009 to 11/30/2009	4	Arrow 360 Global Long/Short Fund - Units	3,774,744.36	401,998.32
12/31/2009	1	Arrow ACT II Fund - Units	0.27	0.02
01/09/2009 to 12/31/2009	137	Arrow ACT II TMT Fund - Units	928,882.13	84,143.66
01/16/2009 to 12/31/2009	90	Arrow AFC Capital Fund - Units	6,886,051.70	577,276.99
12/24/2009 to 12/31/2009	2	Arrow AFC Capital Fund - Units	129,933.82	11,111.98
07/31/2009 to 11/30/2009	2	Arrow C Multi-Strategy Fund - Units	2,610,000.00	375,197.67
01/30/2009 to 05/29/2009	1	Arrow Canadian Arbitrage Fund - Units	640,000.00	61,237.18
01/30/2009 to 06/30/2009	4	Arrow Debt Opportunities Fund - Units	3,539,719.47	632,091.99
01/09/2009 to 11/27/2009	33	Arrow Distressed Securities Fund - Units	2,707,784.42	307,133.42
01/30/2009 to 10/30/2009	16	Arrow Elkhorn US Long/Short Fund - Units	362,893.46	35,210.15
01/30/2009 to 10/30/2009	16	Arrow Elkhorn US Long/Short Fund - Units	362,893.46	35,210.15
01/30/2009 to 12/24/2009	24	Arrow Enhanced Income Fund - Units	413,402.46	53,699.73
03/31/2009 to 12/31/2009	12	Arrow Enso Global Fund - Units	702,495.46	42,436.22

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	# of Securities Distributed
01/30/2009 to 05/29/2009	2	Arrow F Global Macro Fund - Units	485,158.90	39,701.27
01/30/2009 to 10/30/2009	7	Arrow Focus Fund - Units	218,481.65	23,222.64
03/31/2009 to 10/30/2009	17	Arrow Global Long/Short Fund - Units	45,586.67	4,314.85
08/31/2009	2	Arrow Global Net Short Fund - Units	466,776.50	35,629.07
03/31/2009 to 11/20/2009	16	Arrow Goodwood Fund - Units	176,740.44	20,603.73
01/02/2009 to 10/31/2009	144	Arrow Haroun Capital Fund - Units	920,596.61	93,835.68
12/31/2009	1	Arrow Haroun Capital Fund - Units	10,000.00	1,000.00
01/02/2009 to 12/31/2009	392	Arrow High Yield Fund - Units	27,709,641.92	3,708,138.08
02/22/2009 to 12/31/2009	2	Arrow High Yield Fund - Units	81,151.58	591.70
01/30/2009 to 11/30/2009	4	Arrow I Convertible Arbitrage Fund - Units	2,386,309.73	165,689.99
12/31/2009	1	Arrow JC Clark Opportunities Fund - Units	88,541.95	8,745.75
01/30/2009 to 10/30/2009	4	Arrow L European Equity Fund - Units	416,571.22	29,256.87
01/30/2009 to 06/30/2009	3	Arrow LH Asian Fund - Units	1,428,315.06	100,134.59
01/30/2009 to 12/31/2009	76	Arrow Macro Fund - Units	3,026,574.75	426,586.53
03/31/2009 to 12/31/2009	70	Arrow Marret Resource Yield Fund - Units	2,904,533.68	430,518.28
12/31/2009	1	Arrow Marret Resources Yield Fund - Units	1,000.00	129.37
12/31/2009	5	Arrow MMCAP rick Arbitrage Fund - Units	575,624.77	29,955.49
01/02/2009 to 12/24/2009	45	Arrow Multi-Strategy Fund - Units	1,252,259.74	105,138.07
01/09/2009 to 06/30/2009	129	Arrow NS European Fund - Units	490,421.69	47,240.80
01/31/2009 to 10/30/2009	8	Arrow PMC Global Long/Short Fund - Units	552,747.38	58,358.51
05/29/2009 to 10/30/2009	3	Arrow R Fixed Income Fund - Units	657,791.55	53,911.86
12/31/2009	1	Arrow R Fixed Income Fund - Units	3,716.32	391.82
01/31/2009 to 02/27/2009	1	Arrow RG Fund - Units	785,718.08	68,599.21
10/30/2009	5	Arrow Risk Arbitrage Fund - Units	5,173.01	331.94

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	# of Securities Distributed
12/31/2009	2	Arrow Risk Arbitrage Fund - Units	2,732.95	17.71
04/30/2009	1	Arrow Russian Fund - Units	140,000.00	23,221.10
01/30/2009 to 09/30/2009	2	Arrow Special Opportunities Fund - Units	156,590.00	16,215.36
01/16/2009 to 12/31/2009	37	Arrow Tetra US Long/Short Fund - Units	2,529,637.95	223,102.63
01/16/2009 to 12/31/2009	41	Arrow US Equity Income Fund - Units	7,168,343.62	1,369,742.35
03/31/2009 to 08/31/2009	5	Arrow V Gamma Fund - Units	2,081,629.57	184,208.38
06/30/2009	4	Arrow V Realtime Value Fund - Units	1,156,438.87	96,289.66
05/08/2009 to 12/31/2009	8	Arrow WF Asia Fund - Units	413,463.73	24,713.26
12/31/2009	2	Augen Gold Corp. - Common Shares	201,172.61	2,011,725.00
02/04/2010	2	Aurelian Oil & Gas PLC - Common Shares	2,383,672.33	106,433,438.00
12/23/2009	21	Base Oil & Gas Ltd. - Common Shares	999,999.00	3,333,330.00
02/08/2010	10	Biostreet Canada Inc. - Common Shares	72,000.00	36,000.00
01/01/2009 to 12/31/2009	38	BloombergSen Partners Inc. - Units	43,720,400.00	N/A
02/04/2010	9	Boxer Gold Corp. - Units	208,800.00	2,088,000.00
01/01/2009 to 12/31/2009	4	Brandes Canada Global Equity Unit Trust - Units	10,646,335.08	N/A
09/08/2009 to 11/30/2009	3	Calrossie Partners Fund L.P. - Units	900,000.00	N/A
12/31/2009	40	Canadian International Minerals Inc. - Common Shares	548,700.00	N/A
02/01/2010	4	Capital Direct I Income Trust - Trust Units	184,213.18	18,421.31
01/05/2010	2	Caspian Energy Inc. - Common Shares	0.00	6,613,311.00
01/01/2009 to 12/31/2009	1	CC&L All Strategies Fund - Units	174,561.33	2,246.69
01/01/2009 to 12/31/2009	1	CC&L Arrowstreet EAFE Fund - Units	76,176.17	76,176.17
01/01/2009 to 12/31/2009	5	CC&L Balanced Canadian Equity Fund - Units	51,665,244.62	2,721,501.95
01/01/2009 to 12/31/2009	8	CC&L Bond Fund - Units	11,544,075.23	1,113,014.86
12/10/2009	1	CC&L Canadian Equity Fund - Units	4,968,503.34	596,659.54
01/01/2009 to 12/31/2009	5	CC&L Canadian Q Core Fund - Units	15,139,501.14	1,913,457.24

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	# of Securities Distributed
01/01/2009 to 12/31/2009	1	CC&L Canadian Q Growth Fund - Units	37,493,627.73	4,933,036.93
01/01/2009 to 12/31/2009	2	CC&L Canadian Small Cap Fund - Units	356,413.45	33,569.14
01/01/2009 to 12/31/2009	3	CC&L Genesis Fund - Units	2,081,335.30	1,769,043.73
01/01/2009 to 12/31/2009	7	CC&L Global Fund - Units	5,940,106.70	525,234.86
01/01/2009 to 12/31/2009	2	CC&L Group Balanced Plus Fund II - Units	26,763,153.02	20,442,048.20
01/01/2009 to 12/31/2009	2	CC&L Group Bond Fund II - Units	26,362,184.44	2,520,022.79
01/01/2009 to 12/31/2009	2	CC&L Group Canada Plus Fund II - Units	1,867,565.74	253,827.15
01/01/2009 to 12/31/2009	1	CC&L Group Canadian Equity Fund - Units	28,676,707.62	1,934,579.44
01/01/2009 to 12/31/2009	1	CC&L Group Global Fund - Units	1,397,260.95	209,698.94
01/01/2009 to 12/31/2009	8	CC&L Group Money Market Fund - Units	6,592,894.65	659,289.47
01/01/2009 to 12/31/2009	1	CC&L Group Money Market Fund II - Units	477,113.06	47,711.31
01/01/2009 to 12/31/2009	1	CC&L High Income Fund - Units	1,394,708.71	125,582.51
01/01/2009 to 12/31/2009	11	CC&L Long Bond Fund - Units	22,916,886.26	2,208,959.22
01/01/2009 to 12/31/2009	1	CC&L U.S. Equity Fund - Units	63,600.00	10,845.19
12/31/2009	37	Champion Minerals Inc. - Units	2,527,129.00	4,594,779.00
12/31/2009 to 01/04/2010	7	Claim Post Resources Inc. - Flow-Through Shares	1,167,000.00	3,723,332.00
01/11/2010	1	Claymore High Yield Bond Fund - Trust Units	15,000,000.00	750,000.00
02/11/2010	28	Cline Mining Corporation - Units	3,900,000.00	13,000,000.00
01/01/2009 to 12/31/2009	1	Co-operators Canadian Equity Pooled Fund - Units	841,000.00	N/A
01/01/2009 to 12/31/2009	2	Co-operators Fixed Income Pooled Fund - Units	2,097,512.52	N/A
01/01/2009 to 12/31/2009	7	Co-operators International Equity Pooled Fund - Units	17,519,000.00	N/A
01/01/2009 to 12/31/2009	12	Co-operators Money Market Pooled Fund - Units	140,294,510.14	N/A
01/01/2009 to 12/31/2009	7	Co-operators T-Bill Money Market Pooled Fund - Units	78,109,116.24	N/A

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	# of Securities Distributed
01/01/2009 to 12/31/2009	4	Co-operators US Equity Pooled Fund - Units	16,052,018.82	N/A
12/09/2009 to 12/29/2009	1	Consumer DiscretionaySELT - Common Shares	6,522,309.00	214,500.00
02/11/2010	29	Continental Gold Limited - Receipts	1,585,201.50	1,056,801.00
01/07/2009 to 12/16/2009	10	Cumberland Global Fund - Units	1,248,000.00	191,125.02
01/30/2009 to 02/06/2009	3	Cumberland Opportunities Fund - Units	108,000.00	27,251.94
12/29/2009	111	Darnly Bay Resources Limited - Common Shares	5,000,000.10	N/A
01/07/2009 to 09/16/2009	1	DeAM Canada Global Equity Fund - Units	268,437.67	N/A
01/31/2009 to 12/31/2009	25	Delaney Capital Balanced Fund - Units	1,364,368.44	15,705.19
01/31/2009 to 12/31/2009	68	Delaney Capital Equity Fund - Units	5,289,143.24	43,119.78
01/29/2010	5	Diablo Technologies Inc. - Preferred Shares	2,000,000.00	N/A
01/30/2009 to 05/30/2009	12	Diversified Assets LP - Units	800,000.00	160.00
01/02/2009 to 12/31/2009	45	Diversified Private Trust - Units	3,421,655.00	231,935.42
01/06/2010 to 01/15/2010	2	Dorothy of OZ, LLC - Units	30,000.00	30,000.00
01/14/2010	1	Duluth Metals Limited - Common Shares	12,000,000.00	6,000,000.00
12/16/2009	2	DuPont Fabros Technology L.P. - Notes	6,360,000.00	N/A
02/08/2010	1	Edgeworth Mortgage Investment Corporation - Preferred Shares	175,000.00	17,500.00
12/31/2009	22	Eloro Resources Ltd. - Units	700,000.00	5,833,333.00
12/01/2009 to 12/10/2009	2	Energy Select Sector SPDR - Common Shares	35,574.71	600.00
06/01/2009 to 11/01/2009	27	Epic Canadian Long Short Opportunities Fund LP - Limited Partnership Interest	7,945,807.43	N/A
01/01/2009 to 11/01/2009	19	Epic Income Fund - Units	4,574,127.54	N/A
02/05/2010	2	Escape Group Inc. - Common Shares	65,000.00	500,000.00
06/01/2009 to 10/01/2009	5	Fairwind Currency Fund LP - Units	2,100,100.00	N/A
12/01/2009 to 12/10/2009	2	Financial Select Sector SPDR - Common Shares	182,474.44	12,000.00
02/09/2010	1	First Leaside Fund - Trust Units	2,512.15	2,350.00

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02/03/2010 to 02/09/2010	36	First Leaside Fund - Trust Units	328,442.00	307,649.00
02/03/2010 to 02/09/2010	32	First Leaside Fund - Trust Units	636,673.00	636,673.00
02/04/2010	1	First Leaside Ultimate Limited Partnership - Units	100,235.44	93,457.00
02/04/2010	1	First Leaside Universal Limited Partnership - Units	100,000.00	100,000.00
02/03/2010	1	First Leaside Visions II Limited Partnership - Units	100,000.00	100,000.00
02/04/2010 to 02/08/2010	7	First Leaside Wealth Management Inc. - Preferred Shares	1,132,601.00	1,132,601.00
02/01/2010	67	First Pursuit Ventures Ltd. - Common Shares	649,999.95	4,333,333.00
12/30/2009	24	Focus Metals Inc. - Flow-Through Shares	585,551.05	N/A
12/18/2009	3	Foundation Resources Inc. - Flow-Through Shares	400,000.00	2,000,000.00
02/05/2010	120	FT Capital Fund 4 - Units	2,167,000.00	4,334.00
12/31/2009	2	Galahad Metals Inc. - Units	220,000.00	2,000,000.00
12/31/2009	2	Georgian Capital Partners Corporation - Limited Partnership Units	1,743,486.34	17,434.86
12/30/2009	36	Gilead Power Corporation - Units	2,083,000.00	N/A
12/30/2009	36	Gilead Power Corporation - Units	2,083,000.00	N/A
01/01/2009 to 12/31/2009	12	Global Portfolio Solution Fund Limited Partnership - Units	15,000.00	0.00
12/03/2009 to 12/29/2009	1	GMO Developed World Equity Investment Fund PLC - Units	117,643.73	5,422.84
01/04/2010	1	GMO Developed World Equity Investment Fund PLC - Units	92,018.48	3,551.46
12/08/2009 to 12/23/2009	1	GMO International Core Equity Fund-III - Units	4,545,853.21	158,887.06
12/22/2009	1	GMO International Opportunities Equity Allocation Fund-III - Units	3,173,700.00	221,075.90
12/31/2009	1	GMO International Opportunities Equity Allocation Fund-III - Units	73,796.19	5,283.31
12/16/2009	1	GMO International Opportunities Equity Allocation Fund-III - Units	1,431,675.00	98,324.84
02/04/2010	16	Golden Band Resources Inc. - Units	8,002,725.00	32,010,900.00
01/21/2010	8	Golden Goliath Resources Ltd. - Common Shares	439,500.00	2,930,000.00
02/05/2010	2	Golden Goliath Resources Ltd. - Common Shares	585,000.00	3,900,000.00

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12/31/2009	4	GoldTrain Resources Inc. - Units	330,000.00	3,300,000.00
01/30/2009 to 11/30/2009	100	Good Opportunities Fund - Units	325,648.57	N/A
06/02/2009	1	Gottex Market Neutral Fund Run-Off Portfolio 1 - Common Shares	29,768,064.53	274,943.00
03/02/2009 to 08/04/2009	2	Groundlayer Capital Inc. The Alpha Fund - Units	1,500,000.00	8.24
04/01/2009 to 05/01/2009	2	Groundlayer Capital Inc. The Alpha II Fund - Units	5,981,106.80	N/A
01/15/2009 to 12/31/2009	81	Growth and Income Private Trust - Units	12,816,101.70	794,608.00
01/06/2010	6	Hawk Uranium Inc. - Units	210,000.00	N/A
12/21/2009	1	Health Care Select Sector - Common Shares	141,909.86	4,300.00
11/17/2009	1	HealthSouth Corporation - Notes	6,355,200.00	N/A
02/28/2009 to 11/30/2009	15	Highwater Diversified Opportunities Fund LP - Units	3,605,000.00	3,605,000.00
12/04/2009	1	Horizons BetaPro NYMEX Crude Oil Bull - Common Shares	5,659.33	600.00
12/09/2009	1	Horizons BetaPro S&P TSX GLO - Common Shares	721,187.92	50,000.00
02/03/2010	2	IntelliOne Technologies Corporation - Preferred Shares	3,800,000.00	23,184,868.00
02/02/2010 to 02/03/2010	9	International Montoro Resources Inc. - Common Shares	109,500.00	1,800,000.00
01/01/2009 to 12/31/2009	39	Investeco Global Environmental Sectors Fund - Units	228,500.00	N/A
12/08/2009 to 12/29/2009	4	iShares CDN S&P/TSX 60 Index Fund - Common Shares	2,625,902.63	145,640.00
11/30/2009 to 12/22/2009	2	iShares CDN S&P/TSX Capped REIT Index Fund - Common Shares	234,999.59	20,400.00
12/03/2009 to 12/11/2009	3	iShares FTSE/Xinhua China 25 - Common Shares	3,093,331.30	67,700.00
12/03/2009 to 12/14/2009	3	iShares Inc MSCI Australia Index - Common Shares	1,014,681.51	42,180.00
12/08/2009	1	iShares Inc MSCI Japan Index - Common Shares	71,245.42	6,820.00
12/10/2009 to 12/17/2009	5	iShares MSCI Brazil - Common Shares	15,226,748.67	188,700.00
11/30/2009 to 12/04/2009	2	iShares MSCI EAFE Value IDX - Common Shares	7,386,955.04	13,500.00
12/03/2009	1	iShares MSCI Emerging Mkts Index - Common Shares	72,638.33	1,655.00

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12/11/2009 to 12/18/2009	2	iShares MSCI Mexico Invest Mkt Index - Common Shares	7,698,389.75	147,800.00
12/11/2009	2	iShares MSCI South Korea IND - Common Shares	7,718,859.60	155,600.00
12/24/2009	1	iShares NASDAQ BIOTECHINDX - Common Shares	145,077.28	1,700.00
12/02/2009 to 12/16/2009	2	iShares Russell 2000 - Common Shares	36,065,391.25	571,100.00
12/23/2009	1	iShares Silver Trust - Common Shares	61,689.92	3,500.00
12/08/2009 to 12/30/2009	2	iShares S&P Global Financial Sector Index Fund - Common Shares	273,301.43	5,752.00
12/11/2009	2	iShares Taiwan Webs Index - Common Shares	7,769,033.25	589,400.00
12/03/2009 to 12/11/2009	2	iShares TR MSCI EAFE IDX - Common Shares	61,218.44	1,050.00
11/30/2009	1	iShares TR S&P EURO PLUS - Common Shares	32,981.38	800.00
01/01/2009 to 12/31/2009	287	Jov Prosperity Canadian Equity Fund - Units	9,432,160.63	N/A
01/01/2009 to 12/31/2009	483	Jov Prosperity Fixed Income Fund - Units	46,758,926.12	N/A
01/01/2009 to 12/31/2009	360	Jov Prosperity International Equity Fund - Units	20,358,337.55	N/A
01/01/2009 to 12/31/2009	295	Jov Prosperity US Equity Fund - Units	10,414,709.63	N/A
12/31/2009	6	Kingwest Avenue Portfolio - Units	181,790.00	9,583.50
12/31/2009	1	Kingwest Canadian Equity Portfolio - Units	7,335.00	712.83
12/31/2009	1	Kingwest US Equity Portfolio - Units	4,743.15	387.74
01/15/2010	1	Kirkland Lake Gold Inc. - Common Shares	50,003.80	5,236.00
01/07/2010	12	Knightscove Media Corp. - Common Shares	410,000.00	N/A
12/18/2009	86	La Quinta Resources Corporation - Units	1,207,000.00	2,414,000.00
12/31/2009	1	Lara Exploration Ltd. - Common Shares	999,999.75	1,333,333.00
12/31/2009 to 01/07/2010	26	Levon Resources Ltd. - Units	2,327,850.00	6,651,000.00
01/12/2009 to 12/31/2009	34	Lincluden Private Trust - Units	5,360,316.77	362,891.00
01/01/2009 to 12/31/2009	11	Lysander Balanced Fund - Units	404,640.38	N/A
01/01/2009 to 12/31/2009	8	Lysander Income Fund - Units	352,840.40	N/A
01/08/2010	1	Macusani Yellowcake Inc. - Units	1,000,000.00	4,000,000.00

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01/13/2010	21	Marifil Mines Limited - Units	196,500.00	2,456,250.00
12/11/2009 to 12/18/2009	2	Market Vectors Russia ETF - Common Shares	7,544,799.16	236,400.00
11/30/2009 to 12/10/2009	2	Market Vectors NCLR - Common Shares	68,949.77	2,900.00
10/31/2008 to 11/30/2009	2	Marquest Asset Allocation Fund - Units	75,010.00	N/A
10/31/2008 to 11/30/2009	1	Marquest Bridge Fund - Units	5,000.00	N/A
10/31/2008 to 09/30/2009	2	Marquest Deacon Growth Fund - Units	22,675.15	N/A
10/31/2008 to 11/30/2009	23	Marquest Dividend Growth Fund - Units	256,316.71	N/A
08/01/2010 to 11/30/2009	7	Marquest Equity Fund - Units	23,351.75	N/A
10/31/2008 to 11/30/2009	14	Marquest Equity Growth Fund - Units	790,199.08	N/A
10/31/2008 to 09/30/2009	3	Marquest Equity Large Cap Fund - Units	84,264.60	N/A
10/31/2008 to 11/30/2009	36	Marquest Resource Fund - Units	825,255.68	N/A
01/01/2009 to 12/31/2009	5	Mavrix Strategic Small Cap Fund - Units	81,739.69	26,879.52
02/05/2010	53	McConachie Development Investment Corporation - Units	1,097,430.00	109,743.00
02/05/2010	1	Media General, Inc. - Notes	16,763,604.00	15,999.92
01/29/2010	61	Midlands Minerals Corporation - Units	4,598,868.40	13,139,624.00
12/31/2009	17	Mustang Minerals Corp. - Flow-Through Shares	457,144.53	3,516,496.00
12/31/2009	35	Nevado Venture Capital Corporation - Units	1,921,200.00	N/A
01/01/2009 to 12/31/2009	2	New Star EAFE Fund - Units	6,894,955.11	351,636.04
12/07/2009 to 12/16/2009	47	Newport Canadian Equity Fund - Units	2,413,181.70	19,802.55
12/29/2009 to 01/07/2010	7	Newport Canadian Equity Fund - Units	575,000.00	4,668.27
12/07/2009 to 12/16/2009	10	Newport Fixed Income Fund - Units	699,079.65	6,517.53
01/04/2010 to 01/07/2010	7	Newport Fixed Income Fund - Units	241,920.20	2,304.22
12/11/2009	2	Newport Global Equity Fund - Units	202,056.28	3,491.98
01/04/2010	1	Newport Global Equity Fund - Units	10,000.00	48,869.40

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12/07/2009 to 12/16/2009	16	Newport Yield Fund - Units	526,100.00	N/A
12/30/2009 to 01/07/2010	10	Newport Yield Fund - Units	1,068,146.94	9,672.14
01/01/2009 to 12/31/2009	117	Nexus North American Balanced Fund - Units	15,669,312.31	1,274,581.21
01/01/2009 to 12/31/2009	94	Nexus North American Equity Fund - Units	13,005,191.87	1,044,094.88
01/01/2009 to 12/31/2009	168	Nexus North American Income Fund - Units	37,376,190.38	3,522,640.11
01/30/2009 to 12/31/2009	6	Niagara Discovery Fund - Limited Partnership Interest	2,342,880.66	149,107.68
01/30/2009 to 12/31/2009	11	Niagara Legacy Class B Fund - Limited Partnership Interest	4,908,672.37	203,045.95
12/31/2009	3	Novadaq Technologies Inc. - Units	155,952.82	N/A
01/19/2010	1	NovaDx Ventures Corp. - Units	200,000.00	N/A
02/13/2009 to 12/31/2009	1039	NWM High Yield Bond Fund - Units	53,772,430.55	N/A
04/03/2009 to 12/31/2009	500	NWM Preferred Share Fund - Units	29,360,370.73	N/A
02/27/2009 to 12/31/2009	582	NWM Primary Mortgage Fund - Units	46,843,225.22	N/A
02/13/2009 to 12/31/2009	429	NWM Real Estate Fund - Units	29,777,964.73	N/A
01/12/2009 to 12/31/2009	39	Onefund Diversified Plus - Trust Units	1,369,347.33	152,163.32
02/03/2010	38	Paget Minerals Corp. - Flow-Through Shares	1,637,666.00	2,974,400.00
01/01/2009 to 12/31/2009	28	Palos Capital Pool L.P. - Units	1,159,508.00	115,521.75
01/01/2009 to 12/31/2009	12	Panorama Fund - Limited Partnership Units	48,988,000.00	4,238,428.17
01/01/2009 to 12/31/2009	246	Panorama Private Client Fund - Trust Units	11,510,524.98	N/A
01/12/2010	4	Pareto Corporation - Common Shares	1,462,163.05	1,539,119.00
01/01/2009 to 12/31/2009	2	PCJ Canadian Equity Fund - Units	1,267,751.69	163,262.14
01/01/2009 to 12/31/2009	1	PCJ Canadian Small Cap Fund - Units	217,397.39	36,081.15
02/05/2010	6	Petroleos Mexicanos - Notes	5,813,316.00	2.00
01/01/2009 to 12/31/2009	14	Pro-Hedge Multi-Manager Elite Fund - Trust Units	286,326.11	N/A
12/09/2009	1	PRS ULT LEH20+YR - Common Shares	584,903.51	12,000.00

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08/31/2009 to 12/31/2009	13	Quadrex Asset Management Inc. - Preferred Shares	1,000,000.00	N/A
01/13/2010	1	Radiant Energy Corporation - Debentures	100,000.00	N/A
02/03/2010 to 02/10/2010	119	Rallyemont Energy Inc. - Common Shares	2,899,477.30	83,577,758.00
01/01/2009 to 12/31/2009	11	RBC \$U.S. ARC Fund - Units	4,707,500.00	34,187.43
01/01/2009 to 12/31/2009	15	RBC \$C ARC Fund - Units	4,392,000.00	39,362.66
01/29/2010	3	Red Mile Resources Fund LP - Common Shares	190,250.00	3,505,000.00
12/03/2009	34	Red Pine Exploration Inc. - Flow-Through Shares	1,436,800.00	N/A
12/24/2009	2	Redev Properties Capital Pool II Inc. - Bonds	25,700.00	N/A
01/01/2009 to 12/31/2009	184	Resolute Performance Fund - Trust Units	28,984,068.56	3,410,914.47
01/20/2010 to 01/28/2010	27	Rich Rock Resources Inc. - Common Shares	134,000.00	670,000.00
01/04/2010	2	Riverside Capital Limited Partnership - Limited Partnership Units	70,334.00	6,571.80
02/08/2010	63	Riverstone Resources Inc. - Units	1,800,000.00	6,000,000.00
02/05/2010	38	Rock Tech Resources Inc. - Units	1,072,000.00	5,360,000.00
12/18/2009	99	Rockcliff Resources Inc. - Units	3,000,000.00	N/A
09/25/2009 to 12/01/2009	39	RP Debt Opportunities Fund LP - Units	41,676,939.00	N/A
12/30/2009	7	Ruperstris Mines Inc. - Flow-Through Shares	125,000.00	N/A
01/01/2009 to 12/31/2009	6	Russell Extended Duration Fund (Class A) - Units	66,420,375.97	666,147.22
01/21/2010	1	San Gold Corporation - Common Shares	3,030,000.00	1,000,000.00
05/28/2009	1	Sanfield Limited Partnership - Units	17,000,000.00	4,223,602.00
01/01/2009 to 12/31/2009	2	Scheer, Rowlett & Associates Balanced Fund - Units	21,132,862.10	211,460.05
01/01/2009 to 12/31/2009	3	Scheer, Rowlett & Associates Bond Fund - Units	41,275,407.66	3,919,595.61
01/01/2009 to 12/31/2009	8	Scheer, Rowlett & Associates Canadian Equity Fund - Units	61,111,988.20	5,543,211.39
01/01/2009 to 12/31/2009	3	Scheer, Rowlett & Associates EAFE Fund - Trust Units	7,222,489.14	1,208,241.22
01/01/2009 to 12/31/2009	3	Scheer, Rowlett & Associates Money Market Fund - Units	2,488,408.29	248,840.83

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01/01/2009 to 12/31/2009	1	Scheer, Rowlett & Associates Short Term Bond Fund - Units	2,331,252.92	226,895.18
01/01/2009 to 12/31/2009	3	Scheer, Rowlett & Associates U.S. Equity Fund - Units	1,392,082.16	280,766.90
01/27/2010	1	Shoreham Resources Ltd. - Common Shares	50,000.00	250,000.00
12/31/2009	6	Silver Shield Resources Corp. - Units	360,000.00	N/A
07/01/2009 to 12/31/2009	10	Silvercreek Capital Limited Partnership - Limited Partnership Units	1,878,501.50	489.31
12/31/2009	2	Skyline Gold Corporation - Common Shares	250,000.00	2,500,000.00
12/31/2009	27	Sniper Resources Ltd. - Units	534,126.10	N/A
11/01/2009	10	Spartan Multi Strategy Fund Limited Partnership - Units	589,998.00	N/A
12/01/2009	6	Spartan Multi Strategy Fund Limited Partnership - Units	239,483.00	N/A
10/01/2009	4	Spartan Multi Strategy Limited Partnership - Units	787,500.00	N/A
12/07/2009 to 12/29/2009	2	SPDR Gold Trust - Common Shares	361,095.23	3,100.00
12/08/2009 to 12/29/2009	1	SPDR S&P HomebuildersETF - Common Shares	215,691.62	13,800.00
12/04/2009 to 12/21/2009	4	SPDR S&P Retail ETF - Common Shares	20,005,583.61	543,521.00
01/01/2009 to 12/31/2009	6	SRA Canadian Equity Fund - Units	9,910,905.53	894,084.31
01/01/2009 to 12/31/2009	1	SRA/PCJ Canadian Equity Core Fund - Units	546,002.25	546,002.25
12/30/2009 to 12/31/2009	2	ST SPDR S&P INTL SC - Common Shares	74,397.37	2,800.00
01/01/2010	2	Stacey Muirhead Limited Partnership - Limited Partnership Units	153,500.00	3,967.58
01/01/2010	3	Stacey Muirhead RSP Fund - Trust Units	5,723.00	557.43
01/15/2010	2	Strait Gold Corporation - Units	115,000.00	1,150,000.00
01/04/2010	65	Stream Oil & Gas Ltd. - Units	3,192,500.00	9,121,429.00
02/05/2010	1	SunOpta Inc. - Warrants	0.00	250,000.00
11/30/2009 to 12/28/2009	7	S&P Depository Receipts TR Unit - Common Shares	55,444,653.45	475,200.00
02/08/2010	1	TenXc Wireless Inc. - Debentures	267,225.00	1.00
02/08/2010	2	TenXc Wireless (Delaware) Inc. - Debentures	267,225.00	2.00
02/03/2010 to 02/11/2010	57	Teras Resources Inc. - Receipts	1,500,000.00	7,500,000.00

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01/04/2010	2	Tethys Petroleum Limited - Common Shares	5,300,000.00	10,000,000.00
02/01/2009 to 12/01/2009	46	The Blair Franklin MultiStrategy Fund LP - Units	30,883,577.00	N/A
01/01/2009 to 12/31/2009	6	The Optimize Fund LP - Limited Partnership Units	9,475,000.00	91,834.01
12/29/2009	2	Tri Origin Exploration Ltd. - Flow-Through Shares	500,000.00	N/A
12/31/2009	8	Tribute Minerals Inc. - Units	203,000.00	1,100,000.00
01/11/2010	4	Tribute Minerals Inc. - Units	80,000.00	800,000.00
01/05/2010	4	Trillium North Minerals Ltd. - Common Shares	100,000.00	2,000,000.00
01/15/2010	2	Trimel BioPharma Holdings Inc. - Common Shares	668,655.00	650,000.00
12/31/2009	95	Triton Energy Corp. - Units	5,725,496.01	N/A
07/01/2009 to 08/01/2009	2	Triumph Aggressive Opportunities fund L.P. - Limited Partnership Units	250,000.00	250.00
02/01/2009 to 12/01/2009	12	Triumph Capital Appreciation Fund L.P. - Limited Partnership Units	7,104,000.00	7,104.00
12/18/2009 to 12/23/2009	19	Tyhee Development Corp. - Common Shares	2,378,000.00	5,982,000.00
01/15/2010	1	T. Boone Pickens Energy Fund - Units	2,572,500.00	N/A
12/23/2009	1	Ultrashort Lehman 7-10 Year - Common Shares	223,654.32	4,000.00
01/15/2010	1	United Air Lines Inc. - Notes	514,350.00	N/A
12/03/2009 to 12/10/2009	2	United States Oil Fund LP - Common Shares	523,837.66	13,557.00
12/15/2009 to 12/16/2009	1	Vanguard Emerging Mazrket Vipers - Common Shares	1,108,943.10	25,800.00
11/13/2009	28	Vena Resources Inc. - Units	2,269,400.40	7,564,668.00
07/01/2009	1	Venator Catalyst Fund - Limited Partnership Units	380,000.00	33,980.65
02/01/2009 to 12/01/2009	12	Venator Founders Fund - Limited Partnership Units	3,130,838.00	202,822.58
04/01/2009 to 12/01/2009	12	Venator Income Fund - Trust Units	6,398,000.00	619,249.62
02/01/2009 to 12/01/2009	9	Venator Investment Trust - Trust Units	1,250,638.00	292,212.32
12/31/2009	8	Viking Gold Exploration Inc. - Flow-Through Shares	170,000.00	3,400,000.00
02/03/2010	1	Wajax Corporation - Common Shares	1.00	1.00
02/05/2010	154	Walton AZ Mystic Vista Investment Corporation - Common Shares	2,424,500.00	242,450.00

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02/05/2010	23	Walton AZ Mystic Vista Limited Partnership - Units	3,069,972.40	287,720.00
02/05/2010	39	Walton AZ Verona Investment Corporation - Common Shares	685,770.00	68,577.00
02/05/2010	25	Walton TX Austin Land Investment Corporation - Common Shares	416,760.00	41,676.00
03/31/2009 to 06/01/2009	1	Wellington Management Portfolio (Canada) Global Infrastructure Portfolio - Units	50,000,000.00	4,763,775.07
01/01/2009 to 12/31/2009	4	West Face Capital Long Term Opportunities Limited Partnership - Units	6,850,000.00	N/A
02/01/2009 to 11/01/2009	12	WFC Opportunities Trust - Trust Units	4,400,000.00	440,000.00
01/12/2010	2	White Pine Resources Inc. - Common Shares	0.00	50,000.00
05/01/2009	1	Wingate Technology Performance Fund LP - Limited Partnership Units	50,000.00	67.44
12/17/2009 to 12/18/2009	15	Yorbeau Resources Inc. - Common Shares	1,379,000.00	5,516,000.00
12/17/2009 to 12/18/2009	1	Yorbeau Resources Inc. - Warrants	0.00	40,000.00
01/26/2009	1	Zorzal Incorporated - Debentures	50,000.00	1.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Canadian Capital Auto Receivables Asset Trust II
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated February 18, 2010

NP 11-202 Receipt dated February 18, 2010

Offering Price and Description:

\$* - * % Auto Loan Receivables-Backed Notes, Series 2010-1, Class A-1

\$* - * % Auto Loan Receivables-Backed Notes, Series 2010-1, Class A-2

\$* - * % Auto Loan Receivables-Backed Notes, Series 2010-1, Class A-3

\$* - * % Auto Loan Receivables-Backed Notes, Series 2010-1, Class B

Underwriter(s) or Distributor(s):

Merrill Lynch Canada Inc.
RBC Dominion Securities Inc.

Promoter(s):

General Motor Acceptance Corporation of Canada, Limited
Project #1535425

Issuer Name:

Doca Capital Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated February 18, 2010

NP 11-202 Receipt dated February 19, 2010

Offering Price and Description:

\$200,000 - 2,000,000 Common shares - Price: \$0.10 per Common share

Underwriter(s) or Distributor(s):

Raymond James Ltd.

Promoter(s):

Dave Doherty
Project #1536137

Issuer Name:

First Asset Canadian Dividend Opportunity Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated February 17, 2010

NP 11-202 Receipt dated February 18, 2010

Offering Price and Description:

Maximum \$* - (* Units) - Price: \$10.00 per Unit

Minimum Purchase: 200 Units

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.

TD Securities Inc.

Dundee Securities Corporation

HSBC Securities (Canada) Inc.

Raymond James Ltd.

Wellington West Capital Markets Inc.

Canaccord Financial Ltd.

GMP Securities L.P.

Macquarie Capital Markets Canada Ltd.

Promoter(s):

First Asset Investment Management Inc.

Project #1535401

Issuer Name:

Franconia Minerals Corporation

Type and Date:

Preliminary Long Form Prospectus dated February 19, 2010

Received on February 23, 2010

Offering Price and Description:

\$4,230,000 - 9,400,000 Common Shares and 4,700,000

Common Share Purchase Warrants on Exercise of

9,400,000 Previously Issued Special Warrants - Price:

\$0.45 per Special Warrant

Underwriter(s) or Distributor(s):

Wellington West Capital Markets Inc.

Promoter(s):

-

Project #1536738

Issuer Name:

Genesis Hydrogen Systems Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated February 22, 2010

NP 11-202 Receipt dated February 23, 2010

Offering Price and Description:

\$1,500,000 - 7,500,000 Units - Price: \$0.20 per Unit

Underwriter(s) or Distributor(s):

Bolder Investment Partners Ltd.

Promoter(s):

Kristine Elliott

Project #1536519

Issuer Name:

Golden Minerals Company
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form PREP Prospectus dated February 22, 2010

NP 11-202 Receipt dated February 22, 2010

Offering Price and Description:

US\$* - 5,518,198 Shares of Common Stock - Price: US\$*
per Share of Common Stock

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.

Promoter(s):

-

Project #1536310

Issuer Name:

Innergex Renewable Energy Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated February 18, 2010

NP 11-202 Receipt dated February 18, 2010

Offering Price and Description:

\$70,000,000.00 - 5.75% Extendible Convertible Unsecured
Subordinated Debentures - Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

TD Securities Inc.

CIBC World Markets Inc.

RBC Dominion Securities Inc.

Scotia Capital Inc.

Desjardins Securities Inc.

Laurentian Bank Securities Inc.

Promoter(s):

-

Project #1535394

Issuer Name:

Lanesborough Real Estate Investment Trust
Principal Regulator - Manitoba

Type and Date:

Amendment dated February 16, 2010 to Preliminary Short
Form Prospectus dated January 26, 2010

NP 11-202 Receipt dated February 17, 2010

Offering Price and Description:

Minimum Offering: \$5,000,000 (5,000 Investment Units)

Maximum Offering: \$7,000,000 (7,000 Investment Units)

Price: \$1,000 per Investment Unit

Minimum Subscription: \$1,000 (1 Investment Unit)

Investment Units comprised of: (i) one 5 Year 9.0% Second

Mortgage Bond in the principal amount of

\$1,000; and (ii) 1,000 trust unit purchase warrants

Underwriter(s) or Distributor(s):

Wellington West Capital Inc.

HSBC Securities (Canada) Inc.

Promoter(s):

-

Project #1527206

Issuer Name:

OceanaGold Corporation
Principal Regulator - Ontario

Type and Date:

Amendment dated February 18, 2010 to Preliminary Short
Form Prospectus dated February 17, 2010

NP 11-202 Receipt dated February 19, 2010

Offering Price and Description:

\$55,553,220 - 27,099,132 Subscription Receipts each
representing the right to receive one common share

Price: \$2.05 per Subscription Receipt

Underwriter(s) or Distributor(s):

Macquarie Capital Markets Canada Ltd.

BMO Nesbitt Burns Inc.

Thomas Weisel Partners Canada Inc.

Promoter(s):

-

Project #1534911

Issuer Name:

Prosperata Capital Preservation Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated February 19, 2010

NP 11-202 Receipt dated February 22, 2010

Offering Price and Description:

Series A and F Units

Underwriter(s) or Distributor(s):

Global Prosperata Funds Inc.

Promoter(s):

Global Prosperata Funds Inc.

Project #1536032

Issuer Name:

Russell Canadian Growth & Income Class Portfolio
Russell Canadian Growth & Income Portfolio
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated February 19, 2010

NP 11-202 Receipt dated February 19, 2010

Offering Price and Description:

Series B, E, E-5, E-6, E-7, F, F-5, F-6, F-7, I-5, I-6, I-7 and O Units,
Series B, E, E-5, E-6, E-7, F, F-5, F-6, F-7, I-5, I-6 and I-7 Shares

Underwriter(s) or Distributor(s):

Russell Investments Canada Limited
Russell Investments Canada Limited

Promoter(s):

Russell Investments Canada Limited
Project #1535928

Issuer Name:

Terra Firma Resources Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated February 17, 2010

NP 11-202 Receipt dated February 17, 2010

Offering Price and Description:

\$600,000.00 - 4,000,000 Common Shares - Price: \$0.15 per Common Share

Underwriter(s) or Distributor(s):

Mackie Research Capital Corporation

Promoter(s):

Peter Smith
Project #1535115

Issuer Name:

Arsenal Energy Inc.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 22, 2010

NP 11-202 Receipt dated February 22, 2010

Offering Price and Description:

\$8,007,000.00 - 9,420,000 Common Shares; and
\$3,000,000.00 - 3,000,000 Flow-Through Shares: Price:
\$0.85 per Common Share \$1.00 per Flow-Through Share

Underwriter(s) or Distributor(s):

Wellington West Capital Markets Inc.

Promoter(s):

-
Project #1532904

Issuer Name:

Brookfield Asset Management Inc.
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated February 18, 2010 to Final Shelf

Prospectus dated January 12, 2009

NP 11-202 Receipt dated February 22, 2010

Offering Price and Description:

US\$2,000,000,000

Debt Securities

Class A Preference Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1362586

Issuer Name:

DeeThree Exploration Ltd.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 22, 2010

NP 11-202 Receipt dated February 22, 2010

Offering Price and Description:

\$8,760,000.00 - 3,650,000 Common Shares ; Price: \$2.40 per Common Share; and \$3,010,000.00 - 1,075,000 Flow-Through Shares - Price: \$2.80 per Flow-Through Share

Underwriter(s) or Distributor(s):

Dundee Securities Corporation

Clarus Securities Inc.

D & D Securities Company

Promoter(s):

-

Project #1532307

Issuer Name:

EnerVest Natural Resource Fund Ltd.
Principal Regulator - Alberta

Type and Date:

Amendment #1 dated February 10, 2010 to Final Simplified Prospectus and Annual Information Form dated December 21, 2009

NP 11-202 Receipt dated February 18, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1501127

Issuer Name:

Fortuna Silver Mines Inc.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 18, 2010
NP 11-202 Receipt dated February 18, 2010

Offering Price and Description:

\$30,015,000.00 - 13,050,000 COMMON SHARES - Price:
\$2.30 per Offered Share

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Canaccord Financial Ltd.
BMO Nesbitt Burns Inc.

Promoter(s):

-

Project #1532309

Issuer Name:

Horizons AlphaPro Dividend ETF
Horizons AlphaPro Managed S&P/TSX 60 ETF
Horizons AlphaPro North American Growth ETF
Horizons AlphaPro North American Value ETF
Principal Regulator - Ontario

Type and Date:

Amended and Restated Long Form Prospectuses dated
February 10, 2010 (the amended prospectuses) amending
and restating the Long Form Prospectuses of the above
Issuers dated January 11, 2010
NP 11-202 Receipt dated February 23, 2010

Offering Price and Description:

Class E Units at Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

AlphaPro Management Inc.

Project #1510928

Issuer Name:

MagIndustries Corp.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated February 17, 2010
NP 11-202 Receipt dated February 18, 2010

Offering Price and Description:

\$20,000,000.00 - 50,000,000 Common Shares - Price:
\$0.40 per Share

Underwriter(s) or Distributor(s):

Cormark Securities Inc.
BMO Nesbitt Burns Inc.
Canaccord Financial Ltd.
Jennings Capital Inc.

Promoter(s):

-

Project #1531915

Issuer Name:

Manitou Gold Inc.
Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated February 16, 2010
NP 11-202 Receipt dated February 19, 2010

Offering Price and Description:

\$2,000,000.00 - 8,000,000 Units - Price: \$0.25 PER Unit

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.

Promoter(s):

Richard Murphy
Project #1517014

Issuer Name:

MINT Income Fund
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 16, 2010
NP 11-202 Receipt dated February 17, 2010

Offering Price and Description:

11,250,000 Warrants to purchase a maximum of
11,250,000 Trust Units - Warrant Exercise Price: \$9.75 per
Trust Unit

Underwriter(s) or Distributor(s):

Middlefield Capital Corporation

Promoter(s):

-

Project #1526229

Issuer Name:

MINT Income Fund
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 16, 2010
NP 11-202 Receipt dated February 18, 2010

Offering Price and Description:

\$225,000,000 (Maximum) 23,555,523 Units at 9.5519 per
Unit

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.
Middlefield Capital Corporation

Promoter(s):

-

Project #1526231

Issuer Name:

NexGen American Growth Registered Fund
 NexGen American Growth Tax Managed Fund
 NexGen Canadian Balanced Growth Registered Fund
 NexGen Canadian Balanced Growth Tax Managed Fund
 NexGen Canadian Bond Registered Fund
 NexGen Canadian Bond Tax Managed Fund
 NexGen Canadian Cash Registered Fund
 NexGen Canadian Cash Tax Managed Fund
 NexGen Canadian Dividend and Income Registered Fund
 NexGen Canadian Dividend and Income Tax Managed Fund
 NexGen Canadian Growth and Income Registered Fund
 NexGen Canadian Growth and Income Tax Managed Fund
 NexGen Canadian Growth Registered Fund
 NexGen Canadian Growth Tax Managed Fund
 NexGen Canadian Large Cap Registered Fund
 NexGen Canadian Large Cap Tax Managed Fund
 NexGen Global Dividend Registered Fund
 NexGen Global Dividend Tax Managed Fund
 NexGen Global Resource Registered Fund
 NexGen Global Resource Tax Managed Fund
 NexGen Global Value Registered Fund
 NexGen Global Value Tax Managed Fund
 NexGen North American Dividend and Income Registered Fund
 NexGen North American Dividend and Income Tax Managed Fund
 NexGen North American Growth Registered Fund
 NexGen North American Growth Tax Managed Fund
 NexGen North American Large Cap Registered Fund
 NexGen North American Large Cap Tax Managed Fund
 NexGen North American Small / Mid Cap Registered Fund
 NexGen North American Small / Mid Cap Tax Managed Fund
 NexGen North American Value Registered Fund
 NexGen North American Value Tax Managed Fund
 Principal Regulator - Ontario

Type and Date:

Amended and Restated Simplified Prospectuses and Annual Information Form dated February 18, 2010 (the amended prospectuses) amending and restating the Simplified Prospectuses and Annual Information Form of the above Issuers dated May 15, 2009
 NP 11-202 Receipt dated February 19, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

NexGen Financial Limited Partnership

Promoter(s):

-

Project #1404912

Issuer Name:

PEAK ENERGY SERVICES TRUST
 Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 23, 2010
 NP 11-202 Receipt dated February 23, 2010

Offering Price and Description:

Up to \$25.0 million - 120,000,000 Rights to subscribe for Trust Units - Price: \$0.20 per Trust Unit

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1534548

Issuer Name:

Progress Energy Resources Corp.
 Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 23, 2010
 NP 11-202 Receipt dated February 23, 2010

Offering Price and Description:

\$250,110,000 - 19,850,000 Subscription Receipts each representing the right to receive one Common Share
 Price: \$12.60 per Subscription Receipt

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
 CIBC World Markets Inc.
 Peters & Co. Limited
 RBC Dominion Securities Inc.
 Scotia Capital Inc.
 Cormark Securities Inc.
 FirstEnergy Capital Corp.
 National Bank Financial Inc.
 Canaccord Financial Ltd.
 Macquarie Capital Markets Canada Ltd.

Promoter(s):

-

Project #1533780

Issuer Name:

Ridgewood Canadian Bond Fund
 Principal Regulator - Ontario

Type and Date:

Amendment #1 February 10, 2010 (amendment no. 1) to the Simplified Prospectus and Annual Information Form of the above Issuer dated March 16, 2009
 NP 11-202 Receipt dated February 17, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Ridgewood Capital Asset Management Inc.

Promoter(s):

Ridgewood Capital Asset Management Inc.

Project #1372159

Issuer Name:

Scott's Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated February 17, 2010
NP 11-202 Receipt dated February 18, 2010

Offering Price and Description:

\$18,122,405.00 - 2,384,527 Units - Price: \$7.60 per Unit

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
Dundee Securities Corporation
CIBC World Markets Inc.
Desjardins Securities Inc.
Canaccord Financial Ltd.
Genuity Capital Markets

Promoter(s):

-

Project #1532174

Issuer Name:

Stornoway Diamond Corporation
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 16, 2010
NP 11-202 Receipt dated February 16, 2010

Offering Price and Description:

\$11,500,000.00 - 23,000,000 Offered Shares - Price: \$0.50 per Offered Share

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.
Cormark Securities Inc.
Desjardins Securities Inc.
Haywood Securities Inc.
BMO Nesbitt Burns Inc.
Paradigm Capital Inc.
Raymond James Ltd.

Promoter(s):

-

Project #1530228

Issuer Name:

THE GOODWOOD CAPITAL FUND
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated February 22, 2010
NP 11-202 Receipt dated February 22, 2010

Offering Price and Description:

Mutual Fund Units at Net Asset Value

Underwriter(s) or Distributor(s):

Goodwood Inc.

Promoter(s):

Goodwood Inc.

Project #1523641

Issuer Name:

TSO₃ Inc.
Principal Regulator - Quebec

Type and Date:

Final Short Form Prospectus dated February 23, 2010
NP 11-202 Receipt dated February 23, 2010

Offering Price and Description:

\$16,240,000.00 - 10,150,000 Common Shares - Price: \$1.60 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.
Versant Partners Inc.

Promoter(s):

-

Project #1534456

Issuer Name:

WesternOne Equity Income Fund
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 16, 2010
NP 11-202 Receipt dated February 16, 2010

Offering Price and Description:

\$24,000,000.00 - 24,000 Debentures - Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

Dundee Securities Corporation
National Bank Financial Inc.
Canaccord Financial Ltd.
Raymond James Ltd.
HSBC Securities (Canada) Inc.

Promoter(s):

-

Project #1531535

Issuer Name:

Golden Minerals Company
Principal Jurisdiction - Ontario

Type and Date:

Preliminary Long Form Prospectus dated December 14, 2009;

1st Amended & Restated Preliminary Long Form Prospectus dated January 18, 2010:

2nd Amended and Restated Preliminary Long Form Prospectus dated January 25, 2010

Withdrawn on February 22, 2010

Offering Price and Description:

US\$104,824,920 - * Shares of Common Stock US\$ * per Share of Common Stock

Underwriter(s) or Distributor(s):

Canaccord Financial Ltd.

Promoter(s):

-

Project #1515200

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Osprey Capital Partners To: Osprey Capital Partners Inc.	Exempt Market Dealer	January 18, 2010
Suspension for Non-payment of Participation Fees	Accolade Investment Corp.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Acquisitions, Investments, Mergers Group Canada Limited	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Alt Capital Markets, Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Applecreek Consultants Ltd	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Ark Fund Management Ltd.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Ascent Financial Management Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Avanti Securities Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Bayport Capital Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Bayshore Asset Management Inc.	Exempt Market Dealer, Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	BBG Equity Management Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation	Birkenshaw & Company Ltd.	Exempt Market Dealer	January 31, 2010

Registrations

Type	Company	Category of Registration	Effective Date
Fees			
Suspension for Non-payment of Participation Fees	Blacktree Capital Corp.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Cale Financial Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Chippewa Nation Financial Group Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Clay Finlay LLC	Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Coniston Investment Corp.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	David Appel Investment Consultants Ltd.	Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Elmwood Capital Inc.	Exempt Market Dealer, Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Eresearch Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Financial Services Genesis Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Fox-Davies Capital Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Gersan Capital Corp.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Giraffe Capital Corporation	Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Gleacher Fund Advisors LP	Exempt Market Dealer, Portfolio Manager, Commodity Trading Manager	January 31, 2010
Suspension for Non-payment of Participation	Global Capital Partners Inc.	Exempt Market Dealer	January 31, 2010

Registrations

Type	Company	Category of Registration	Effective Date
Fees			
Suspension for Non-payment of Participation Fees	Hallmark Capital Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Harvard Investment Group Ltd.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Home Investment Management Inc.	Exempt Market Dealer, Portfolio Manager, Commodity Trading Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Inhance Investment Management Inc.	Exempt Market Dealer, Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	James Edward Capital Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Jkes Financial Corp.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Kinetic Risk Management Ltd.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Kingmann Investments Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Kirchner And Company Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Kirchner Investment Management Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Kirchner Transition Management Incorporated	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Laurence Capital Corp.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Legacy Associates Inc.	Mutual Fund Dealer, Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation	Lehman Brothers Asset Management Inc.	Portfolio Manager	January 31, 2010

Registrations

Type	Company	Category of Registration	Effective Date
Fees			
Suspension for Non-payment of Participation Fees	Mergeco Resources Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	New Star Institutional Managers Limited	Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Omniscope Advisors Inc.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Opera Capital Management Inc.	Exempt Market Dealer, Commodity Trading Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Oppenheimer Real Asset Management, Inc.	Commodity Trading Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Pegasus Capital Management Inc.	Exempt Market Dealer, Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Quant Investment Strategies Inc.	Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Rockefeller & Co., Inc.	Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Scotia Cassels Investment Counsel Limited / Gestion De Placements Scotia Cassels Limitee	Exempt Market Dealer, Portfolio Manager, Commodity Trading Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Sextant Capital Management Inc.	Exempt Market Dealer, Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Sloane Capital Corp.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Tactical Paradigm Wealth Strategies Ltd.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Tanren Corporation	Exempt Market Dealer, Portfolio Manager	January 31, 2010
Suspension for Non-	Tenth Power Securities Ltd.	Exempt Market Dealer	January 31, 2010

Registrations

Type	Company	Category of Registration	Effective Date
payment of Participation Fees			
Suspension for Non-payment of Participation Fees	Trinity Wood Capital Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Tristone Capital Inc.	Investment Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	VSM Marketing Corporation	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Webb Asset Management Canada, Inc.	Exempt Market Dealer, Portfolio Manager	January 31, 2010
Suspension for Non-payment of Participation Fees	Worsley Enterprise Corp.	Exempt Market Dealer	January 31, 2010
Suspension for Non-payment of Participation Fees	Wright, Nicholas Depencier	Exempt Market Dealer	January 31, 2010
Name Change	From: Richmond Securities Inc. To: First Capital Markets Inc.	Exempt Market Dealer	February 14, 2010.
Voluntary Surrender of Registration	Nicholas-Applegate Capital Management LLC	International Adviser (PM)	February 16, 2010
Name Change	From: XDG Capital Inc. To: East Coast Fund Management Inc.	Portfolio Manager and Exempt Market Dealer	February 17, 2010
Consent to Suspension	Kearns Capital Corporation	Exempt Market Dealer	February 17, 2010
Voluntary Surrender of Registration	Pioneer Institutional Asset Management, Inc.	Portfolio Manager Exempt Market Dealer	February 17, 2010
Voluntary Surrender of Registration	Kayne Anderson Rudnick Investment Management, LLC	International Adviser (Portfolio Manager)	February 18, 2010.

Registrations

Type	Company	Category of Registration	Effective Date
Name Change	From: Ravensden Asset Management Inc. To: Ned Goodman Investment Counsel Limited	Portfolio Manager	February 19, 2010
Change of Category	SRE Securities Canada Inc.	From: Exempt Market Dealer and Portfolio Manager To: Exempt Market Dealer, Portfolio Manager and Investment Fund Manager	February 19, 2010
Change of Category	M. Hershberg Capital Limited	From: Exempt Market Dealer Mutual Fund Dealer To: Mutual Fund Dealer	February 23, 2010

Chapter 13

SROs, Marketplaces and Clearing Agencies

13.3 Clearing Agencies

13.3.1 Material Amendments to CDS Procedures – Automated Confirmation Transaction (ACT) Service – Request for Comments

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

MATERIAL AMENDMENTS TO CDS PROCEDURES

AUTOMATED CONFIRMATION TRANSACTION (ACT) SERVICE

REQUEST FOR COMMENTS

A. DESCRIPTION OF THE PROPOSED CDS PROCEDURE AMENDMENTS

The proposed procedure amendments reflect changes to the Automated Confirmation Transaction (ACT) service which will introduce two new reports and eliminate the existing suite of ACT reports produced by CDS. The proposed amendments to the reports are a consequence of CDS's decision to change its role from a sponsor, service bureau and executing broker to the role of a sponsor only for the ACT service.

The ACT service is a unique arrangement that allows CDS New York Link (NYL) participants and ACT Limited participants, through CDS's sponsorship, to access NASDAQ's ACT system without having to be direct members of NASDAQ or be directly regulated by the Financial Industry Regulatory Authority (FINRA). CDS currently acts as a gateway for such participants via the CDS ACT workstations. As a NASDAQ ACT system subscriber, CDS acts as a service bureau and executing broker on behalf of its participants. The ACT service provides CDS participants with a direct, computer-to-computer interface (CTCI) link to the NASDAQ ACT system. CDS participants access the ACT service via an application developed by CDS which interfaces directly with the NASDAQ ACT system.

The ACT service enables CDS participants to report and confirm trades with U.S. dealers that use NASDAQ's ACT system. This arrangement has been possible because of CDS's oversight commitment regarding its participants' compliance with the requirements and regulations of NASDAQ and FINRA. As well, CDS's guarantee of its participants' settlement obligations as part of the New York Link service, through which participants settle their NASDAQ obligations, has provided assurance to FINRA that there is sufficient protection to the other counterparties involved in NASDAQ trades with CDS sponsored participants.

CDS has assessed the ACT connectivity application it provides to its participants in order to determine the viability of continuing to keep the application current, and has determined that providing the opportunity for its participants to have direct access to NASDAQ's WebLink ACT 2.0 application would be more beneficial to CDS and its participants. This determination was based on several factors including the cost of continuous upgrades needed to the application whenever there are changes made by NASDAQ, and the added costs for maintaining vendor-supported hardware and software. Also, the ACT service has experienced a material decline in volumes as some CDS participants have shifted their activity to other service providers. The NASDAQ WebLink ACT 2.0 application is a browser-based application (maintained and operated by NASDAQ) that electronically facilitates the post-execution steps of price and volume reporting, comparison and clearing of trades using the NASDAQ/FINRA trade reporting facility (TRF).

As part of its assessment of the ACT connectivity application, CDS conducted discussions with NASDAQ and FINRA on the alternative proposal of providing CDS participants with direct access to ACT via NASDAQ's WebLink ACT 2.0 application, with CDS still acting as their sponsor. As a result of these discussions, NASDAQ and FINRA both agreed that providing CDS participants with direct access to NASDAQ's WebLink ACT 2.0 application would not affect the existing sponsorship arrangement that is in place between CDS and NASDAQ. NASDAQ and FINRA also requested that CDS assume a more active role relative to the monitoring of its sponsored participants' trading activities and their compliance with NASDAQ's/FINRA's requirements.

Based on the above, CDS has decided to discontinue its ACT connectivity application by the end of April 2010. As a consequence, participants using CDS's ACT workstations will be migrated to NASDAQ's WebLink ACT 2.0 application. Direct access to NASDAQ's WebLink ACT 2.0 application will be provided to CDS sponsored participants by NASDAQ. The

migration of CDS's participants to NASDAQ's WebLink ACT 2.0 application is expected to take place between April 16, 2010 and April 23, 2010.

FINRA Rule Amendment – Effective – March 1, 2010

As a separate but related matter, in September 2009, FINRA released Regulatory Notice 09-54 which states that "Effective Monday, March 1, 2010, firms submitting a non-tape report (either a non-tape, non-clearing report or clearing-only report) to the Alternative Display Facility (ADF), a Trade Reporting Facility (TRF) or the OTC Reporting Facility (ORF) (referred to herein as the "FINRA Facilities") associated with a previously executed trade that was not reported to that same FINRA Facility must identify the facility or market where the associated trade was reported for dissemination purposes (the "Related Market Center")."

This FINRA rule amendment will affect CDS's ACT participants that submit locked-in trades as order entry on behalf of U.S. firms via CDS's ACT service. CDS's ACT application does not provide participants with the ability to identify the facility or market where the associated trade was reported and would require system development in order to allow users to comply with the rule amendment. However, because of the plan to transfer participants to NASDAQ's WebLink ACT 2.0 application, which will satisfy the rule amendment, CDS will not be changing its ACT application.

Consequently, participants that use CDS's ACT service to submit locked-in trades as order entry on behalf of U.S. firms will need to either migrate to NASDAQ's WebLink ACT 2.0 application prior to March 1, 2010 or make alternate arrangements, such as having their U.S. counterparties submit these types of trades on their behalf. CDS has engaged the participants that have historically submitted locked-in trades as order entry on behalf of U.S. firms and they have all agreed to either migrate to NASDAQ's WebLink ACT 2.0 application prior to March 1, 2010 or make alternate arrangements in order to comply with FINRA's rule amendment.

Interim procedures will be provided for CDS participants that migrate to NASDAQ's WebLink ACT 2.0 application in February 2010 via CDS's Web site cds.ca.

FINRA Rule Amendment – Effective Date Extension

On February 8, 2010, FINRA released a notice stating that the effective date of the rule amendment contained within Regulatory Notice 09-54 had been extended to May 3, 2010. CDS advised the participants that were scheduled to migrate to NASDAQ's WebLink ACT 2.0 application prior to March 1, 2010 of the extension to the effective date of the FINRA rule amendment and these participants agreed that they would still migrate to NASDAQ's WebLink ACT 2.0 application prior to March 1, 2010.

The migration of these participants to NASDAQ's WebLink ACT 2.0 application prior to March 1, 2010 will act as a pilot for the remaining ACT participants that will be migrating to NASDAQ's WebLink ACT 2.0 application in April.

B. NATURE AND PURPOSE OF THE PROPOSED CDS PROCEDURE AMENDMENTS

The proposed procedure amendments are designed to reflect CDS's new role as a sponsor only for its participants that use the ACT service, rather than its current role of a sponsor, service bureau and executing broker. As a result of the change in CDS's role to a sponsor only, the existing ACT Participation Acknowledgement Agreement, which describes the ACT service, CDS roles and the responsibilities of the participants that use the service, between CDS and its sponsored participants, will require some amendments to reflect this change. A copy of the revised ACT Participation Acknowledgment Agreement (ACT PAA) is attached to this Notice and Request for Comment. A blacklined copy of the ACT PAA in the English language is also attached to this Notice and Request for Comment. The existing ACT PAA was not available in the French language and as such a blacklined copy in the French language is not available.

C. IMPACT OF THE PROPOSED CDS PROCEDURE AMENDMENTS

Two reports will be added and CDS's current suite of ACT reports will be discontinued. Information contained within the reports that are to be discontinued will be available to CDS participants directly from NASDAQ. The two new reports that will be produced are the ACT Compliance report and the ACT Billing report.

NASDAQ/FINRA - ACT Compliance Report:

- CDS will receive a file from NASDAQ on a daily basis that contains information related to the previous day's activities of its sponsored participants. Based on a set of predefined criteria provided by NASDAQ that related to various FINRA rules (e.g. 90 second trade reporting rule and 20 minute trade confirmation rules) CDS will create a report that will be available via CDS's Report Management Service (RMS) of non-compliant activity and will follow up with the non-compliant participant to ensure that suitable corrective action is taken.

- If a participant is non-compliant, CDS may apply a non-compliance fee and/or suspend the participant from the ACT service. In order to determine the protocol to be followed in the event that a participant is not compliant with FINRA's rules, CDS will perform an analysis over a six month period beginning in May of 2010. The results of this analysis would allow CDS to establish the protocol for applying a non-compliance fee or the suspension of a participant from the ACT service.

ACT Billing Report:

- The ACT billing report will provide participants with a breakdown of billable items related to their activities by market participant identifier (MPID) on a monthly basis

Existing ACT Reports:

The following existing CDS ACT reports will be discontinued:

- 342 – ACT unreconciled
- 343 – ACT reconciled locked-in purchases
- 344 – ACT reconciled locked-in sales
- 345 – ACT trade day cancels
- 346 – ACT end of day audit
- 347 – ACT T+1 activities
- 348 – ACT reconciled alleged
- 349 – ACT reconciled open
- 1827 – QSR ACT unreconciled
- 1828 – QSR reconciled locked-in purchase
- 1829 – QSR reconciled locked-in sales

Reporting and other forms of ACT-related output such as files/messages will be available to participants directly from NASDAQ.

The 'ACT QSR Exception report' (RMS ID# 1890) will be renamed to the 'Locked-in Trade Exception report' as this will more accurately reflect the contents of the report but otherwise, no changes will be made to the report or the file comparison process behind the creation of the report that CDS provides to its sponsored participants.

Because of CDS's change in role to a sponsor only, CDS's ACT application will no longer be available to CDS participants. As a result, CDS participants will be required to complete a NASDAQ Front End Request Form which they will submit to NASDAQ in order to have direct access to its WebLink ACT 2.0 application. The impact to CDS participants is that they will need to ensure that their internet browser is compatible with NASDAQ's WebLink ACT 2.0 application and familiarize themselves with the use of a new application. To ensure a smooth transition, CDS will continue to make its ACT application available to its participants for one or two days in parallel with NASDAQ's WebLink ACT 2.0 application and NASDAQ will provide CDS participants with training on the use of their WebLink ACT 2.0 application.

CDS participants will also need to execute an amended ACT PAA with CDS, as referenced in Section B above.

C.1 Competition

There is no expected impact to competition as the existing alternatives provided by other service providers to CDS's ACT service will continue to be available to CDS participants.

Some CDS participants are currently routing most of their NASDAQ trades through another vendor or using a proprietary application, while others have moved some or most of their trades to a Qualified Special Representative (QSR), which eliminated the need to use the ACT service for reporting and matching of trades. Trades reported under a QSR relationship flow on a locked-in basis directly from the QSR to NSCC for settlement.

C.2 Risks and Compliance Costs

CDS participants are and will continue to be required to comply with NASDAQ's/FINRA's requirements relative to their use of NASDAQ's ACT service, and CDS as sponsor will be responsible for monitoring the compliance of its participants.

Also, participants will be required to execute amended ACT PAAs with CDS.

C.3 Comparison to International Standards – (a) Committee on Payment and Settlement Systems of the Bank for International Settlements, (b) Technical Committee of the International Organization of Securities Commissions, and (c) the Group of Thirty

The sponsorship arrangement between CDS and NASDAQ is unique and no existing comparisons to international standards were identified.

D. DESCRIPTION OF THE PROCEDURE DRAFTING PROCESS

D.1 Development Context

CDS's participant procedures related to the ACT service were reviewed by CDS staff to ensure their accuracy and completeness. The proposed amendments related to the ACT service were identified, then incorporated within the existing CDS's participant procedures and reviewed by CDS staff. The proposed amendments to CDS's participant procedures were then approved by CDS management.

CDS internal procedures related to the ACT service were also reviewed by CDS staff and will also be amended where necessary to reflect the changes that have been proposed to CDS's participant procedures that are detailed within this notice.

D.2 Procedure Drafting Process

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 CDS's participant community. The SDRC meets on a monthly basis.

These amendments were reviewed and approved by the SDRC on February 11, 2010.

D.3 Issues Considered

In addition to the reasons cited earlier for the proposed changes to the ACT service, the connectivity limitations of CDS's current server structure have restricted CDS's ability to support additional participant subscription to the service. The removal of these connectivity limitations by migrating participants over to NASDAQ's WebLink ACT 2.0 application will allow additional CDS participants to subscribe to the ACT service.

Costs associated with upgrades required to CDS's ACT application are generally passed on to participants. Discontinuing the use of CDS's ACT application and transitioning participants to NASDAQ's WebLink ACT application, will eliminate the costs associated with maintaining and upgrading CDS's ACT application.

D.4 Consultation

Through discussions with NASDAQ and FINRA, CDS has confirmed that the proposed change would allow CDS to maintain its role as the sponsor for CDS participants using the NASDAQ ACT service, while continuing to meet NASDAQ's/FINRA's requirements. As sponsor, CDS would continue to be responsible for ensuring that sponsored participants using the NASDAQ WebLink ACT 2.0 service or other vendor's service bureau applications remain compliant with the requirements stipulated in the agreement between CDS and NASDAQ regarding trading activities and the use of NASDAQ's functionality. In order to assess compliance, CDS will monitor a data file sent to CDS by NASDAQ on a daily basis with information about all trading activities of CDS sponsored participants based on their market participant identifiers (MPID) accounts. Based on a set of predefined criteria provided by NASDAQ, CDS will create an exception report of any offside activity and will follow up with the participant to ensure that corrective action is taken to comply with NASDAQ's requirements. If a participant is non-compliant CDS may apply a non-compliance fee and/or suspend the participant from the ACT service.

ACT participants were advised of the coming changes to CDS's ACT service during a meeting/conference call of the ACT WebLink participant working group that took place on December 17, 2009. CDS has responded to specific questions that have been raised by participants and will continue to host regular meetings with the participant working group to provide updates and discuss the transition process.

A CDS bulletin describing the coming changes to CDS's ACT service was released on November 25, 2009 and a CDS bulletin related to the FINRA rule change was released on December 21, 2009. CDS plans to issue additional bulletins to participants as needed through the transition period.

D.5 Alternatives Considered

CDS has assessed whether it could sufficiently enhance its ACT connectivity application to compete with alternatives offered by other service providers. The hardware, operating environment and database used for the ACT service are no longer supported by the vendors and not used elsewhere in CDS. The absence of economies of scale and skills increases the costs and risks associated with supporting the application. As a result, it would be difficult, costly and error-prone to try to modify or change the application to improve the business functionality or to keep the application in good standing with hardware or software support levels. In addition, the investment required to offer a system that would be competitive with the systems offered by other vendors would be cost prohibitive relative to the potential volumes to be processed from Canadian broker/dealers.

D.6 Implementation Plan

CDS is recognized as a clearing agency by the Ontario Securities Commission pursuant to section 21.2 of the *Ontario Securities Act*. The Autorité des marchés financiers has authorized CDS to carry on clearing activities in Québec pursuant to sections 169 and 170 of the *Québec Securities Act*. In addition CDS is deemed to be the clearing house for CDSX[®], a clearing and settlement system designated by the Bank of Canada pursuant to section 4 of the *Payment Clearing and Settlement Act*. The Ontario Securities Commission, the Autorité des marchés financiers and the Bank of Canada will hereafter be collectively referred to as the "Recognizing Regulators".

The amendments to participant procedures may become effective upon approval of the amendments by the Recognizing Regulators following public notice and comment. Implementation of these changes is planned for May 3, 2010.

E. TECHNOLOGICAL SYSTEMS CHANGES

E.1 CDS

Technological system changes are required by CDS in order to provide a compliance monitoring facility (i.e. compliance with NASDAQ/FINRA requirements) and automate billing related to CDS's ACT service.

The required technological system changes will follow CDS's system development life-cycle (SDLC) protocol.

E.2 CDS Participants

Participants will need to find alternative solutions to any back-end programs that they or their service bureau have in place that interact with CDS's current ACT application (these solutions may or may not incorporate CDS's new outbound ACT activity file)

Participants will also need to ensure that they meet NASDAQ's WebLink ACT 2.0 application software requirements.

Microsoft Internet Explorer 5.5 is the minimum version required for NASDAQ's WebLink ACT 2.0 application, but Microsoft Internet Explorer 6.0 or greater is preferred. Netscape 6.x and above may also be used but no other browsers are supported, e.g., Firefox, AOL, etc. (no additional software is needed).

E.3 Other Market Participants

There is no anticipated impact to other market participants.

F. COMPARISON TO OTHER CLEARING AGENCIES

CDS is not aware of any other clearing agencies that sponsor their participants into NASDAQ's ACT service.

G. PUBLIC INTEREST ASSESSMENT

CDS has determined that the proposed amendments are not contrary to the public interest.

H. COMMENTS

Comments on the proposed amendments should be in writing and submitted within 30 calendar days following the date of publication of this notice in the Ontario Securities Commission Bulletin to:

Rob Argue
Senior Product Manager, Product Development
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Phone: 416-365-3887
Fax: 416-365-0842
Email: rargue@cds.ca

Copies should also be provided to the Autorité des marchés financiers and the Ontario Securities Commission by forwarding a copy to each of the following individuals:

M^e Anne-Marie Beaudoin
Secrétaire de l'Autorité
Autorité des marchés financiers
800, square Victoria, 22^e étage
C.P. 246, tour de la Bourse
Montréal (Québec) H4Z 1G3

Télécopieur: (514) 864-6381
Courrier électronique:
consultation-en-cours@lautorite.qc.ca

Manager, Market Regulation
Capital Markets Branch
Ontario Securities Commission
Suite 1903, Box 55,
20 Queen Street West
Toronto, Ontario, M5H 3S8

Fax: 416-595-8940
e-mail: marketregulation@osc.gov.on.ca

CDS will make available to the public, upon request, all comments received during the comment period.

I. PROPOSED CDS PROCEDURE AMENDMENTS

Due to formatting issues, the text of current CDS Participant Procedures marked to reflect proposed amendments, as well as, text of these procedures reflecting the adoption of the proposed amendments can be accessed by clicking the following link.

Refer to <http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-blacklined?Open> to review the affected procedure amendments.

AUTOMATED CONFIRMATION TRANSACTION SERVICE ("ACT SERVICE") PARTICIPATION ACKNOWLEDGEMENT AGREEMENT

THIS AGREEMENT is made between CDS Clearing and Depository Services Inc. ("CDS") and _____, (the "Participant"), and if applicable, it replaces the previous such agreement executed by the parties.

WHEREAS the NASDAQ Stock Market, Inc. ("NASDAQ") offers an Automated Confirmation Transaction Service (the "ACT Service") which, among other things, compares trade information from ACT users and submits matched, locked-in trades to clearing;

WHEREAS the Participant wishes to have access to the ACT Service in connection with trades which the Participant has entered into with members of NASDAQ that are regulated by the Financial Industry Regulatory Authority ("FINRA"), for clearing and settlement through CDS's New York Link Service (the "Link Service");

WHEREAS the Participant uses the Link Service offered by CDS and is therefore bound by the New York Link Service Rules, namely Rule 10.3, or any subsequent successor rules;

WHEREAS The Canadian Depository for Securities Limited ("CDS Limited"), CDS's parent company, entered into a Non-Member Clearing Organization ACT Participant Application Agreement (the "ACT Clearing Organization Agreement") with NASDAQ dated May 1, 1996, which provides for access by CDS Participants to the ACT Service;

WHEREAS the FINRA Rules and Practice and Procedure for the ACT Service (the "ACT Rules") and the ACT Clearing Organization Agreement authorize CDS, in its role as a sponsor, to allow its Participants access to the ACT Service so that they may submit trade information, as this is defined in the ACT Rules, into the ACT Service, such access is subject to CDS Participants having executed, and NASDAQ having accepted a NASDAQ Services Agreement, as well as, a NON-MEMBER FINRA/NASDAQ TRADE REPORTING FACILITY ADDENDUM TO THE NASDAQ SERVICES AGREEMENT and, if using the NASDAQ WebLink application, a NASDAQ Front End Request Form (the "Prescribed Agreements");

WHEREAS the Participant has executed copies of the Prescribed Agreements, dated as of the date indicated in the execution page hereof, which have been accepted by NASDAQ or delivered to NASDAQ for acceptance;

WHEREAS the provisions of the ACT Rules and Prescribed Agreements require the Participant's compliance with all applicable rules and operating procedures of FINRA, NASDAQ and of the Securities and Exchange Commission (the "SEC"), including, but not limited to, the ACT Rules, the ACT User Guide, Code of Procedure, Article III, Section 1, of the FINRA Rules of Fair Practice, the FINRA Uniform Practice Code, the FINRA Code of Arbitration Procedure, and Schedule D to the FINRA By-Laws (hereafter the "FINRA, NASDAQ and SEC Requirements") and,

WHEREAS the ACT Rules and ACT Clearing Organization Agreement require that in the event that the Participant should fail to honor a locked-in trade that has been sent for clearing and settlement, CDS shall be obligated to honor the trade on the scheduled settlement date;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties to this Agreement do hereby acknowledge and agree as follows:

1. **CDS's Sponsor Function:** Trade information may be supplied by the Participant into the ACT Service via NASDAQ's WebLink application. The Participant shall ensure the timeliness, completeness and accuracy of the information submitted into the ACT Service. CDS, as the Participant's sponsor, shall not be responsible for ensuring the timeliness, completeness and accuracy of that information.
2. **Condition Precedent:** The facilitation by CDS of the Participant's access to the ACT Service is conditional upon acceptance by NASDAQ of executed copies of the Prescribed Agreements. CDS shall not make access available to the Participant pursuant to this Agreement until such time as CDS has received confirmation from NASDAQ in the form and manner acceptable to CDS, of NASDAQ's acceptance of executed copies of the Prescribed Agreements.
3. **CDS Legal Documents Binding:** CDS sponsoring of the Participant's access to the ACT Service and the Participant's access and use of the ACT Service is accordingly governed by the CDS Participant Rules, Procedures and Users Guides and the Participant Agreement, as amended from time to time (which together comprise of the "Legal Documents") as if and to the same extent as would be the case if the ACT Service constituted a Settlement Service under the Legal Documents, subject to the provisions of Sections 7, 8, 9 and 10 below. For greater certainty, in construing the Participant Rules governing the Link Service, the following interpretations shall apply:

- i) References to the Participant's use of a Link Service shall encompass references to the Participant's use of the ACT Service and references to NSCC and the Depository Trust Corporation ("DTC") shall likewise encompass references to NASDAQ;
 - ii) The Participant shall pay to CDS the fees related to the provision of access to the ACT Service as per the CDS Fee Schedule; and
 - iii) The Participant shall pay to NASDAQ directly, NASDAQ's own fees related to the provision of the ACT service.
4. **Participant's Warranty:** The Participant warrants and represents that it shall not make use of the ACT Service contrary to the laws of Canada and the United States of America or an applicable province, territory or state thereof, including the by-laws, rules and regulations of any self-regulatory organization of which it is a member. The Participant shall use the ACT Service in accordance with this Agreement and any agreements it may enter into with NASDAQ in regard to the ACT Service, and in accordance with FINRA, NASDAQ and SEC requirements, as amended from time to time. The Participant also acknowledges that it is bound by, and its use of the ACT Service is governed by, all agreements entered into, instruments executed, declarations made and acts done by CDS (collectively the "Other Agreements") from time to time with respect to CDS's sponsorship and the Participant's access to the ACT Service. Should the Participant cease to have access to the ACT Service or should its access to the ACT Service be suspended or terminated, the Participant nonetheless continues to be bound by this Agreement and the Other Agreements as to all matters occurring while the Participant had access to the ACT Service.
5. **Further Agreements:** The Participant shall enter into such further agreements, execute such instruments, make such declarations, or provide such information as may be required from time to time by CDS, and/or NASDAQ, and/or FINRA, and/or the SEC in connection with the Participant's access to the ACT Service.
6. **Participant's Status with CDS:** The Participant acknowledges that, pursuant to the ACT Rules, the ACT Clearing Organization Agreement and the Prescribed Agreements, its access to the ACT Service is contingent on its good standing with CDS. Accordingly, the Participant consents to CDS providing such information as may be requested from time to time by NASDAQ, and/or FINRA, and/or the SEC to confirm the Participant's status with CDS.
7. **FINRA, NASDAQ and SEC Requirements:** CDS shall use reasonable efforts to make available to the Participant, upon request and for a reasonable fee, copies of documents relevant to the FINRA, NASDAQ and SEC requirements. However, the Participant acknowledges that CDS does not warrant or represent the accuracy, currency, or comprehensiveness of the documents that it may make available to the Participant, nor does CDS warrant or represent that such documents constitute a full and exhaustive description of the FINRA, NASDAQ and SEC requirements. CDS shall not be required to prepare for the Participant, any form of procedures or user guides governing access to or the use of the ACT Service. However CDS reserves the right to prepare and issue such documentation which, in conjunction with the FINRA, NASDAQ and SEC requirements, shall govern the Participant's access to and use of the ACT Service.
8. **Non-Compliance:** The Participant shall comply with the terms of this Agreement and of all other applicable documents. The Participant acknowledges that CDS may take the necessary steps, including imposing non-compliance fees and/or suspending CDS's sponsorship of the Participant's access to the ACT Service, if the Participant is non-compliant with any of the terms of the applicable documents. The Participant further acknowledges that CDS may take any of the above actions on the direction of FINRA, NASDAQ, the SEC and/or another relevant regulatory body.
9. **Disruption to the ACT Service:** CDS shall in no way be liable for any interruption to, delay in, or unavailability, incompleteness or inaccuracy of, the ACT Service as provided by NASDAQ, its affiliates, agents, or service providers including, without limitation, telecommunications service providers (collectively a "Service Disruption"). For greater certainty, CDS shall not be considered to be an agent or service provider of NASDAQ for the purpose of the provision of the ACT Service, nor shall CDS be liable for losses, damages or other claims in connection with a Service Disruption, including without limitation, trading losses, loss of anticipated profits, loss by reason of shutdown in operation or for increased expenses of operation, or for indirect, special punitive, consequential, or incidental loss or damage.
10. **Modification or Termination by NASDAQ:** The Participant acknowledges that NASDAQ may, when required to do so in fulfillment or statutory obligations, temporary or permanently, unilaterally condition, modify or terminate the Participant's right to have access to or use the ACT Service. CDS shall not in any way be liable for such conditioning, modification or termination, nor for any losses, damages or other claims associated therewith, including without limitation, trading losses, loss of anticipated profits, loss by reason of shutdown in operation or for increased expenses of operation, or for indirect, special punitive, consequential, or incidental loss or damage.

11. **Intellectual Property:** CDS shall not in any way be liable for any alleged and/or actual infringement or misappropriation by the ACT Service or by the Participant's access to and/or use of the ACT Service, of any third party's intellectual property rights.
12. **Counterpart Execution:** This Agreement may be executed in counterparts each of which shall be deemed to be an original and both of which together shall constitute one and the same document.
13. **Language:** This Agreement is also available in the French language. Cete convention est egalment disposale en francaise. By executing this agreement in the English language, the parties hereto declare that it is therewith this document and any documents related to it to be in the English language only. En signant la version anglaise de la presente convention les parties aux presentes declarent vouloir que ce document et ceux qui s'y rattachent, soient rediges en langue seulement.

IN WITNESS WHEREOF the parties hereto have executed this Agreement, and the Participant confirms its execution of the Prescribed Agreements as of the date hereof or, where applicable, as of the date(s) indicated below:

_____	CDS CLEARING AND DEPOSITORY SERVICES INC
(Name of Participant)	
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____
Executed at: _____	Executed at: _____
Date: _____	Date: _____

- i) NASDAQ Services Agreement dated _____
- ii) NON-MEMBER FINRA/NASDAQ TRADE REPORTING FACILITY ADDENDUM TO THE NASDAQ SERVICES AGREEMENT dated _____
- iii) NASDAQ Front End Request Form dated _____

AUTOMATED CONFIRMATION TRANSACTION SERVICE ("ACT SERVICE") PARTICIPATION ACKNOWLEDGEMENT AGREEMENT

THIS AGREEMENT is made between ~~The Canadian Depository for Securities Limited~~ CDS Clearing and Depository Services Inc. ("CDS") and _____, (the "Participant"), ~~and if applicable, it replaces the previous such agreement executed by the parties.~~

WHEREAS the Participant uses the American and Canadian Connection of efficient Securities Settlement Service ("ACCESS Services") or the New York Link Service or both offered by CDS and is bound by the ACCESS Services Rules, namely Rule 9 (or any subsequent successor rules), or the New York Link Service Rules, namely Rule 5 (or any subsequent successor rules) or both, as the case may be (either such service being referred to hereinafter as a "Link Service");

WHEREAS the Nasdaq NASDAQ Stock Market, Inc. ("Nasdaq NASDAQ") offers an Automated Confirmation Transaction Service (the "ACT Service") which, among other things, compares trade information from ACT participants users and submits matched, locked-in trades to clearing;

WHEREAS the pParticipant wishes to have access to ~~the ACT Service and its trade confirmation procedures~~, in connection with trades which the pParticipant has entered into with members of the National Association for Securities Dealers ("NASD") NASDAQ that are regulated by the Financial Industry Regulatory Authority ("FINRA"), for clearing and settlement through ~~one of the CDS's New York Link Services~~ (the "Link Service");

WHEREAS the Participant uses the Link Service offered by CDS and is therefore bound by the New York Link Service Rules, namely Rule 10.3, or any subsequent successor rules;

WHEREAS CDS ~~The Canadian Depository for Securities Limited~~ ("CDS Limited"), CDS's parent company, has entered into a Non-Member Clearing Organization ACT Participant Application Agreement (the "ACT Clearing Organization Agreement") with Nasdaq NASDAQ dated May 1, 1996, which provides for access by CDS participants participating in to the ACT Service;

WHEREAS the NASD FINRA Rules and Practice and Procedure for the Automated Confirmation Transactions ACT Service ("the "ACT Rules") and the ACT Clearing Organization Agreement authorize CDS, ~~to access ACT in the role of a service bureau in its role as a sponsor, to allow its Participants access to the ACT Service so that they may submit trade information, as this is defined in the ACT Rules, into the ACT Service, such access is subject to CDS Participants having executed, and NASDAQ having accepted a NASDAQ Services Agreement, as well as, a NON-MEMBER FINRA/NASDAQ TRADE REPORTING FACILITY ADDENDUM TO THE NASDAQ SERVICES AGREEMENT and if using the NASDAQ WebLink application, a NASDAQ Front End Request Form on behalf of its participants where such participants have executed, and Nasdaq has accepted, a Non-Member ACT Access Participant Application Agreement and a Nasdaq Workstation II Service Subscriber Agreement (the "Prescribed Agreements")~~;

WHEREAS the Participant has executed copies of the Prescribed Agreements, dated as of the date indicated in the execution page hereof, which have been accepted by Nasdaq NASDAQ or delivered to Nasdaq NASDAQ for acceptance;

WHEREAS the provisions of the ACT Rules and Prescribed Agreements require the Participant's compliance with all applicable rules and operating procedures of FINRA, Nasdaq NASDAQ and of the Securities and Exchange Commission ("SEC"), including, but not limited to, the ACT Rules, the ACT Users Guide, Code of Procedure, Article III, Section 1 of the NASD FINRA Rules of Fair Practice, the NASD FINRA Uniform Practice Code, the NASD FINRA Code of Arbitration Procedure, and Schedule D to the NASD FINRA By-Laws (hereafter the "FINRA, NASDAQ Nasdaq and SEC Requirements") and,

WHEREAS the ACT Rules and ACT Clearing Organization Agreement require that, in the event that the Participant should fail to honor a locked-in trade that has been sent for clearing and settlement, CDS shall be obligated to honor the trade on the scheduled settlement date;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties to this aAgreement do hereby acknowledge and agree as follows:

1. Service Bureau ~~CDS's Sponsor Function~~. Trade information shall may be supplied by the Participant ~~to CDS for submission of behalf of the Participant into ACT into the ACT Service via NASDAQ's WebLink application~~. The Participant shall ensure the timeliness, completeness and accuracy of the information provided ~~for submission submitted into the ACT Service~~. CDS, ~~as the Participant's sponsor shall submit into ACT the trade information supplied by the Participant and not be responsible for ensuring the timeliness, completeness and accuracy of that information~~.
2. Condition Precedent. The facilitation by CDS of the Participant's ~~participation in access to the ACT Service~~ is conditional upon acceptance by Nasdaq NASDAQ of executed copies of the Prescribed Agreements. CDS shall not make ~~services access~~ available to the Participant pursuant to this Agreement until such time as CDS has received

confirmation from NASDAQ in the form and manner acceptable to CDS, of the ~~acceptance by Nasdaq~~ NASDAQ's acceptance of the executed copies of the Prescribed Agreements.

3. CDS Legal Documents Binding. ~~The facilitation by CDS of the Participant's participation in ACT is provided by CDS as a component of the Link Services, and the Participant's participation in ACT~~ CDS sponsoring of the Participant's access to the ACT Service and the Participant's access and use of the ACT Service is accordingly governed by CDS Service Participant Rules, Procedures and Users Guides and the Participant Agreement, as amended from time to time (which together comprise the "Legal Documents") as if, and to the same extent as would be the case if the ACT Service constituted a Settlement Service under the Legal Documents, subject to the provisions of Sections 7, 8, 9 and 10 below. For greater certainty, in construing the Service Participant Rules governing the applicable Link Service, the following interpretations shall apply:
 - i) ~~References to the Participant's use of a Link Service or to its use of the National Securities Clearing Corporation ("NSCC") Services~~ shall encompass references to the Participant's use of the ACT Service and references to NSCC and the Depository Trust Corporation ("DTC") shall likewise encompass references to Nasdaq NASDAQ; and,
 - ii) ~~without limiting the generality of paragraph (i) above, references to NSCC Charges or ACCESS Charges shall encompass any charges (including, without limitation, taxes imposed against the participant in respect of ACT.~~
 - ii) The Participant shall pay to CDS the fees related to the provision of access to the ACT Service as per the CDS Fee Schedule; and
 - iii) The Participant shall pay to NASDAQ directly, NASDAQ's own fees related to the provision of the ACT service.
4. Participant's Warranty. The Participant warrants and represents that it shall not make use of the ACT Service contrary to the laws of Canada and the United States of America or an applicable province, territory or state thereof, including the by-laws, rules and regulations of any self-regulatory organization of which it is a member. The participant shall use the ACT Service in accordance with this Agreement and any agreements it may enter into with Nasdaq NASDAQ in regard to the ACT Service, and in accordance with FINRA, Nasdaq NASDAQ and SEC requirements, as amended from time to time. The Participant also acknowledges that it is bound by, and its use of the ACT Service is governed by, all agreements entered into, instruments executed, declarations made and acts done by CDS (collectively the "Other Agreements") from time to time in with respect of participation by CDS and the participant in ACT to CDS's sponsorship and the Participant's access to the ACT Service. Should the Participant cease to use have access to the ACT Service or should its use of access to the ACT Service be suspended or terminated, the Participant shall nonetheless continue to be bound by this Agreement and the Other Agreements as to all matters occurring while the Participant made use of had access to the ACT Service.
5. Further Agreements. The Participant shall enter into such further agreements, execute such instruments, make such declarations, or provide such information as may be required from time to time by CDS and/or Nasdaq NASDAQ and/or FINRA and/or the SEC in connection with the Participant's participation in access to the ACT Service.
6. Participant's Status with CDS. The Participant acknowledges that, pursuant to the ACT Rules, the ACT Clearing Organization Agreement and the Prescribed Agreements, its participation in access to the ACT Service is contingent on its continued good standing with CDS. Accordingly, the Participant consents to CDS providing such information as may be requested from time to time by Nasdaq NASDAQ and/or FINRA and/or the SEC to confirm the Participant's status with CDS.
7. FINRA, NASDAQ and SEC Requirements. CDS shall use reasonable efforts to make available to the Participant, upon request and for a reasonable fee, copies of documents relevant to the FINRA, Nasdaq NASDAQ and SEC requirements. However, the Participant acknowledges that CDS does not warrant or represent the accuracy, currency, or comprehensiveness of the documents that it may make available to the Participant, nor does CDS warrant or represent that such documents constitute a full and exhaustive description of the FINRA, Nasdaq NASDAQ and SEC requirements. CDS shall not be required to prepare for the Participant any form of procedures or user guides governing access to or the use of the ACT Service. However CDS retains reserves the right to prepare and issue such documentation which, in conjunction with the FINRA, Nasdaq NASDAQ and the SEC Requirements, shall govern the Participant's access to and use of the ACT Service.
8. Non-Compliance: The Participant shall comply with the terms of this Agreement and of all other applicable documents. The Participant acknowledges that CDS may take the necessary steps, including imposing non-compliance fees and/or suspending CDS's sponsorship of the Participant's access to the ACT Service, if the Participant is non-compliant with any of the terms of the applicable documents. The Participant further acknowledges

that CDS may take any of the above actions on the direction of FINRA, NASDAQ, the SEC and/or another relevant regulatory body.

9. Disruption to Nasdaq the ACT Service. CDS shall in no way be liable for any interruption to, delay in, or unavailability, incompleteness or inaccuracy of, the ACT Service as provided by Nasdaq NASDAQ, its affiliates, agents, or service providers including, without limitation, telecommunications service providers (collectively a "Service Disruption"). (For greater certainty, CDS shall not be considered to be an agent or service provider of Nasdaq NASDAQ for the purposes of this the provision of the ACT Service). Nor shall CDS be liable for any losses, damages or other claims in connection with a Service Disruption, (including without limitation, trading losses, loss of anticipated profits, loss by reason of shutdown in operation or for increased expenses of operation, or for indirect, special, punitive, consequential, or incidental loss or damage).
10. Modification or Termination by Nasdaq NASDAQ. The Participant acknowledges that Nasdaq NASDAQ may, when required to do so in fulfillment or statutory obligations, temporary or permanently, unilaterally condition, modify or terminate it's the Participant's right to have access to receive or use the ACT Service. CDS shall ~~in no~~ not in any way be liable for such conditioning, modification or termination, nor for any losses, damages or other claims associated therewith, (including without limitation, trading losses, loss of anticipated profits, loss by reason of shutdown in operation or for increased expenses of operation, or for indirect, special, punitive, consequential, or incidental loss or damage).
11. Intellectual Property. CDS shall ~~in no~~ not in any way be liable for any alleged and/or actual infringement or misappropriation by the ACT ~~s~~Service or by the Participant's access to and/or use of the ACT Service, of any third party's intellectual property rights.
12. Counterpart Execution: This ~~a~~Agreement may be executed in counterparts each of which shall be deemed to be an original and both of which together shall constitute one and the same document.
13. Language. This agreement is also available in the French language. ~~Cete convention est egalment disposable en francaise. By executing this Agreement in the English language, the parties hereto declare that it is their wish that this document and any documents related to it to be in the English language only. En signant la version anglaise de la presente convention les parties aux presentes declarent vouloir que ce document et ceux qui s'y rattachent, soient rediges en langue anglaise seulement. La presente entente est egalement offerte en francais. By executing this agreement in the English language, the parties hereto declare that it is therewith this document and any documents related to it to be in the English language only. Par la signature de la version anglaise de la presente entente, les parties aux presentes declarent vouloir que le present document et les documents qui s'y rattachent soient uniquement en anglais.~~

IN WITNESS WHEREOF the parties hereto have executed this Agreement, and the Participant confirms its execution of the Prescribed Agreements as of the date hereof or, where applicable, as of the date(s) indicated below:

(Name of Participant) **THE CANADIAN DEPOSITORY FOR
SECURITIES LIMITED CDS CLEARING AND DEPOSITORY SERVICES INC.**

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Executed at: _____ Executed at: _____

Date: _____ Date: _____

i) ~~Non-Member ACT Access Participant Application Agreement dated _____~~

ii) ~~NASDAQ Workstation II Service Subscriber Agreement dated _____~~

i) NASDAQ Services Agreement dated _____

ii) NON-MEMBER FINRA/NASDAQ TRADE REPORTING FACILITY ADDENDUM TO THE NASDAQ SERVICES AGREEMENT dated _____

iii) NASDAQ Front End Request Form dated _____

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Chapter 25

Other Information

25.1 Exemptions

25.1.1 ScotiaMocatta Physical Copper Fund – ss. 2.3(1), 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 – second extension.

Applicable Legislative Provisions

National Instrument 41-101 – General Prospectus Requirements, ss. 2.3(1) and 19.1.

VIA SEDAR

February 10, 2010

Osler, Hoskin & Harcourt

Attention: Mary Sum

Dear Sirs/Mesdames:

Re: ScotiaMocatta Physical Copper Fund (the “Fund”)

Exemptive Relief Application under Section 19.1 of National Instrument 41-101 General Prospectus Requirements (“NI 41-101”) Application No. 2010/0099, SEDAR Project No. 1452758

By letter dated January 29, 2010 (the “Application”), the Fund applied to the Director of the Ontario Securities Commission (the “Director”) pursuant to section 19.1 of NI 41-101 for relief from the operation of subsection 2.3(1) of NI 41-101, which prohibits an issuer from filing a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

This letter confirms that, based on the information and representations made in the Application, and for the purposes described in the Application, the Director grants the requested exemption to be evidenced by the issuance of a receipt for the Fund’s prospectus, provided the Fund’s final prospectus is filed no later than April 30, 2010.

Yours very truly,

“Vera Nunes”
Assistant Manager, Investment Funds Branch

25.2 Consents

25.2.1 OilSands Canada Corporation – s. 4(b) of the Regulation

Headnote

Subsection 4(b) of Regulation 289/00 made under the Business Corporations Act (Ontario) – application for consent of the Commission to continue in another jurisdiction – continuance of mutual fund corporation as a corporation under the Business Corporations Act (Alberta).

Applicable Legislative Provisions

Regulation 289/00 made under the Business Corporations Act (Ontario), s. 4(b).

**IN THE MATTER OF
R.R.O. 1990, REGULATION 289/00
(the “Regulation”)
MADE UNDER THE
BUSINESS CORPORATIONS ACT (ONTARIO),
R.S.O. 1990 c. B.16, AS AMENDED (the “OBCA”)**

AND

**IN THE MATTER OF
OILSANDS CANADA CORPORATION**

**CONSENT
(Subsection 4(b) of the Regulation)**

UPON the application of OilSands Canada Corporation (the “**Applicant**”) to the Ontario Securities Commission (the “**Commission**”) requesting the consent (the “**Request**”) of the Commission for the Applicant to continue in another jurisdiction (the “**Continuance**”), pursuant to subsection 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was incorporated under the OBCA pursuant to articles of incorporation dated June 1, 2007, as amended by articles of amendment dated August 1, 2007.
2. The Applicant's registered and head office is 1 First Canadian Place, 100 King Street West, 58th Floor, P.O. Box 192, Toronto, Ontario, M5X 1A6.
3. The Applicant proposes to make an application to the Director under the OBCA pursuant to section 181 of the OBCA (the “**Application for Continuance**”) for authorization to continue as a corporation under the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9 (“**ABCA**”).

4. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation under the OBCA, the Application for Continuance must be accompanied by a consent from the Commission.
5. The Applicant is an offering corporation under the OBCA.
6. The authorized capital of the Applicant consists of an unlimited number of shares designated as “Equity Shares” and an unlimited number of shares designated as “Class M Shares”. As of January 25, 2010, 1,940,202 Equity Shares and 100 Class M Shares were issued and outstanding.
7. The Application for Continuance has been authorized by the holders of the Class M Shares, which are the only securityholders of the Applicant entitled to vote on the proposed Continuance under section 181 of the OBCA or under the articles of the Applicant.
8. All of the issued and outstanding Equity Shares are listed for trading on the Toronto Stock Exchange (the “**TSX**”) under the symbol “OCF” and all of the issued and outstanding Equity Share purchase warrants are listed for trading on the TSX under the symbol “OCF.WT”.
9. The Applicant is a reporting issuer under the *Securities Act* (Ontario), R.S.O. 1990, c. S.5, as amended (the “**Act**”) and the securities legislation of each of the other provinces and territories of Canada (the “**Legislation**”). The Applicant is not in default of any requirement under the Act or the Legislation.
10. The Applicant intends to continue to be a reporting issuer under the Act and the Legislation following the proposed Continuance.
11. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, any pending proceeding under the Act or the Legislation.
12. The Applicant is not party to any proceeding under the OBCA and to the best of its knowledge, information and belief, is not party to any pending proceeding under the OBCA.
13. Following the proposed Continuance, the Applicant's registered office will be located in Calgary, Alberta.
14. The Applicant believes that the proposed Continuance will not materially adversely affect the rights of the Applicant's shareholders or the conduct of the business and affairs of the Applicant.

15. The material rights, duties and obligations of a corporation governed by the ABCA are substantially similar to those of a corporation governed by the OBCA.

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

THE COMMISSION HEREBY CONSENTS to the Continuance of the Applicant as a corporation under the ABCA.

DATED at Toronto on this 19th day of February, 2010.

“David L. Knight”
Commissioner
Ontario Securities Commission

“Margot C. Howard”
Commissioner
Ontario Securities Commission

25.2.2 Middlefield Mutual Funds Limited – s. 4(b) of the Regulation

Headnote

Subsection 4(b) of Regulation 289/00 made under the Business Corporations Act (Ontario) – application for consent of the Commission to continue in another jurisdiction – continuance of mutual fund corporation as a corporation under the Business Corporations Act (Alberta).

Applicable Legislative Provisions

Regulation 289/00 made under the Business Corporations Act (Ontario), s. 4(b).

**IN THE MATTER OF
R.R.O. 1990, REGULATION 289/00
(the “Regulation”)
MADE UNDER THE
BUSINESS CORPORATIONS ACT (ONTARIO),
R.S.O. 1990 c. B.16, AS AMENDED (the “OBCA”)**

AND

**IN THE MATTER OF
MIDDLEFIELD MUTUAL FUNDS LIMITED**

**CONSENT
(Subsection 4(b) of the Regulation)**

UPON the application of Middlefield Mutual Funds Limited (the “**Applicant**”) to the Ontario Securities Commission (the “**Commission**”) requesting the consent (the “**Request**”) of the Commission for the Applicant to continue in another jurisdiction (the “**Continuance**”), pursuant to subsection 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was incorporated under the OBCA pursuant to articles of incorporation dated November 16, 1987, as amended at various times by articles of amendment in order to, among other things, create and set out the rights, privileges and restrictions attaching to the classes of mutual fund shares described in Schedule “A” hereto (the “**Mutual Fund Shares**”).
2. The Applicant’s registered and head office is 1 First Canadian Place, 100 King Street West, 58th Floor, P.O. Box 192, Toronto, Ontario, M5X 1A6.
3. The Applicant proposes to make an application to the Director under the OBCA pursuant to section 181 of the OBCA (the “**Application for Continuance**”) for authorization to continue as a corporation under the *Business Corporations Act* (Alberta), R.S.A. 2000, c. B-9 (“**ABCA**”).
4. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation under the OBCA, the Application for Continuance must be accompanied by a consent from the Commission.
5. The Applicant is an offering corporation under the OBCA.
6. The authorized capital of the Applicant consists of common shares (the “**Common Shares**”) and the Mutual Fund Shares. As of December 17, 2010, 5 Common Shares and that number of shares set out next to the name of each class of Mutual Fund Shares listed on Schedule “A” were issued and outstanding.
7. The Application for Continuance has been authorized by the holders of the Common Shares, which are the only securityholders of the Applicant entitled to vote on the proposed Continuance under section 181 of the OBCA or under the articles of the Applicant.
8. Each class of Mutual Fund Shares is a reporting issuer under the *Securities Act* (Ontario), R.S.O. 1990, c. S.5, as amended (the “**Act**”) and the securities legislation of each of the other provinces and territories of Canada (the “**Legislation**”). No class of Mutual Fund Shares is in default of any requirement under the Act or the Legislation.

9. The Applicant intends that each class of Mutual Fund Shares will continue to be a reporting issuer under the Act and the Legislation following the proposed Continuance.
10. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, any pending proceeding under the Act or the Legislation.
11. The Applicant is not a party to any proceeding under the OBCA and to the best of its knowledge, information and belief, is not party to any pending proceeding under the OBCA.
12. Following the proposed Continuance, the Applicant's registered office will be located in Calgary, Alberta.
13. The Applicant believes that the proposed Continuance will not materially adversely affect the rights of the Applicant's shareholders or the conduct of the business and affairs of the Applicant.
14. The material rights, duties and obligations of a corporation governed by the ABCA are substantially similar to those of a corporation governed by the OBCA.

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

THE COMMISSION HEREBY CONSENTS to the Continuance of the Applicant as a corporation under the ABCA.

DATED at Toronto on this 19th day of February, 2010.

"David L. Knight"
Commissioner
Ontario Securities Commission

"Margot C. Howard"
Commissioner
Ontario Securities Commission

SCHEDULE "A"
TO CONSENT

Mutual Fund Share Class	Shares Outstanding as at December 17, 2010
Canadian Balanced Class	492,422
Canadian Growth Class- series A	16,110,305
Canadian Growth Class- series F	8,352
Equity Index Class	167,833
Global Agriculture Class	139,327
Groppe Tactical Energy Class - series A	1,388,890
Groppe Tactical Energy Class - series F	82,913
Income Plus Class	2,052,941
Precious Metals Class	159,143
Short Term Income Class	1,095,359
Uranium Focused Metals Class	641,563

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