

The Ontario Securities Commission

# OSC Bulletin

March 5, 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**

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# Chapter 1

## Notices / News Releases

### 1.1 Notices

#### 1.1.1 Current Proceedings Before The Ontario Securities Commission

**MARCH 5, 2010**

#### CURRENT PROCEEDINGS

#### BEFORE

#### ONTARIO SECURITIES COMMISSION

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

The Harry S. Bray Hearing Room  
Ontario Securities Commission  
Cadillac Fairview Tower  
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Margot C. Howard	—	MCH
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David L. Knight, FCA	—	DLK
Patrick J. LeSage	—	PJL
Carol S. Perry	—	CSP
Charles Wesley Moore (Wes) Scott	—	CWMS

### SCHEDULED OSC HEARINGS

March 8, 2010		<b>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</b>
12:30 p.m.		

s. 127 and 127.1

Y. Chisholm in attendance for Staff

Panel: PJL/PLK

March 10, 2010		<b>Global Energy Group, Ltd. And New Gold Limited Partnerships</b>
10:00 a.m.		

s. 127

H. Craig in attendance for Staff

Panel: TBA

March 22 – April 16, 2010		<b>Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited</b>
10:00 a.m.		

s. 127

M. Britton/J.Feasby in attendance for Staff

Panel: JDC/KJK

March 22, 2010		<b>Nest Acquisitions and Mergers, IMG International Inc., Caroline Myriam Frayssignes, David Pelcowitz, Michael Smith, and Robert Patrick Zuk</b>
10:00 a.m.		

s. 37, 127 and 127.1

C. Price in attendance for Staff

Panel: CSP

March 22, 2010 11:30 a.m.	<b>Chartcandle Investments Corporation, CCI Financial, LLC, Chartcandle Inc., PSST Global Corporation, Stephen Michael Chesnowitz and Charles Pauly</b>  s. 127 and 127.1  S. Horgan 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.  April 5, 2010  10:00 a.m.	<b>Shane Suman and Monie Rahman</b>  s. 127 and 127(1)  C. Price in attendance for Staff  Panel: JEAT/PLK
March 22, 2010 2:30 p.m.	<b>Paladin Capital Markets Inc., John David Culp and Claudio Fernando Maya</b>  s. 127  C. Price in attendance for Staff  Panel: DLK	April 12, 2010  10:00 a.m.	<b>Teodosio Vincent Pangia</b>  s. 127  A. Heydon in attendance for Staff  Panel: PJJ/CSP
March 25-26, 2010 10:00 a.m.	<b>Gold-Quest International, 1725587 Ontario Inc. carrying on business as Health and Harmony, Harmony Club Inc., Donald Iain Buchanan, Lisa Buchanan and Sandra Gale</b>  s. 127  H. Craig in attendance for Staff  Panel: TBA	April 13, 2010  2:30 p.m.	<b>Abel Da Silva</b>  s. 127  M. Boswell in attendance for Staff  Panel: DLK
March 25-26, 2010 10:00 a.m.	<b>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</b>  s. 127  H. Daley in attendance for Staff  Panel: CSP	April 13, 2010  2:30 p.m.  April 14, April 23-30, 2010  10:00 a.m.  April 21, 2010  10:00 a.m.	<b>Axcess Automation LLC, Axcess Fund Management, LLC, Axcess Fund, L.P., Gordon Alan Driver and David Rutledge, Steven M. Taylor and International Communication Strategies</b>  s. 127  M. Adams in attendance for Staff  Panel: TBA  <b>M P Global Financial Ltd., and Joe Feng Deng</b>  s. 127(1)  M. Britton in attendance for Staff  Panel: DLK/MCH  <b>Tulsiani Investments Inc. and Sunil Tulsiani</b>  s. 127  M. Vaillancourt/T. Center in attendance for Staff  Panel: JEAT

April 21, 2010 10:00 a.m.	<b>Maple Leaf Investment Fund Corp. and Joe Henry Chau</b>  s. 127  M. Vaillancourt/T. Center in attendance for Staff  Panel: JEAT	June 29, 2010 10:00 a.m.	<b>Oversea Chinese Fund Limited Partnership, Weizhen Tang and Associates Inc., Weizhen Tang Corp., and Weizhen Tang</b>  s. 127 and 127.1  M. Britton in attendance for Staff  Panel: TBA
May 3-28, 2010 10:00 a.m.	<b>Sextant Capital Management Inc., Sextant Capital GP Inc., Sextant Strategic Opportunities Hedge Fund L.P., Otto Spork, Robert Levack and Natalie Spork</b>  s. 127  S. Kushneryk in attendance for Staff  Panel: PJJ/MCH	July 9, 2010 10:00 a.m.	<b>Hillcorp International Services, Hillcorp Wealth Management, Suncorp Holdings, 1621852 Ontario Limited, Steven John Hill, John C. McArthur, Daryl Renneberg and Danny De Melo</b>  s. 127  A. Clark in attendance for Staff  Panel: CSP
May 31 – June 4, 2010 10:00 a.m.	<b>Lyndz Pharmaceuticals Inc., James Marketing Ltd., Michael Eatch and Rickey McKenzie</b>  s. 127(1) and (5)  J. Feasby in attendance for Staff  Panel: TBA	September 13 – September 24, 2010 10:00 a.m.	<b>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</b>  s. 127  S. Kushneryk in attendance for Staff  Panel: TBA
June 21, 2010 10:00 a.m.	<b>Rezwealth Financial Services Inc., Pamela Ramoutar, Chris Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 Ontario Inc. and Sylvan Blackett</b>  s. 127(1) and (5)  A. Heydon in attendance for Staff  Panel: TBA	March 7, 2011 10:00 a.m.	<b>Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton</b>  s. 127  H. Craig in attendance for Staff  Panel: TBA
June 28, 2010 10:00 a.m.	<b>Shallow Oil &amp; Gas Inc., Eric O'Brien, Abel Da Silva, Gurdip Singh Gahunia aka Michael Gahunia and Abraham Herbert Grossman aka Allen Grossman</b>  s. 127(7) and 127(8)  M. Boswell in attendance for Staff  Panel: TBA	TBA	<b>Yama Abdullah Yaqeen</b>  s. 8(2)  J. Superina in attendance for Staff  Panel: TBA

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



TBA	<b>MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric</b>	TBA	<b>Coventree Inc., Geoffrey Cornish and Dean Tai</b>
	s. 127 and 127(1)		s. 127
	D. Ferris in attendance for Staff		J. Waechter in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	<b>Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony</b>	TBA	<b>IBK Capital Corp. and William F. White</b>
	s. 127 and 127.1		s. 127
	J. Feasby in attendance for Staff		M. Vaillancourt in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	<b>Gold-Quest International, Health and Harmony, Iain Buchanan and Lisa Buchanan</b>	TBA	<b>Lehman Cohort Global Group Inc., Anton Schnedl, Richard Unzer, Alexander Grundmann and Henry Hehlsinger</b>
	s. 127		s. 127
	H. Craig in attendance for Staff		H. Craig in attendance for Staff
	Panel: TBA		Panel: JEAT/CSP/SA
TBA	<b>Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson</b>	TBA	<b>Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance</b>
	s. 127(1) and 127(5)		s. 127
	M. Boswell in attendance for Staff		C. Johnson in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	<b>Sulja Bros. Building Supplies, Ltd. (Nevada), Sulja Bros. Building Supplies Ltd., Kore International Management Inc., Petar Vucicevich and Andrew DeVries</b>	TBA	<b>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</b>
	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	<b>Brilliant Brazilian Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York</b>	<b>Global Privacy Management Trust and Robert Cranston</b>
	s. 127	<b>S. B. McLaughlin</b>
	H. Craig in attendance for Staff	<b>Livent Inc., Garth H. Drabinsky, Myron I. Gottlieb, Gordon Eckstein, Robert Topol</b>
	Panel: TBA	<b>Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg</b>
TBA	<b>Peter Robinson and Platinum International Investments Inc.</b>	<b>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</b>
	s. 127	
	M. Boswell in attendance for Staff	
	Panel: TBA	<b>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</b>
TBA	<b>Uranium308 Resources Inc., Uranium308 Resources PLC., Michael Friedman, George Schwartz, Peter Robinson, Alan Marsh Shuman and Innovative Gifting Inc.</b>	<b>LandBankers International MX, S.A. De C.V.; Sierra Madre Holdings MX, S.A. De C.V.; L&amp;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</b>
	s. 127	
	M. Boswell in attendance for Staff	<b>Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boulton and Peter Y. Atkinson</b>
	Panel: TBA	<b>Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjajants 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</b>

**1.1.2 Joint CSA/IIROC Notice – Forum to Discuss Consultation Paper 23-404 Dark Pools, Dark Orders, and Other Developments in Market Structure in Canada**

**JOINT CANADIAN SECURITIES ADMINISTRATORS/INVESTMENT  
INDUSTRY REGULATORY ORGANIZATION OF CANADA NOTICE**

**Forum to Discuss Consultation Paper 23-404  
Dark Pools, Dark Orders, and Other Developments in Market Structure in Canada**

The Canadian Securities Administrators (CSA) and the Investment Industry Regulatory Organization of Canada (IIROC) invite all interested parties to attend a forum to discuss market structure issues raised in Joint CSA/IIROC Consultation Paper 23-404 *Dark Pools, Dark Orders, and Other Developments in Market Structure in Canada* (the Consultation Paper). The forum will be held:

**Tuesday, March 23<sup>rd</sup>, 2010 from 8:30 a.m. – 3:30 p.m.  
at the Design Exchange, 234 Bay Street in Toronto (Trading Floor, 2<sup>nd</sup> Floor)**

The program is as follows:

8:30am – 8:45am	Opening remarks
8:45am – 12:00pm	Presentations by respondents to the Consultation Paper, with panel comprised of: Susan Wolburgh Jenah, President and CEO of IIROC; Louis Morisset, Superintendent, Securities Markets, Autorité des marchés financiers; David Wilson, Chair of the Ontario Securities Commission (OSC); and Sinan Akdeniz, OSC Commissioner.
12:00pm – 1:30pm	Luncheon with keynote speaker Larry Tabb, Founder and CEO of TABB Group (Lunch will be provided)
1:30pm – 3:30pm	Roundtable discussion among respondents facilitated by Wendy Rudd

While the forum will allow those that commented on the Consultation Paper to discuss their views, we welcome others that would like to observe the presentations and discussion to attend. If you wish to attend the forum as an observer, please complete the registration form (available on the IIROC website at [www.iiroc.ca](http://www.iiroc.ca) under the “What’s New” heading) by **Friday, March 19th**. Space is limited, so registrations will be accepted on a first come, first serve basis.

**Background**

On October 2, 2009, we published the Consultation Paper to solicit feedback on several developments that have occurred in Canada, particularly, the impact of marketplaces that offer no pre-trade transparency (dark pools), the introduction of new non-transparent order types, and the introduction of smart order routers. In the Consultation Paper, we also noted that we intended to convene a roundtable to discuss the issues and submissions received and invited the commenters interested in participating in the roundtable to advise us of their intention in their written submission.

We received 23 comment letters to the Consultation Paper. We thank all the commenters for their submissions, which may be viewed on the OSC website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca), under the “Securities Law & Instruments” heading, or by accessing the following link: <http://www.osc.gov.on.ca/en/26591.htm>. We will be contacting each of the commenters directly to discuss their possible participation in the presentations and roundtable discussion.

Questions may be referred to any of:

Ruxandra Smith  
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**March 5, 2010**

**1.2 Notices of Hearing**

**1.2.1 Teodosio Vincent Pangia – ss. 127(1), 127.1**

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

**AND**

**IN THE MATTER OF  
TEODOSIO VINCENT PANGIA**

**NOTICE OF HEARING  
Sections 127(1) and 127.1**

**TAKE NOTICE** that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127 and 127.1 of the *Securities Act*, at the offices of the Commission, 20 Queen Street West, 17th Floor, Toronto on April 5, 2010 at 10:00 am or as soon thereafter as the hearing can be held;

**AND TAKE NOTICE** that the purpose of the hearing is for the Commission to consider whether it is in the public interest to approve the settlement agreement dated February 22, 2010 between Staff of the Commission and the Respondent;

**BY REASON OF** the allegations in the Amended Statement of Allegations dated May 29, 2009 and such additional allegations as counsel may advise and the Commission may permit;

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

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

**DATED** at Toronto this 25th day of February, 2010

"Daisy Aranha"  
per: John Stevenson  
Secretary

**1.3 News Releases**

**1.3.1 OSC Investor Advisory Panel to Give Input on Commission Initiatives**

**FOR IMMEDIATE RELEASE  
February 26, 2010**

**OSC INVESTOR ADVISORY PANEL TO GIVE  
INPUT ON COMMISSION INITIATIVES**

**TORONTO** – The Ontario Securities Commission (OSC) today announced the creation of an Investor Advisory Panel that will provide input on the work of the Commission, including proposed rules and policies, the annual Statement of Priorities, concept papers and specific issues.

"The Investor Advisory Panel will encourage input from a range of investors that can be fed directly into the OSC's important initiatives. While we currently receive comments from investors through our notice and comment process, we believe investors could be better represented in that process," said OSC Chair David Wilson. "I am confident that the panel will be an effective voice for Ontario investors as well as a great asset to the Commission and its work."

The Investor Advisory Panel will be made up of seven members, including a panel chair. Panel members will be selected to ensure the panel is representative of a broad range of investors.

Mary Condon, one of the part-time Commissioners who worked on the development of the panel, added: "Input from a broad range of investors will assist the OSC in better understanding the needs of different investors and in developing policies that better protect investors. We are looking for candidates with specific skills to assist the panel in responding to notices and requests for comment issued by the Commission. We're hoping that some of the members will have experience in consulting with the people of Ontario."

Applications for membership in the Investor Advisory Panel will be solicited within a few weeks through a notice in the OSC Bulletin and on its website, and in print and web-based publications with general circulation. The OSC hopes to complete the member selection process by late May and have the panel in place for a first meeting in June.

**For media inquiries:**

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Director, Communications & Public Affairs  
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Theresa Ebdon  
Senior Communications Specialist  
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Robert Merrick  
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416-593-2315

**For investor inquiries:**

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

**1.3.2 CSA Urges Canadians to “Take the Next Step”  
to Protect Themselves from Investment Fraud**

**FOR IMMEDIATE RELEASE**

**March 1, 2010**

**CSA URGES CANADIANS TO  
“TAKE THE NEXT STEP” TO PROTECT  
THEMSELVES FROM INVESTMENT FRAUD**

**Montreal** – More than a million Canadians have lost money in an investment fraud, according to recent research from the Canadian Securities Administrators (CSA). The 2009 CSA Investor Index found that Canadians feel confident and believe they are knowledgeable and responsible when it comes to investing, yet they are not taking the next steps to put their knowledge into practice.

March is Fraud Prevention Month and the CSA is urging investors to move beyond simply knowing what they should do about potential investment fraud and take the next step to protect themselves and their financial future.

“We are encouraged to see that the majority of Canadians are knowledgeable about what they should do when it comes to investing and investment fraud,” says Jean St-Gelais, Chair of the CSA and President & Chief Executive Officer of the Autorité des marchés financiers (Québec). “Unfortunately, many do not act on this knowledge, or their actions contradict their knowledge of investing and fraud prevention.

“Investors need to be aware that not every investment opportunity is right for them and that some opportunities may not be appropriate for them, or may even be a scam,” says St-Gelais.

The CSA urges all Canadians to take these simple next steps to protect themselves from investment fraud:

**1. Work with your investment adviser to assess and review your risk tolerance.** According to the CSA Index, fewer than half of Canadians have worked with their financial adviser to assess their willingness to take risk. The CSA encourages you to meet with an adviser to determine your risk tolerance, and to review it at least once a year. Knowing your risk tolerance will help when deciding if an investment fits your goals and objectives.

**2. Familiarize yourself with common red flags of investment scams.** Investment fraud is a serious concern. Investors should go to the CSA’s website [www.securities-administrators.ca](http://www.securities-administrators.ca) to visit the Avoiding Fraud page. There you can learn to identify the red flags of investment frauds such as affinity fraud, boiler room scams and more.

**3. Research each investment opportunity and do a background check on the person and company offering an investment.** Researching each investment opportunity is important, but few investors actually take the time to complete a background check on the person or company offering an investment. Use the CSA National

Registration Search to see if your investment adviser is registered to provide the services offered, and the CSA Disciplined Persons List to see if a person has ever been disciplined by a regulatory body. You can also contact your local securities regulator for a listing of any potential enforcement action against a company or individual.

**4. Report any suspicion of investment fraud to your local securities regulator.** Almost four in 10 Canadians have been approached with an investment fraud, most of them multiple times. Although 78 per cent believe it's important to report even the suspicion of an investment fraud, only 26 per cent take that step. The CSA reminds investors that if you know or suspect you have been approached with a fraudulent investment, your next step should be to call your provincial or territorial securities regulator to report the incident.

The CSA, the council of securities regulators of Canada's provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

**For more information:**

Sylvain Th  berge  
Autorit   des march  s financiers  
514-940-2176

Wendy Connors-Beckett  
New Brunswick Securities Commission  
506 643-7745

Robert Merrick  
Ontario Securities Commission  
416-593-2315

Ainsley Cunningham  
Manitoba Securities Commission  
204-945-4733

Ken Gracey  
British Columbia Securities Commission  
604-899-657

Natalie MacLellan  
Nova Scotia Securities Commission  
902-424-8586

Mark Dickey  
Alberta Securities Commission  
403-297-4481

Barbara Shourounis  
Saskatchewan Financial Services Commission  
306-787-5842

Linda Peters  
Office of the Attorney General  
Prince Edward Island  
902-368-4552

Doug Connolly  
Financial Services Regulation Div.  
Newfoundland and Labrador  
709-729-2594

Fred Pretorius  
Yukon Securities Office  
867-667-5225

Louis Arki  
Nunavut Securities Office  
867-975-6587

Donn MacDougall  
Securities Office  
Northwest Territories  
867-920-8984

**1.4 Notices from the Office of the Secretary**

**1.4.1 Maple Leaf Investment Fund Corp. et al.**

**FOR IMMEDIATE RELEASE  
February 26, 2010**

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

**AND**

**IN THE MATTER OF  
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**

**TORONTO** – The Commission issued an Order which provides that a confidential pre-hearing conference shall take place on April 21, 2010 at 10:00 a.m.

A copy of the Order dated February 25, 2010 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

OFFICE OF THE SECRETARY  
JOHN P. STEVENSON  
SECRETARY

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For investor inquiries:

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1-877-785-1555 (Toll Free)

**1.4.2 Teodosio Vincent Pangia**

**FOR IMMEDIATE RELEASE  
February 26, 2010**

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

**AND**

**IN THE MATTER OF  
TEODOSIO VINCENT PANGIA**

**TORONTO** – The Commission issued an order which provides that the hearing on the merits is adjourned sine die and a settlement approval hearing is scheduled, on the consent of the parties, to be heard on April 5, 2010 at 10:00 a.m.

A copy of the Order dated February 26, 2010 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

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1-877-785-1555 (Toll Free)



**1.4.3 Maple Leaf Investment Fund Corp. et al.**

**FOR IMMEDIATE RELEASE  
February 26, 2010**

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

**AND**

**IN THE MATTER OF  
MAPLE LEAF INVESTMENT FUND CORP.  
and JOE HENRY CHAU (aka: HENRY JOE CHAU,  
SHUNG KAI CHOW and  
HENRY SHUNG KAI CHOW)**

**TORONTO** – The Commission issued an Order in the above noted matter which provides that the Temporary Order is continued in respect of the Respondents until April 30, 2010 and the hearing is adjourned to April 21, 2010 at 10:00 a.m.

A copy of the Order dated February 25, 2010 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

OFFICE OF THE SECRETARY  
JOHN P. STEVENSON  
SECRETARY

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**1.4.4 Tulsiani Investments Inc. and Sunil Tulsiani**

**FOR IMMEDIATE RELEASE  
February 26, 2010**

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

**AND**

**IN THE MATTER OF  
TULSIANI INVESTMENTS INC. AND  
SUNIL TULSIANI**

**TORONTO** – The Commission issued an Order in the above named matter which provides that the Temporary Order is continued in respect of the Respondents until April 30, 2010 and the hearing is adjourned to April 21, 2010 at 10:00 a.m.

A copy of the Order dated February 25, 2010 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

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**1.4.5 Teodosio Vincent Pangia**

**FOR IMMEDIATE RELEASE  
March 1, 2010**

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

**AND**

**IN THE MATTER OF  
TEODOSIO VINCENT PANGIA**

**TORONTO** – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and Teodosio Vincent Pangia. The hearing will be held on April 5, 2010 at 10:00 a.m.

A copy of the Notice of Hearing dated February 25, 2010 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

OFFICE OF THE SECRETARY  
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SECRETARY

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1-877-785-1555 (Toll Free)

**1.4.6 Borealis International Inc. et al.**

**FOR IMMEDIATE RELEASE  
March 1, 2010**

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

**AND**

**IN THE MATTER OF  
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,  
EARL SWITENKY, MICHELLE DICKERSON,  
DEREK DUPONT, BARTOSZ EKIERT,  
ROSS MACFARLANE, BRIAN NERDAHL,  
HUGO PITTOORS AND LARRY TRAVIS**

**TORONTO** – The Commission issued an Order in the above named matter which provides that the Temporary Order is continued until a decision on the merits and, if necessary, in respect of sanctions is / are released or until further order of the Commission.

A copy of the Order dated February 26, 2010 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

OFFICE OF THE SECRETARY  
JOHN P. STEVENSON  
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## Chapter 2

# Decisions, Orders and Rulings

### 2.1 Decisions

#### 2.1.1 Scotia Capital Inc. et al.

##### Headnote

Passport application on behalf of investment dealer subsidiaries of four chartered banks where fact situation similar. Relief from NI 31-103 s.11.2 requirement for the Chief Executive Officer (CEO) or one of certain other individuals to be designated Ultimate Designated Person (UDP), and s. 11.3 requirement for a single individual to be designated Chief Compliance Officer (CCO) for a registered firm. Two senior executives, in title or in fact Co-CEOs, each responsible for a separate operating division of the firm to be designated as UDP. Two individuals to be designated as CCO, one for each operating division in view of kind and scale of operations.

February 19, 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 CAPITAL INC., BMO NESBITT BURNS INC.,  
CIBC WORLD MARKETS INC. AND  
RBC DOMINION SECURITIES INC.  
(each a Filer or collectively, the Filers)

##### DECISION

##### Background

The principal regulator in the Jurisdiction has received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption for each Filer from the requirement contained in section 11.2 of National Instrument 31-103 *Registration Requirements and Exemptions* (**NI 31-103**) to designate an individual to be the ultimate designated person (**UDP**) and the requirement contained in section 11.3 of NI 31-103 to designate an individual to be the chief compliance officer (**CCO**) and instead be permitted to designate and register two individuals as UDP and two individuals as CCO in respect

of two distinct lines of securities business of the Filer (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 subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in all of the jurisdictions in Canada outside of Ontario (the **Non-principal Jurisdictions**, or together with the Jurisdiction, the **Filing Jurisdictions**).

##### Interpretation

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

##### Representations

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

- 1. The Filer is registered under the Legislation in the category of investment dealer, is a member of the Investment Industry Regulatory Organization of Canada (**IIROC**) and has its head office in Ontario.
- 2. The Filer is also registered as an investment dealer in each of the Non-principal Jurisdictions.
- 3. The Filer is not, to the best of its knowledge, in default of any requirements of securities legislation in any of the Filing Jurisdictions.
- 4. The Filer's business structure is organized as follows:
  - (a) There are two distinct lines of securities business based on the nature of the client (each a **Division**).
  - (b) One business line is referred to as the Institutional or Wholesale Banking Division (the **Institutional Division**) and provides a broad spectrum of services to institutional clients including equity, derivative and fixed income sales and trading; equity and fixed income research; investment banking; mergers and acquisitions and prime brokerage.

- (c) The other business line is referred to as the Retail Division and provides discretionary managed and non-discretionary advisory and other wealth management related services to retail clients. In Scotia Capital Inc.'s case, the Retail Division also includes online brokerage.
- (d) The Retail Division and the Institutional Division each have separate and distinct senior management structures. Although they are parts of the same corporate entity (i.e. the Filer), and regardless of the titles of their most senior managers (for purposes of this Order, the **Division Heads**), each Division is functionally a stand-alone operation within their parent bank's group of financial services companies.
- (e) Currently, for purposes of IIROC requirements, each of the Retail Division and the Institutional Division has its own UDP except in the case of CIBC World Markets Inc. (**CIBC WM**) where there is a UDP for the Institutional Division and an Alternate Designated Person (**ADP**) for the Retail Division. The UDP or ADP is the Division Head. If exemptive relief is granted, CIBC WM will appoint a UDP for its Retail Division.
- (f) At least one of the Division Heads has the title of Chief Executive Officer (**CEO**).
- (g) Regardless whether a Division Head has the title of CEO (or "co-CEO"), the Division Heads have equivalent roles to that of a CEO in respect of the Division for which the Division Head is responsible. Each Division Head reports independently to the senior management team of the Filer's parent bank in respect of their Division and each has access to the Filer's Board of Directors.
- (h) There is no line of reporting between the Division Heads and no other executive officer of the Filer who has the authority to overrule a decision of either or both of them.
- (i) There is a separate compliance department with its own CCO for each of the Retail Division and the Institutional Division and each CCO has access to their Division Head and regularly provides reports to the Board of Directors.

This decision is also based on the following facts represented by the Filers.

#### **UDP Requirement**

1. NI 31-103 was implemented on September 28, 2009 (the **Implementation Date**).
2. Under paragraph 11.2(a) of NI 31-103, a registered firm is required to designate an individual to be the UDP (the **UDP Requirement**) and the UDP must be the CEO or equivalent of the registered firm.
3. Under section 16.8 of NI 31-103, there is a 3-month transition period from the Implementation Date for a registered firm to comply with the UDP Requirement.
4. Prior to the implementation of NI 31-103, there was no requirement under the securities legislation of any Filing Jurisdiction for an investment dealer to designate an individual, and have him or her registered, as the UDP.
5. Prior to the implementation of NI 31-103, under IIROC Rules, there was a requirement for a member to have a UDP which had to be one of the member's senior management. IIROC Rule 38 required a member to appoint a senior management person to the UDP position but did not require the person to be the CEO.
6. Prior to the implementation of NI 31-103, each Filer was permitted by IIROC to have two individuals in the position of UDP. Each Filer, except CIBC WM, has had two UDPs for a number of years – one for the Retail Division and one for the Institutional Division. CIBC WM has had the UDP and ADP structure, which is functionally equivalent to having two UDPs, for many years as well.
7. Designating only one of the Division Heads for purposes of satisfying the UDP Requirement would not be consistent with the policy objectives it is intended to achieve because the Division Heads are effectively CEOs of their Divisions.

#### **CCO Requirement**

1. Under section 11.3 of NI 31-103, a registered firm is required to designate an individual to be the CCO (the **CCO Requirement**).
2. Under subsection 16.9(1) of NI 31-103, there is a 3-month transition period from the Implementation Date for a registered firm to comply with the CCO Requirement.
3. Prior to the implementation of NI 31-103, there was a requirement under the securities legislation of many of the Filing Jurisdictions to designate a registered partner or officer as the "compliance officer" who was responsible for discharging the

obligations of the registered dealer under the applicable securities legislation.

4. Prior to the implementation of NI 31-103, under IROC rules, there was a requirement for a member to appoint a senior officer to the position of Chief Compliance Officer (as defined under IROC Rules).
5. Prior to the Implementation Date, each Filer was permitted by IROC to have two individuals fulfil the role of Chief Compliance Officer under IROC rules that is equivalent to the role of CCO under NI 31-103. Consequently, each Filer has had two CCOs, one for the Retail Division and one for the Institutional Division, for a number of years.
6. In section 5.2 of Companion Policy 31-103CP *Registration Requirements and Exemptions*, the Canadian Securities Administrators indicate that:

“Firms must designate one CCO. However, in large firms, the scale and kind of activities carried out by different operating divisions may warrant the designation of more than one CCO. We will consider applications, on a case-by-case basis, for different individuals to act as the CCO of a firm’s operating divisions.”
7. Designating only one of the current CCOs for purposes of satisfying the CCO Requirement would not be consistent with the policy objectives it is intended to achieve because the Divisions are independent operations that are distinct from one another in kind and conducted on a very large scale.

#### 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 to each Filer provided that in respect of each Filer:

- (i) each Division shall have its own UDP, who shall be its Division Head; and
- (ii) each Division shall have its own CCO.

“Erez Blumberger”

Deputy Director, Registrant Regulation  
Ontario Securities Commission

#### **2.1.2 Crosbie & Company Inc. and Certain Other Limited Market Dealers that have become Exempt Market Dealers under s. 16.3(2) of NI 31-103 Registration Requirements and Exemptions**

#### **Headnote**

Amendment of Decision in the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Crosbie & Company Inc. and Certain Other Limited Market Dealers that have become Exempt Market Dealers under Subsection 16.3(2) of NI 31-103.

Ontario Director’s Decision issued coincident with the coming into force of NI 31-103 on September 28, 2009 provided former limited market dealers automatically continued into new exempt market dealer (EMD) category with transitional relief from financial reporting and client statement requirements in ss. 12.12 and 14.14. Decision amended to correct a drafting oversight that would have prevented such EMDs from relying on the order if they were also former international advisers automatically continued into the portfolio manager category.

**February 19, 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 NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS AND EXEMPTIONS (NI 31-103) AND CROSBIE & COMPANY INC. AND CERTAIN OTHER LIMITED MARKET DEALERS THAT HAVE BECOME EXEMPT MARKET DEALERS UNDER SUBSECTION 16.3(2) OF NI 31-103**

#### **AMENDMENT OF 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 have the same meaning, and other terms used in this decision that are defined in National Instrument 14-101 *Definitions* or Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) have the same meaning.

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

- (a) the Ontario Securities Commission (the **Commission**) is the principal regulator for this application, and
- (b) the Filer has provided notice that section 4.7(1) of MI 11-102 is intended to be relied upon in Newfoundland and Labrador.

### Background

1. On September 28, 2009 (the **Effective Date**), coincident with the coming into force of National Instrument 31-103 *Registration Requirements and Exemptions* (**NI 31-103**), a Director's Decision was issued in the matter of NI 31-103 and Crosbie & Company Inc. and Certain Other Limited Market Dealers that have become Exempt Market Dealers under subsection 16.3(2) of NI 31-103 (the **Decision**).
2. The Decision provided certain temporary relief from financial reporting and client statement requirements to persons or companies that were registered in Ontario and Newfoundland and Labrador as limited market dealers (**LMDs**) immediately before the coming into force of NI 31-103 and, upon its coming into force, automatically became registered as exempt market dealers (such former LMDs referred to in the Decision as "**mapped-over EMDs**").
3. The Decision was issued with respect to mapped-over EMDs because they had not been subject to financial statement filing requirements or capital requirements prior to the coming into force of NI 31-103 unless they were also registered in certain other categories.
4. The relief granted by the Decision is intended to provide a reasonable transition period for the application of financial reporting and client statement requirements to mapped-over EMDs that had not previously had to build systems to deliver this information to regulators and clients. Other categories of registrant generally were already subject to financial reporting and client statement requirements before the coming into force of NI 31-103. Consequently, the relief in the Decision is only available to mapped-over EMDs that are not also registered in another category, except that the relief with respect to client statements is available to a mapped-over EMD that is also a "mapped-over MFD" or as investment fund manager (because NI 31-103 includes related exemptions for mapped-over MFDs and investment fund managers).
5. The Decision failed to contemplate the case of mapped-over EMDs who had also been registered in the category of international adviser (**IA**) before the coming into force of NI 31-103. Like LMDs, IAs were not subject to financial reporting or client statement requirements. The IA registration

category was not continued under NI 31-103 and, upon the Effective Date, IAs automatically became registered as portfolio managers subject to certain terms and conditions (such former IAs referred to in this amending decision as "**PM-IAs**").

### Amendment of Decision

The Decision Maker is satisfied that the amendment of the Decision meets the test set out in the securities legislation (the **Legislation**) of the Jurisdiction for the Decision Maker to make the decision.

The decision of the Decision Maker under the Legislation is that, since it would be inconsistent with the purpose of the Decision if mapped-over EMDs could not rely upon the relief granted under it solely because they are also PM-IAs, the Decision is amended by the addition of the underlined words:

1. each Filer is exempt from the Financial Statement Requirement provided that it is not registered in any other category of registration in Ontario or Newfoundland and Labrador except as a PM-IA; and
2. each Filer is exempt from the Client Statement Requirement provided that it is not registered in any other category of registration in Ontario or Newfoundland and Labrador except as a mapped-over MFD or an investment fund manager or a PM-IA.

This decision with respect to the Financial Statement Requirement will expire one year after the Effective Date.

This decision with respect to the Client Statement Requirement will expire two years after the Effective Date.

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

### 2.1.3 Growthworks Commercialization Fund Ltd.

#### Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – Revocation and replacement of prior relief exempting pre-determined and pre-disclosed mergers among series of shares issued by a labour sponsored investment fund from the securityholder and regulatory approval requirements of paragraphs 5.1(f), 5.1(g) and 5.5(1)(b) of NI 81-102 – Change in allocation of venture and non-venture investments among the series requiring revocation and replacement of prior relief in order to reflect the current facts - Each series of the fund to share in common venture portfolio while maintaining specific share of non-venture portfolio – Each series considered a separate mutual fund under NI 81-102 – Relief granted from securityholder and regulatory approval requirements under NI 81-102 for pre-determined mergers among series of the fund subject to certain conditions.

#### Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 1.3(1), 5.1(f) and (g), 5.5(1)(b), 19.1.

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  
GROWTHWORKS COMMERCIALIZATION  
FUND LTD. (the “Fund”)**

**DECISION**

#### Background

The principal regulator in the Jurisdiction has received an application from the Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the “**Legislation**”) for

- (i) an exemption under Section 19.1 of National Instrument 81-102 *Mutual Funds* (“**NI 81-102**”) from the approval requirements of paragraphs 5.1(f) and (g) (together, the “**Securityholder Approval Provisions**”) and paragraph 5.5(1)(b) (the “**Regulatory Approval Provision**”) of NI 81-102 to permit the pooling of assets among different series of Class A shares of the Fund at a future date, and subsequent conversion of series

into the originally offered series, in accordance with revised asset allocation rules that are stated, or will be stated, in the prospectus for all the currently issued and outstanding series, the currently offered series and all future series that are or will be distributed under such prospectus without the requirement to obtain the prior approval of securityholders or prior approval of the securities regulatory authority (the “**Exemption Sought**”); and

- (ii) a revocation of prior relief granted to the Fund under a decision dated January 17, 2006 (the “**Previous 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 Fund has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (“**MI 11-201**”) is intended to be relied upon in Alberta, British Columbia and Saskatchewan.

#### Interpretation

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

#### Representations

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

1. The Fund is a corporation incorporated under the *Canada Business Corporations Act*.
2. The Fund is registered as a labour-sponsored venture capital corporation under the *Income Tax Act* (Canada), as a labour-sponsored investment fund corporation under the *Community Small Business Investment Funds Act* (Ontario), and is an approved fund under the *Labour-sponsored Venture Capital Corporations Act* (Saskatchewan) (the “**LSVCC Legislation**”).
3. The Fund primarily invests in small and medium sized businesses with the objective of obtaining long term capital appreciation and must make “eligible investments” in “eligible businesses” as prescribed under the LSVCC Legislation. The Fund is a “research oriented investment fund” under the *Community Small Business Investment Funds Act* (Ontario) and as such the Fund primarily invests in early stage research oriented companies.
4. The Manager is the manager of the Fund under a management contract. The Manager is part of the GrowthWorks group of companies. Effective

- January 15, 2010, GrowthWorks Ltd. is subsidiary of Matrix Asset Management Inc. (TSX: MTA) ("**Matrix**"). Matrix is a diversified asset and wealth management company with offices across Canada and manages approximately \$3 billion in assets through three operating divisions, including the Venture Capital Operating Division which the Manager is part of.
5. The authorized capital of the Fund consists of:
    - (a) an unlimited number of Class A shares, issuable in series, which are widely held,
    - (b) an unlimited number of Class B Shares, of which 1,000 are issued and are held by the Canadian Federation of Labour, the Fund's Sponsor, and
    - (c) an unlimited number of Class C shares, of which 100 are issued and are held by the Manager to provide a "carried interest" in the venture investments of the Fund.
  6. The Fund is a mutual fund under applicable securities legislation. The Fund is currently a reporting issuer or equivalent in Ontario, Saskatchewan, Alberta and British Columbia (the "**Jurisdictions**"). The Fund's securities are not listed on any exchange.
  7. The Fund currently, and expected to continue to, distribute its Class A shares (the "**Class A Shares**"), in series ("**Series**"), in Ontario, Saskatchewan and Alberta by prospectus (the "**Prospectus**"). The Fund's current Prospectus is dated November 6, 2009 ("**Current Prospectus**").
  8. The Prospectus discloses the investment objectives, investment strategies and risks of investing in Class A Shares. All Series have, or will have, the same investment objectives, investment strategies, and cost structure.
  9. The Fund's board of directors (the "**Board**") has adopted, and is expected to continue in future to adopt, a dividend policy in respect of each Series of Class A Shares. The policy is to pay cash dividends during a period of approximately three years after the offering period of each Series that total about 25% of the purchase price of the Series. Each year (until determined otherwise by the Board), a new Series of Class A Shares will be offered under the Prospectus.
  10. To permit implementation of the dividend policy, yet gain the risk mitigation benefit of broader portfolio diversification, the Fund adopted certain asset allocation rules (the "**Previous Allocation Rules**"). To date the Previous Allocation Rules have been set out in each Prospectus, including the Current Prospectus.
  11. On January 17, 2006, the Fund was granted the Previous Relief which provided relief from the Shareholder Approval Provisions and Regulatory Approval Provision for mergers of Series of Class A Shares of the Fund carried out in accordance with the Previous Allocation Rules. The Previous Allocation Rules are as follows:
    - The venture and non-venture investments made with the capital raised from the sale of a particular Series will be allocated solely to that Series during the period ending on March 1st of the third calendar year after the RSP season the Series was first offered in (the "**Separate Pool End Date**").
    - Once the Separate Pool End Date has passed for a Series, the venture and non-venture investments previously solely allocated to that Series will be pooled with the assets of all other Series Shares that have passed their Separate Pool End Dates and be allocated among those Series in proportion to their relative net asset values."
  12. The Previous Relief was sought because the change in the allocation of assets to a Series that occurs after the Separate Pool End Date was technically considered a merger of separate mutual funds and required the Fund to comply with the Securityholder Approval Provisions and the Regulatory Approval Provision.
  13. Since the 2005 announcement of the phase-out of Ontario's LSVCC tax credit, levels of diversification in the Fund's separate Series' venture portfolios have been limited, primarily due to declining annual capital raises by Series and higher initial investment amounts due to the dramatic decrease in the supply of venture capital, particularly for early stage research-oriented businesses. These trends have resulted in recent Series making fewer venture investments than originally anticipated. In order to provide for earlier pooling of venture investments, thereby providing greater diversification and lowering the overall risk profile for all Series, the Fund's board and independent review committee approved the Fund seeking shareholder approval for revised allocation rules.
  14. At the Fund's annual general meeting held on December 3, 2009, shareholders of the Fund's current issued and outstanding Series approved, by separate Series' votes, the following revised allocation rules (the "**Revised Allocation Rules**") to be implemented on a date specified by the Fund's President and CEO for the commencement of the application of the revised rules (the "**Implementation Date**"):
    - The venture and non-venture investments made with the capital raised from the sale of a particular Series will be allocated solely to that Series during the period ending on March 1st of the third calendar year after the RSP season the Series was first offered in (the "**Separate Pool End Date**").
    - Once the Separate Pool End Date has passed for a Series, the venture and non-venture investments previously solely allocated to that Series will be pooled with the assets of all other Series Shares that have passed their Separate Pool End Dates and be allocated among those Series in proportion to their relative net asset values."



- Each year (until determined otherwise by the Board), a new Series will be priced at \$10 per share until the Cut-Off Date (defined as being the last day an investor can obtain a federal or provincial tax credit for the preceding tax year on a purchase of Class A shares). The new Series will typically continue to be offered for sale for about four to six months thereafter, as determined by the Fund's Manager, at its NAV per Series Share after which time the new Series will no longer be sold.
  - Unless otherwise determined by the Board, each Series will have a dividend policy (the "**Dividend Policy**") to pay dividends equal in total to approximately 25% of the purchase price with a target that the dividends be paid within the three year period following the Cut-Off Date for that Series. It is expected that dividends will be paid in February of each year (the "**Dividend Payment Date**"). Venture investments made by the Fund generally include an initial income generating component intended to fund dividend payments. The period of time during which a Series is allocated income at least equal to the aggregate payments under its Dividend Policy is the "**Dividend Allocation Period**".
  - On the Implementation Date, venture investments of all Series will be pooled and allocated among Series on a share for share basis. Each Series will be allocated its specific share of the non-venture investment portfolio so as to retain each Series' NAV and NAV per Series Share on that date. This rebalancing will subsequently occur on each date: when a new Series becomes subject to these allocation rules, which will be within 30 days of its Cut-Off Date, with the specific date to be determined by the Fund's Manager; and when a Series converts into the 05 Series as described below.
  - The investment portfolio of a Series that participates in the pooled venture portfolio will consist of its specific non-venture portfolio and its proportionate share of the pooled venture portfolio, including gains and losses, allocated on a share for share basis with all other such Series and will include interest and other income earned on the pooled venture portfolio as allocated below.
  - Interest and other income from the pooled venture portfolio will be allocated during each year leading up to a Dividend Payment Date as follows: first to the Series in their Dividend Allocation Period, in proportion and up to the amount of the dividend to be paid by the Series on the next Dividend Payment Date in accordance with the Dividend Policy, reduced by any surplus and increased by any deficiency of income allocated to that Series during previous periods, and subject to a first allocation to any Series that has completed its dividend payments under its Dividend Policy; and thereafter to all Series on a share for share basis.
  - Once a Series has completed payments under its Dividend Policy and has completed its Dividend Allocation Period, shares of that Series will be converted into shares of 05 Series (the original Series offered) based on both Series' relative net asset values. At that time, the converting Series shareholders will hold 05 Series and the converted Series will cease to exist.
15. The Fund's Current Prospectus sets out the Revised Allocation Rules and states that they will become effective on the Implementation Date subject to shareholder and any regulatory approval. If the Exemption Sought is obtained, on a go forward basis, the Prospectus would not include disclosure regarding the Previous Allocation Rules.
16. The Previous Relief is based on the Previous Allocation Rules and includes a condition that the Prospectus set out the Previous Allocation Rules. As a result, before the CEO can designate an Implementation Date for the Revised Allocation Rules, the Fund must obtain the Exemption Sought. Like the Previous Allocation Rules, the change in the allocation rules and the conversion of a Series into the originally offered Series after completion of the converting Series' Dividend Allocation Period, will technically be considered a merger of separate mutual funds and would require the Fund to comply with the Securityholder Approval Provisions and the Regulatory Approval Provision.

### Decision

The principal regulator is satisfied that the decision meets the test contained in the NI 81-102 for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that:

1. the Exemption Sought is granted, provided that:

- (a) the Prospectus under which a Series is distributed includes substantially the disclosure set out in paragraph 14 regarding Asset Allocation Rules, and
- (b) the investment objective of the Fund or any Series does not change without the prior approval of securityholders of the Fund or Series, as the case may be; and

2. The Previous Relief is revoked.

“Vera Nunes”

Assistant Manager, Investment Funds Branch  
Ontario Securities Commission

## 2.1.4 Calloway Real Estate Investment Trust and Canaccord Financial Ltd.

### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application for exemptive relief to permit issuer and underwriter, acting as agent for the issuer, to enter into equity distribution agreement to make “at the market” (ATM) distributions of trust units to investors through the facilities of the Toronto Stock Exchange (TSX) – ATM distributions to be made pursuant to shelf prospectus procedures in Part 9 of NI 44-102 Shelf Distributions – issuer will issue a press release and file agreement on SEDAR – application for relief from prospectus delivery requirement – delivery of prospectus not practicable in circumstances of an ATM distribution – relief from prospectus delivery requirement has effect of removing two-day right of withdrawal and remedies of rescission or damages for non-delivery of the prospectus – application for relief from certain prospectus form requirements – standard certification by issuer does not work in an ATM distribution since no other supplement to be filed in connection with ATM distribution – relief granted to permit modified forward-looking certificate language – relief granted on terms and conditions set out in decision document – decision will terminate 25 months after the issuance of a receipt for the shelf prospectus.

### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71(1), 71(2), 133, 147.

### Applicable Ontario Rules

National Instrument 44-101 Short Form Prospectus Distributions, Part 8; and Item 20 of Form 44-101F1.  
National Instrument 44-102 Shelf Distributions, Part 9; and s. 1.1 of Appendix A.

February 18, 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  
CALLOWAY REAL ESTATE INVESTMENT TRUST  
(the “Issuer”)

AND

CANACCORD FINANCIAL LTD.  
 (“Canaccord” and, collectively with the Issuer,  
the “Filers”)

DECISION

### Background

The principal regulator in the Jurisdiction has received an application (the “**Application**”) from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the “**Legislation**”) for the following relief (the “**Exemptive Relief**”):

- (a) that the requirement that a dealer not acting as agent of the purchaser who receives an order or subscription for a security offered in a distribution to which the prospectus requirement applies deliver to the purchaser or its agent the latest prospectus (including the applicable prospectus supplement(s) in the case of a base shelf prospectus) and any amendment to the prospectus (the “**Prospectus Delivery Requirement**”) does not apply to Canaccord or any other Toronto Stock Exchange (“**TSX**”) participating organization or marketplace participant acting as selling agent for

Canaccord (such other TSX participating organization or marketplace participant a “**Canaccord Selling Agent**”) in connection with at-the-market distributions (each, an “**ATM Distribution**”) as defined in National Instrument 44-102 *Shelf Distributions* (“**NI 44-102**”) to be made by the Issuer pursuant to the Equity Distribution Agreement (as defined below); and

- (b) that the requirements to include in a prospectus supplement:
- i. a forward-looking issuer certificate in the form specified in section 2.1 of Appendix A to NI 44-102; and
  - ii. the statement respecting purchasers’ statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed in item 20 of Form 44-101F1 Short Form Prospectus;

(collectively, the “**Prospectus Form Requirements**”) do not apply to the prospectus supplement to the Shelf Prospectus (as defined below) of the Issuer to be filed in connection with ATM Distributions under the Equity Distribution Agreement (the “**Prospectus Supplement**”), provided that the alternative form of certificate and disclosure regarding a purchaser’s statutory rights described below are included in the Prospectus Supplement.

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, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador (collectively, together with the Jurisdiction, the “**Reporting Jurisdictions**”).

### Interpretation

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

### Representations

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

#### *The Issuer*

1. The Issuer is an unincorporated open-ended real estate investment trust established under the laws of the Province of Alberta which owns a portfolio of income-producing rental properties in communities across Canada. The head office of the Issuer is located in Vaughan, Ontario.
2. The Issuer is a reporting issuer or the equivalent under the securities legislation of each Reporting Jurisdiction and is in compliance in all material respects with the applicable requirements of the securities legislation of each Reporting Jurisdiction.
3. The units (“**Units**”), 6.0% convertible debentures, 6.65% convertible debentures and 5.75% convertible debentures of the Issuer are listed and publicly traded on the TSX.
4. The Issuer has filed in the Reporting Jurisdictions a short form base shelf prospectus dated October 9, 2009 (the “**Shelf Prospectus**”) providing for the distribution from time to time of Units, subscription receipts, warrants and debt securities in an aggregate initial offering amount of up to \$2,000,000,000. The Shelf Prospectus contains a forward-looking issuer certificate contemplated by section 1.1 of Appendix A to NI 44-102. The Shelf Prospectus also contains a statement respecting purchasers’ statutory rights of withdrawal and remedies of rescission or damages in the prescribed form.

#### *Canaccord*

5. Canaccord is registered as an investment dealer under the securities legislation in each of the Reporting Jurisdictions.

#### *Proposed ATM Distributions*

6. The Filers are contemplating entering into an equity distribution agreement (the “**Equity Distribution Agreement**”) relating to ATM Distributions by the Issuer under the base shelf prospectus procedures prescribed by Part 9 of NI 44-

102 and whereby the Issuer may from time to time issue and sell Units through Canaccord, as agent, as described below.

7. Prior to making any ATM Distributions, the Issuer will have filed the Prospectus Supplement in the Reporting Jurisdictions, which will describe the ATM Distributions, including the terms of the Equity Distribution Agreement.
8. The Issuer will issue a press release regarding entering into the Equity Distribution Agreement and will file a copy of the agreement on SEDAR. The press release will indicate that the Shelf Prospectus and Prospectus Supplement have been filed on SEDAR and specify where and how purchasers may obtain a copy.
9. Under the proposed Equity Distribution Agreement, the Issuer may issue and sell Units pursuant to any ATM Distribution thereunder in an amount not to exceed 10% of the aggregate market value of the outstanding Units calculated in accordance with Section 9.2 of NI 44-102.
10. The Issuer will sell Units in Canada through methods constituting an ATM Distribution, including sales made on the TSX or any other recognized Canadian "marketplace" as that term is defined in National Instrument 21-101 *Marketplace Operation* upon which the Units are listed or quoted or where the Units are traded ("**Marketplace**") through Canaccord, as agent, directly or through a Canaccord Selling Agent.
11. Canaccord will act as the sole agent on behalf of the Issuer in connection with the sale of the Units on the TSX or any other Marketplace and will be the sole entity paid an agency fee or commission by the Issuer in connection with such sales. Canaccord will sign an underwriter's certificate in the Prospectus Supplement. Canaccord will effect the ATM Distributions on the TSX or any other Marketplace either itself or through a Canaccord Selling Agent. If the sales are effected through a Canaccord Selling Agent, the Canaccord Selling Agent will be paid a seller's commission for effecting the trades on behalf of Canaccord. A purchaser's rights and remedies under the Legislation against Canaccord as underwriter of an ATM Distribution through the TSX or any other Marketplace will not be affected by a decision to effect the sale directly or through a Canaccord Selling Agent.
12. The number of Units sold on the TSX pursuant to an ATM Distribution on any trading day will not exceed 25% of the trading volume of the Units on the TSX that day.
13. The Equity Distribution Agreement will provide that, at the time of each sale of Units pursuant to an ATM Distribution, the Issuer will make a representation to Canaccord that the Shelf Prospectus, as supplemented by the Prospectus Supplement and any subsequent amendment or supplement to the Shelf Prospectus or the Prospectus Supplement (together, the "**Prospectus**"), contains full, true and plain disclosure of all material facts relating to the Issuer and Units being distributed. The Issuer would therefore be unable to proceed with sales pursuant to an ATM Distribution when it is in possession of undisclosed information that would constitute a material fact or a material change in respect of the Units.
14. If, after the Issuer delivers a sell notice to Canaccord, the sale of Units specified in the notice, taking into consideration prior sales, would constitute a material fact or material change, the Issuer would have to suspend sales under the Equity Distribution Agreement until either: (i) it had filed a material change report or amended the Prospectus; or (ii) circumstances had changed so that the sales would no longer constitute a material fact or material change.
15. In determining whether the sale of the number of Units specified in the sell notice would constitute a material fact or material change, the Issuer will take into account a number of factors, including, without limitation: (i) the parameters of the sell notice including the number of Units proposed to be sold and any price or timing restrictions that the Issuer may propose with respect to the particular ATM Distribution; (ii) the percentage of the outstanding Units that number represents; (iii) trading volume and volatility of the Units; (iv) recent developments in the business, affairs and capital structure of the Issuer; and (v) prevailing market conditions generally.
16. Canaccord will monitor closely the market's reaction to trades made on the TSX or any other Marketplace pursuant to an ATM Distribution in order to evaluate the likely market impact of future trades. Canaccord has experience and expertise in managing sell orders to limit downward pressure on the Unit price. If Canaccord has concerns as to whether a particular sell order placed by the Issuer may have a significant effect on the market price of the Units, Canaccord will recommend against effecting the trade at that time. It is in the interest of both the Issuer and Canaccord to minimize the market impact of sales under an ATM Distribution.
17. The underwriter's certificate to be signed by Canaccord and included in the Prospectus Supplement will be in the form prescribed by section 2.2 of Appendix B to NI 44-102.

*Prospectus Delivery Requirement*

18. Pursuant to the Prospectus Delivery Requirement, a dealer effecting a trade of the Units on the TSX or any other Marketplace on behalf of the Issuer as part of an ATM Distribution is required to deliver a copy of the prospectus (including the applicable prospectus supplement(s) in the case of a base shelf prospectus) to all investors who purchase Units on the TSX or any other Marketplace.
19. The delivery of a prospectus is not practicable in the circumstances of an ATM Distribution as neither Canaccord nor a Canaccord Selling Agent effecting the trade will know the identity of the purchasers.
20. Although purchasers under an ATM Distribution would not physically receive a printed prospectus, the Shelf Prospectus and the Prospectus Supplement (together with all documents incorporated by reference) will be filed and readily available to all purchasers electronically via SEDAR. Moreover, the Issuer will issue a news release that specifies where and how copies of the Shelf Prospectus and the Prospectus Supplement can be obtained.
21. The liability of an issuer or an underwriter (and others) for misrepresentation in a prospectus pursuant to the civil liability provisions of the Legislation will not be affected by the grant of an exemption from the Prospectus Delivery Requirement, as purchasers of securities offered by a prospectus during the period of distribution have a right of action for damages or rescission without regard as to whether the purchaser relied on the misrepresentations and whether or not the purchaser in fact received a copy of the prospectus.

*Withdrawal Right*

22. Pursuant to the Legislation, an agreement to purchase securities is not binding on the purchaser if a dealer receives, not later than midnight on the second day exclusive of Saturdays, Sundays and holidays, after receipt by the purchaser of the latest prospectus or any amendment to the prospectus, a notice in writing that the purchaser does not intend to be bound by the agreement of purchase (the **"Withdrawal Right"**).
23. The Withdrawal Right is not workable in the context of an ATM Distribution because a prospectus will not be delivered to purchasers.

*Rights of Rescission or Damages for Non-Delivery*

24. Pursuant to the Legislation, a purchaser of securities has a right of rescission or damages against a dealer for non-delivery of the prospectus (the **"Right of Action for Non-Delivery"**).
25. The Right of Action for Non-Delivery is not workable in the context of an ATM Distribution because a prospectus will not be delivered to purchasers.

*Disclosure of Units Sold Pursuant to ATM Distributions*

26. The Issuer will file on SEDAR a report disclosing the number and average price of Units distributed over the TSX or any other Marketplace by the Issuer pursuant to ATM Distributions under the Prospectus as well as gross proceeds, commission and net proceeds within seven calendar days after the end of the month with respect to sales during the prior month.
27. The Issuer will also disclose the number and average price of Units sold pursuant to ATM Distributions under the Prospectus as well as gross proceeds, commission and net proceeds in the ordinary course in its annual and interim financial statements and MD&A filed on SEDAR.

*Prospectus Form Requirements*

28. Exemptive relief from the Prospectus Form Requirements is required with respect to the Issuer's forward-looking certificate in the Prospectus Supplement to reflect that no pricing supplement will be filed subsequent to the Prospectus Supplement. Accordingly, the Issuer will file the Prospectus Supplement with the following forward-looking issuer certificate which will supersede and replace, solely as regards to ATM Distributions contemplated by the Prospectus Supplement, the forward-looking issuer certificate contained in the Shelf Prospectus:

This short form prospectus, as supplemented by the foregoing, together with the documents incorporated in this prospectus by reference as of the date of a particular distribution of securities offered by this prospectus, will, as of that date, constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus, as required by the securities legislation of each of the provinces of Canada.

29. Exemptive relief from the Prospectus Form Requirements is required to reflect the relief from the Prospectus Delivery Requirement. Accordingly, the Issuer will include the following language in the Prospectus Supplement in replacement of the language prescribed by the Prospectus Form Requirements:

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revision of the price, or damages if the prospectus, prospectus supplements relating to securities purchased by a purchaser and any amendment are not delivered to the purchaser, provided that the remedies are exercised by the purchaser within the time limit prescribed by securities legislation. However, purchasers of Units under an at-the-market distribution by the Issuer will not have the right to withdraw from an agreement to purchase the Units and will not have remedies for rescission or, in some jurisdictions, revision of the price, or damages for non-delivery, because the prospectus, prospectus supplements relating to securities purchased by a purchaser and any amendment will not be delivered as permitted under a decision dated ●, 2010 and granted pursuant to National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*.

Securities legislation in certain of the provinces of Canada also provides purchasers with remedies for rescission or, in some jurisdictions, revision of the price, or damages if the prospectus, prospectus supplements relating to securities purchased by a purchaser and any amendment contain a misrepresentation, provided that the remedies are executed by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation that a purchaser of Units under an at-the-market distribution by the Issuer may have against the Issuer or Canaccord for rescission or, in some jurisdictions, revision of the price, or damages if the prospectus, prospectus supplements relating to the Units purchased by a purchaser and any amendment contain a misrepresentation remain unaffected by the non-delivery and the decision referred to above.

Purchasers should refer to the applicable provisions of the securities legislation and the decision referred to above for the particulars of their rights or consult with a legal advisor.

30. The modified disclosure of purchasers' rights set forth in section 29 above will be explicitly disclosed in the Prospectus Supplement and, solely as regards to ATM Distributions contemplated by the Prospectus Supplement, supersede and replace the statement of purchasers' rights contained in the Shelf Prospectus.

#### 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 Exemptive Relief is granted provided that:

- (a) as it relates to the Prospectus Form Requirements, the disclosure described in sections 26, 28, 29 and 30 is made;
- (b) as it relates to the Prospectus Delivery Requirement, the representations in sections 8, 10, 11, 12, 13, 14 and 16 are complied with; and
- (c) this decision will terminate 25 months after the issuance of the receipt for the Shelf Prospectus by the Reporting Jurisdictions.

Furthermore, the decision of the principal regulator is that the application and this decision be kept confidential and not be made public until the earlier of: (a) the date on which the Issuer enters into an Equity Distribution Agreement with Canaccord; (b) the date the Filers advise the principal regulator that there is no longer any need for the application and this decision to remain confidential; and (c) the date that is 90 days after the date of this decision.

As to the Exemption Sought (other than from the Prospectus Form Requirements):

"Paulette Kennedy"  
Commissioner  
Ontario Securities Commission

"Mary Condon"  
Commissioner  
Ontario Securities Commission

As to the Exemption Sought from the Prospectus Form Requirements

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



**2.1.5 Canadian Royalties Inc. – s. 1(10)**

**Headnote**

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

**Ontario Statutes**

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

February 26, 2010

Canadian Royalties Inc.  
c/o Blakes  
199 Bay Street  
Suite 2800, Commerce Court West  
Toronto, Ontario M5L 1A9

Attention: Denis Silva

Dear Sir:

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

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

As the Applicant has represented to the Decision Makers that:

- (a) the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total in Canada;
- (b) no securities of the Applicant are traded on a marketplace as defined in 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's status as a reporting issuer is revoked.

"Alida Gualtieri"  
Manager, Continuous Disclosure  
Autorité des marchés financiers

**2.1.6 Corel Corporation – s. 1(10)**

“Lisa Enright”  
Manager, Corporate Finance  
Ontario Securities Commission

**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 26, 2010

Corel Corporation  
1600 Carling Ave.,  
Ottawa, Ontario,  
K1Z 8R7

Dear Sirs /Mesdames:

**Re: Corel Corporation (the Applicant) - application for a decision under the securities legislation of Ontario, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer**

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

As the Applicant has represented to the Decision Makers that:

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

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

**2.1.7 Aquiline Resources Inc. – s. 1(10)**

**Headnote**

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

**Applicable Legislative Provisions**

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

February 26, 2010

Borden Ladner Gervais LLP  
1200 – 200 Burrard Street  
Vancouver, B.C.  
V7X 1T2

Dear Mr. Robertson:

**Re: Aquiline Resources Inc. (the Applicant) – application for a decision under the securities legislation of Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island and Saskatchewan (the Jurisdictions)**

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

As the Applicant has represented to the Decision Makers that:

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

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

“Lisa Enright”  
Manager, Corporate Finance  
Ontario Securities Commission

**2.1.8 AlphaPro Management Inc. et al.**

**Headnote**

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted to allow exchange traded mutual funds to short sell up to 20% of net assets, subject to certain conditions – National Instrument 81-102 Mutual Funds.

**Applicable Legislative Provisions**

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

February 25, 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  
ALPHAPRO MANAGEMENT INC.  
(the “Filer”)**

**AND**

**IN THE MATTER OF  
HORIZONS ALPHAPRO DIVIDEND ETF, HORIZONS  
ALPHAPRO NORTH AMERICAN VALUE ETF,  
HORIZONS ALPHAPRO NORTH AMERICAN  
GROWTH ETF, HORIZONS ALPHAPRO MANAGED  
S&P/TSX 60<sup>TM</sup> ETF (the “Existing ETFs”) AND  
SUCH OTHER EXCHANGE TRADED MUTUAL FUNDS  
AS MAY BE MANAGED BY THE FILER OR AN  
AFFILIATE OF THE FILER IN THE FUTURE  
(the “Future ETFs” and, together with  
the Existing ETFs, the “ETFs”)**

**DECISION**

**Background**

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the ETFs for a decision under the securities legislation of the Jurisdiction of the principal regulator (the “**Legislation**”) exempting the ETFs from the following requirements of the Legislation to permit each ETF to sell securities short, to provide a security interest over the ETF’s assets in connection with such short sales and to deposit the ETF’s assets with Borrowing Agents (as defined below) as security for such transactions (the “**Requested Relief**”):

- (a) the requirement contained in subsection 2.6(a) of National Instrument 81-102 *Mutual Funds* (“**NI 81-102**”) prohibiting a mutual fund from providing a security interest over its assets;
- (b) the requirement contained in subsection 2.6(c) of NI 81-102 prohibiting a mutual fund from selling securities short; and
- (c) the requirement contained in subsection 6.1(1) of NI 81-102 prohibiting a mutual fund from depositing any part of its assets with an entity other than that mutual fund’s custodian.

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 the provinces and territories of Canada other than the Jurisdiction.

### Interpretation

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

### Representations

This decision is based on the following facts represented by the Filer on behalf of itself and the ETFs:

#### *The Filer and the ETFs*

- 1. The Filer is the manager of each Existing ETF and the Filer or an affiliate of the Filer will be the manager of each Future ETF. JovInvestment Management Inc. ("**JovInvestment**"), which is registered under the Ontario *Securities Act* as a portfolio manager, is the portfolio advisor of each Existing ETF and will be the portfolio advisor of each Future ETF.
- 2. JovInvestment has retained Patient Capital Management Inc. to act as sub-adviser to Horizons AlphaPro North American Value ETF and has retained JovInvestment's affiliate, Leon Frazer & Associates Inc., to act as sub-adviser to Horizons AlphaPro Dividend ETF.
- 3. The head office of the Filer is located in Toronto, Ontario. Neither the Filer, nor JovInvestment, nor the Existing ETFs are in default of applicable securities legislation in any of the provinces or territories of Canada.
- 4. Each Existing ETF is, and each Future ETF will be, a reporting issuer in one or more of the provinces and territories of Canada. Each Existing ETF distributes, and each Future ETF will distribute, its securities in such jurisdictions under a long form prospectus in the form of Form NI 41-101F2 (the "**Prospectus**").
- 5. Each Existing ETF is, and each Future ETF will be, a mutual fund that is subject to NI 81-102, the securities of which are listed and posted for trading on the Toronto Stock Exchange and are not index participation units.
- 6. The investment practices of each Existing ETF comply, and the investment practices of each Future ETF will comply, in all respects with the requirements of Part 2 of NI 81-102, except to the extent that the ETF has received permission from the applicable securities regulatory authorities or regulators of the provinces and territories of Canada to deviate therefrom.

#### *The Previous Decision*

- 7. In a decision document dated February 13, 2004, the predecessor to Horizons AlphaPro Managed S&P/TSX 60<sup>TM</sup> ETF, Accumulus Talisman Fund, and Accumulus Balanced Fund (together the "**Accumulus Funds**") were granted short selling relief in the Jurisdiction, British Columbia, Alberta, Saskatchewan, Manitoba and each territory of Canada limited, amongst other limitations reflected in the representations and conditions of the decision document, to 10% of total fund net assets (the "**Previous Decision**").
- 8. The Accumulus Funds were mutual funds managed by Accumulus Management Ltd. (subsequently amalgamated with JovFunds Management Inc.) whose units were qualified for distribution by simplified prospectus under National Instrument 81-101 *Mutual Fund Distributions*. Accumulus Balanced Fund was renamed Jov Leon Frazer Balanced Fund then later merged into Jov Leon Frazer Dividend Fund. Accumulus Talisman Fund was renamed Jov Talisman Fund then later converted into and renamed Horizons AlphaPro Managed S&P/TSX 60<sup>TM</sup> ETF. Responsibility for the management of Horizons AlphaPro Managed S&P/TSX 60<sup>TM</sup> ETF has been reassigned from JovFunds Management Inc. to the Filer.
- 9. The Filer is seeking the Requested Relief in this new decision to vary the Previous Decision by updating it. This decision updates the Previous Decision by:
  - (a) extending the Requested Relief beyond the Accumulus Funds, which were structured as conventional mutual funds, to the ETFs, including Horizons AlphaPro Managed S&P/TSX 60<sup>TM</sup> ETF (as successor to Accumulus

Talisman Fund), three new Existing ETFs (without predecessors included in the Previous Decision) and the Future ETFs; and

- (b) conforming the representations and conditions to those of more recent decisions which have granted exemptive relief similar to the Requested Relief.
10. The Accumulus Funds have been succeeded, the representations of the Previous Decision do not apply to their successors and their successors, including Horizons AlphaPro Managed S&P/TSX 60<sup>TM</sup> ETF, do not and will not rely on the Previous Decision, which as of the date of this decision will be considered succeeded by this decision.

*Short selling strategy and controls*

11. The Filer proposes that each ETF be authorized to engage in a limited, prudent and disciplined amount of short selling. The Filer and JovInvestment believe that each ETF could benefit from the implementation and execution of a controlled and limited short selling strategy. This strategy would operate as a complement to each ETF's primary discipline of buying securities with the expectation that they will appreciate in market value.
12. Any short sales will be consistent with each ETF's investment objectives and investment strategies.
13. In order to effect a short sale, an ETF will borrow securities from either its custodian or a dealer (in either case, the **"Borrowing Agent"**), which Borrowing Agent may be acting either as principal for its own account or as agent for other lenders of securities.
14. Each ETF will implement the following requirements and controls when conducting a short sale:
- (a) securities will be sold short for cash, with the ETF assuming the obligation to return to the Borrowing Agent the securities borrowed to effect the short sale;
  - (b) the short sale will be effected through market facilities through which the securities sold short are normally bought and sold;
  - (c) the ETF will receive cash for the securities sold short within normal trading settlement periods for the market in which the short sale is effected;
  - (d) the securities sold short will be liquid securities that satisfy either (i.) or (ii.) below:
    - (i.) the securities are listed and posted for trading on a stock exchange; and
      - (A) the issuer of the securities has a market capitalization of not less than CDN \$100 million, or the equivalent thereof, at the time the short sale is effected; or
      - (B) the ETF's portfolio advisor has pre-arranged to borrow the securities for the purpose of such short sale, or
    - (ii.) the securities are bonds, debentures or other evidences of indebtedness of, or guaranteed by, the Government of Canada or any province or territory of Canada or the Government of the United States of America;
  - (e) at the time securities of a particular issuer are sold short:
    - (i.) the aggregate market value of all securities of that issuer sold short by the ETF will not exceed 5% of the total net assets of the ETF; and
    - (ii.) the ETF will place a "stop-loss" order with a dealer to immediately purchase for the ETF an equal number of the same securities if the trading price of the securities exceeds 120% (or such lesser percentage as the Filer may determine) of the price at which the securities were sold short;
  - (f) the ETF will deposit assets of the ETF with Borrowing Agents as security in connection with the short sale transactions;
  - (g) the ETF will maintain appropriate internal controls regarding short sales prior to conducting any short sales, including written policies and procedures and risk management controls;

- (h) the ETF will keep proper books and records of all short sales and assets of the ETF deposited with Borrowing Agents as security; and
- (i) each ETF will provide disclosure in its Prospectus of the proposed use of short selling by the ETF, the specific risks related to short selling by the ETF and details of this exemptive relief prior to implementing the short selling strategy.

**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 in respect of each ETF:

- (a) the aggregate market value of all securities sold short by the ETF does not exceed 20% of the total net assets of the ETF on a daily marked-to-market basis;
- (b) any short sale made by the ETF is subject to compliance with the investment objectives of the ETF;
- (c) the ETF is not and will not be classified as a money market fund;
- (d) the ETF maintains appropriate internal controls regarding its short sales, including written policies and procedures, risk management controls and proper books and records;
- (e) the ETF holds "cash cover" (as defined in NI 81-102) in an amount, including the assets of the ETF deposited with Borrowing Agents as security in connection with short sale transactions, that is at least 150% of the aggregate market value of all securities sold short by the ETF on a daily marked-to-market basis;
- (f) no proceeds from short sales by the ETF are used by the ETF to purchase long positions in securities other than cash cover;
- (g) for short sale transactions in Canada, every dealer that holds assets of the ETF as security in connection with short sale transactions by the ETF is a registered dealer in Canada and a member of a self-regulatory organization that is a participating member of the Canadian Investor Protection Fund;
- (h) for short sale transactions outside of Canada, every dealer that holds assets of the ETF as security in connection with short sale transactions by the ETF:
  - (i.) is a member of a stock exchange and, as a result, subject to a regulatory audit; and
  - (ii.) has a net worth in excess of the equivalent of CDN \$100 million determined from its most recent audited financial statements that have been made public;
- (i) except where the Borrowing Agent is the ETF's custodian, when the ETF deposits assets of the ETF with a Borrowing Agent as security in connection with a short sale transaction, the amount of assets of the ETF deposited with the Borrowing Agent does not, when aggregated with the amount of the assets of the ETF already held by the Borrowing Agent as security for outstanding short sale transactions of the ETF, exceed 10% of the total net assets of the ETF, taken at market value as at the time of the deposit;
- (j) the security interest provided by the ETF over any of its assets that is required to enable the ETF to effect short sale transactions is made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions;
- (k) prior to conducting any short sales, the ETF discloses in its Prospectus, a description of: (i.) short selling, (ii.) how the ETF intends to engage in short selling, (iii.) the risks associated with short selling, and (iv.) in the Investment Strategy section of the Prospectus, the ETF's strategy and this exemptive relief;
- (l) prior to conducting any short sales, the ETF discloses in its Prospectus the following information:
  - (i.) that there are written policies and procedures in place that set out the objectives and goals for short selling and the risk management procedures applicable to short selling;

- (ii.) who is responsible for setting and reviewing the policies and procedures referred to in the preceding paragraph (i.), how often the policies and procedures are reviewed, and the extent and nature of the involvement of the board of directors of the Filer in the risk management process;
  - (iii.) the trading limits or other controls on short selling in place and who is responsible for authorizing the trading and placing limits or other controls on the trading;
  - (iv.) whether there are individuals or groups that monitor the risks independent of those who trade; and
  - (v.) whether risk measurement procedures or simulations are used to test the portfolio under stress conditions; and
- (m) prior to conducting any short sales, the ETF has provided to its securityholders not less than 60 days' written notice that discloses the ETF's intent to begin short selling transactions and the disclosure required in the ETF's Prospectus as outlined in paragraphs (k) and (l) above, or the ETF's initial Prospectus and each renewal thereof, has included such disclosure.

The Requested Relief shall terminate upon the coming into force of any legislation or rule of the principal regulator dealing with the matters referred to in subsections 2.6(a), 2.6(c) and 6.1(1) of NI 81-102.

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



**2.2 Orders**

**2.2.1 Maple Leaf Investment Fund Corp. et al.**

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

**AND**

**IN THE MATTER OF  
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**

**ORDER**

**WHEREAS** on February 12, 2010, the Ontario Securities Commission ("Commission") issued a Notice of Hearing, pursuant to s. 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, accompanied by a Statement of Allegations with respect to the Respondents for a hearing to commence on February 25, 2010;

**AND WHEREAS** Maple Leaf Investment Fund Corp., Joe Henry Chau, Tulsiani Investments Inc. and Sunil Tulsiani were served with the Notice of Hearing and Statement of Allegations dated February 12, 2010 on February 12, 2010 and Ravinder Tulsiani was served on February 16, 2010;

**AND WHEREAS** at a hearing on February 25, 2010, Staff advised the Commission that disclosure will be provided to the Respondents by March 9, 2010;

**AND WHEREAS** on February 25, 2010, counsel for Staff, counsel for Tulsiani Investments Inc. and Sunil Tulsiani, and counsel for Ravinder Tulsiani consented to the scheduling of a confidential pre-hearing conference on April 21, 2010;

**AND WHEREAS** Maple Leaf Investment Fund Corp. and Joe Henry Chau, although notified of the hearing, did not attend;

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

**IT IS ORDERED** that a confidential pre-hearing conference shall take place on April 21, 2010 at 10:00 a.m.

Dated at Toronto this 25th day of February, 2010

"James Turner"

**2.2.2 Teodosio Vincent Pangia – 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  
TEODOSIO VINCENT PANGIA**

**ORDER  
(Sections 127 and 127.1)**

**WHEREAS** on May 29, 2009, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and Amended Statement of Allegations pursuant to section 127 and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended, in respect of the respondent, Teodosio Pangia (the "Respondent");

**AND WHEREAS** on June 1, 2009, this matter was adjourned to July 23, 2009;

**AND WHEREAS** on July 23, 2009, this matter was adjourned to September 1, 2009;

**AND WHEREAS** on September 1, 2009 the Commission ordered that the matter be set down for a hearing on the merits to commence March 1, 2010, through March 8, 2010, inclusive;

**AND WHEREAS** Staff of the Commission ("Staff") and the Respondent have signed a settlement agreement dated February 22, 2010 (the "Settlement Agreement");

**AND WHEREAS** on February 26, 2010, Staff brought a motion for an adjournment of the hearing on the merits in order to schedule a settlement hearing, for the Commission to consider whether it is in the public interest to approve the Settlement Agreement;

**AND WHEREAS** the Commission has read the submissions of Staff and the consent of the Respondent with respect to the motion;

**AND WHEREAS** the Commission considers it to be in the public interest;

**IT IS HEREBY ORDERED** that the hearing on the merits is adjourned sine die and a settlement approval hearing is scheduled, on the consent of the parties, to be heard on April 5, 2010 at 10:00 a.m.

**DATED** at Toronto this 26th day of February, 2010.

"Mary G. Condon"

**2.2.3 Maple Leaf Investment Fund Corp. et al. – s. 127(8)**

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

**AND**

**IN THE MATTER OF  
MAPLE LEAF INVESTMENT FUND CORP.  
and JOE HENRY CHAU (aka: HENRY JOE CHAU,  
SHUNG KAI CHOW and  
HENRY SHUNG KAI CHOW)**

**ORDER  
(Section 127(8))**

**WHEREAS** on May 5, 2009, the Ontario Securities Commission (the “Commission”) made an order pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended, in respect of Maple Leaf Investment Fund Corp. and Joe Henry Chau (aka: Henry Joe Chau, Shung Kai Chow and Henry Shung Kai Chow) (collectively, the “Respondents”) that all trading in securities by the Respondents cease, and that any exemptions contained in Ontario securities law do not apply to the Respondents (the “Temporary Order”);

**AND WHEREAS** a hearing was held on May 15, 2009 to consider the extension of the Temporary Order and the Commission ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order as against the Respondents be extended until November 19, 2009;

**AND WHEREAS** a hearing was held on November 10, 2009 to consider a further extension of the Temporary Order and the Commission ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order as against the Respondents be extended until February 19, 2010 and that the matter return before the Commission on February 17, 2010 at 10:00 a.m.;

**AND WHEREAS** on February 12, 2010, the Commission issued a Notice of Hearing, pursuant to s.127 and 127.1 of the Act accompanied by a Statement of Allegations with respect to the Respondents and other respondents for a hearing to commence on February 25, 2010;

**AND WHEREAS** on February 12, 2010, the Respondents were served with the Notice of Hearing and Statement of Allegations dated February 12, 2010;

**AND WHEREAS** the Commission held a hearing on February 17, 2010 to consider the extension of the Temporary Order and the Commission ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order as against the Respondents be extended until February 26, 2010 and that the matter return before the Commission on February 25, 2010 at 10:00 a.m.;

**AND WHEREAS** the Commission held a hearing on February 25, 2010 to consider the extension of the Temporary Order, where counsel for Staff attended in person and the Respondents, although notified of the hearing, did not attend;

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

**IT IS ORDERED** that the Temporary Order is continued in respect of the Respondents until April 30, 2010 and the hearing is adjourned to April 21, 2010 at 10:00 a.m.

**DATED** at Toronto this 25th day of February, 2010

“James Turner”

**2.2.4 Tulsiani Investments Inc. and Sunil Tulsiani –  
ss. 127(1), 127(8)**

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

**AND**

**IN THE MATTER OF  
TULSIANI INVESTMENTS INC. AND  
SUNIL TULSIANI**

**ORDER  
(Subsections 127(1) and (8))**

**WHEREAS** on June 26, 2009, the Ontario Securities Commission (“Commission”) ordered, pursuant to subsection 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), that all trading in the securities of Tulsiani Investments Inc. (“Investments”) shall cease, that Sunil Tulsiani (“Tulsiani”) and Investments shall cease trading in all securities and that the exemptions contained in Ontario securities law do not apply to Tulsiani and Investments (the “Temporary Order”);

**AND WHEREAS** on June 26, 2009, the Commission further ordered pursuant to subsection 127(6) of the Act that the Temporary Order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission;

**AND WHEREAS** the Commission issued a Notice of Hearing on June 26, 2009 to consider, among other things, whether to extend the Temporary Order;

**AND WHEREAS** on July 9, 2009, the Commission held a hearing and ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order be extended to August 19, 2009;

**AND WHEREAS** on August 18, 2009, the Commission held a hearing and ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order be extended until December 14, 2009 unless further extended by order of the Commission;

**AND WHEREAS** on December 9, 2009, the Commission held a hearing and ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order be extended until February 26, 2010 and that the hearing be adjourned to February 25, 2010;

**AND WHEREAS** on February 12, 2010, the Commission issued a Notice of Hearing, pursuant to s.127 and 127.1 of the Act, accompanied by a Statement of Allegations with respect to the Respondents and other respondents for a hearing to commence on February 25, 2010;

**AND WHEREAS** on February 12, 2010, the Respondents were served with the Notice of Hearing and Statement of Allegations dated February 12, 2010;

**AND WHEREAS** the Commission held a hearing on February 25, 2010 to consider the extension of the Temporary Order, and counsel for Staff and counsel for the Respondents appeared and advised the Commission that the Respondents consent to the extension of the Temporary Order until April 30, 2010;

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

**IT IS ORDERED** that the Temporary Order is continued in respect of the Respondents until April 30, 2010 and the hearing is adjourned to April 21, 2010 at 10:00 a.m.

Dated at Toronto this 25th day of February, 2010.

“James Turner”

## 2.2.5 Gluskin Sheff + Associates Inc. – s. 144(1)

### Headnote

Relief to vary an order of the Commission granting relief from the prospectus requirement of the Act to permit distribution of pooled fund securities to managed accounts held by non-accredited investors on an exempt basis – variance to amend a condition requiring certain disclosure about the order be delivered to investors 60 days prior to a trade in pooled funds by a managed account by non-accredited investors – 60 day notice requirement would impair portfolio manager's ability to deal with assets of managed account held by non-accredited investor on a timely basis – disclosure will be provided to investors prior to trade in a pooled fund without necessity to wait 60 days – all other terms and conditions of original order remain unchanged.

### Statutes Cited

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

February 26, 2010

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

**AND**

**IN THE MATTER OF  
GLUSKIN SHEFF + ASSOCIATES INC.  
(the "Filer")**

**ORDER  
(Subsection 144(1) of the Act)**

**WHEREAS** the Filer has applied to the Ontario Securities Commission (the "**Commission**") for an order (the "**Order**") pursuant to section 144 of the Act varying a ruling ("**Ruling**") of the Commission dated February 10, 2010 made pursuant to subsection 74(1) of the Act that permits the Filer to distribute securities of the GS+A Funds (as defined below) to managed accounts ("**Managed Accounts**") of clients ("**Clients**") for which the Filer provides discretionary investment management services without being subject to the prospectus requirement under section 53 of the Act;

**AND WHEREAS** the Ruling permits the Filer to distribute securities of any open-ended investment fund that is not a reporting issuer and for which the Filer acts or will act as manager and portfolio manager (the "**GS+A Funds**") to Managed Accounts of Clients provided that (the "**60 Day Condition**") for each Client that becomes a Client of the Filer after the date of the Ruling (a "**New Client**") and invests in securities of a GS+A Fund in reliance on the Ruling, the Filer delivers written disclosure (the "**Disclosure**") to the New Client, 60 days prior to effecting a trade in securities of a GS+A Fund in reliance on the Ruling, advising of (i) the nature of the relief granted under

the Ruling, and (ii) the fact that the Ruling permits the New Client to invest in an investment fund product which the New Client otherwise would not be allowed to invest in on an exempt basis through their Managed Account;

**AND WHEREAS** the Filer desires to vary the 60 Day Condition by removing the requirement that the Disclosure be provided 60 days in advance of effecting a trade in securities of a GS+A Fund on behalf of a New Client, provided that the Filer delivers the Disclosure to each New Client prior to effecting the initial trade in securities of a GS+A Fund in the Managed Account;

**AND UPON** the application ("**Application**") of the Filer to the Commission for an order pursuant to subsections 144(1) of the Act varying the Ruling as set out above;

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

**AND UPON** the Filer having represented to the Commission as follows:

1. The facts set out in paragraphs 1 to 22 under "Representations" of the Ruling continue to apply.
2. The 60 Day Condition prevents the Filer from properly fulfilling its fiduciary obligations to its New Clients by prohibiting it, for a significant period of time, from making an investment which the Filer has determined is in the best interest of such clients.
3. The 60 Day Condition forces the Filer to choose between (a) not managing a New Client's account until the end of the 60 day period, or (b) attempting to invest the New Client's assets on a segregated basis, which may result in insufficient diversification and increased brokerage charges to the client, or (c) if the Managed Account has \$150,000, investing the New Client in securities of one GS+A Fund, which may result in an improperly diversified portfolio.
4. Once the 60 day period has ended and the Filer is able to invest the New Client's assets in securities of the GS+A Fund, then the Filer is faced with the issue of either keeping the client's current investment in the insufficiently diversified portfolio, or triggering a tax consequence by selling the existing securities and purchasing the appropriate mix of GS+A Funds.
5. New Clients will have sufficient information about how the Filer proposes to manage their assets (including the fact that the GS+A Funds are sold pursuant to a prospectus exemption and would not otherwise be available to the client) prior to providing the Filer with discretionary authority. The overall effect of imposing the 60 Day Condition could cause greater harm or risk to a

New Client than the protection it is attempting to provide.

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

**IT IS ORDERED**, pursuant to subsection 144(1) of the Act, that the Ruling is hereby varied to remove the 60 day period such that the 60 Day Condition of the Ruling is amended and restated as follows:

- (b) for each Client that becomes a Client of the Filer after the date of the Ruling that invests in securities of one or more GS+A Funds through a Managed Account pursuant to the Ruling (as varied by this order), the Filer shall deliver to such Client, prior to effecting a trade in securities of a GS+A Fund in reliance on the Ruling (as varied by this order), written disclosure advising of:
  - (i) the nature of the relief granted under the Ruling, and
  - (ii) the fact that the Ruling permits the Client to invest in an investment fund product which the Client otherwise would not be allowed to invest in on an exempt basis through their Managed Account; and

"Mary G. Condon"  
Commissioner  
Ontario Securities Commission

"Paulette L. Kennedy"  
Commissioner  
Ontario Securities Commission

**2.2.6 Borealis International Inc. et al. – s. 127(1)**

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

**AND**

**IN THE MATTER OF  
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,  
EARL SWITENKY, MICHELLE DICKERSON,  
DEREK DUPONT, BARTOSZ EKIERT,  
ROSS MACFARLANE, BRIAN NERDAHL,  
HUGO PITTOORS AND LARRY TRAVIS**

**ORDER  
(Section 127(1))**

**WHEREAS** on November 15, 2007, the Ontario Securities Commission (the "Commission") made an order pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5., as amended, in respect of Borealis International Inc. ("Borealis"), Synergy Group (2000) Inc. ("Synergy"), Integrated Business Concepts Inc. ("IBC"), Canavista Corporate Services Inc. ("Canavista Corporate"), Canavista Financial Center Inc. ("Canavista Financial"), Shane Smith ("Smith"), Andrew Lloyd, Paul Lloyd, Vince Villanti ("Villanti"), Larry Haliday ("Haliday"), Jean Breau ("Breau"), Joy Statham ("Statham"), David Prentice ("Prentice"), Len Zielke ("Zielke"), John Stephan ("Stephan"), Ray Murphy ("Murphy"), Derek Grigor ("Grigor"), Earl Switenky ("Switenky") and Alexander Poole ("Poole") (the "Original Respondents") that all trading in securities by and of the Original Respondents, with the exception of Poole, cease, and that any exemptions contained in Ontario securities law do not apply to the Original Respondents, with the exception of Poole (the "Temporary Order");

**AND WHEREAS** the Temporary Order also provided that pursuant to clause 1 of subsection 127(1), the following terms and conditions were imposed on Poole's registration: Poole shall be subject to monthly supervision by his sponsoring firm which, commencing November 30, 2007, will submit monthly supervision reports to the Commission (attention: Manager, Registrant Regulation) in a form specified by the Manager, Registrant Regulation, reporting details of Poole's sales activities and dealings with clients;

**AND WHEREAS** on November 15, 2007, the Commission issued a Notice of Hearing and Statement of Allegations in this matter;

**AND WHEREAS** on November 28, 2007, the Commission ordered that the Temporary Order be continued in respect of the Original Respondents, except Borealis, Synergy, IBC, Canavista Financial, Smith, Villanti, Haliday, Breau, Paul Lloyd, Zielke, Grigor and Switenky, until May 27, 2008;

**AND WHEREAS** on November 28, 2007, the Commission ordered that in respect of Borealis, Synergy, IBC, Canavista Financial, Smith, Villanti, Haliday, Breau, Paul Lloyd, Zielke, Grigor and Switenky, the Temporary Order be continued until January 11, 2008;

**AND WHEREAS** on January 11, 2008, the Commission ordered that in respect of the Original Respondents, the Temporary Order be continued until May 27, 2008;

**AND WHEREAS** on May 22, 2008, the Commission issued an Amended Notice of Hearing and an Amended Statement of Allegations by which, inter alia, the following individuals were added as respondents: Michelle Dickerson ("Dickerson"), Derek Dupont ("Dupont"), Bartosz Ekiert ("Ekiert"), Ross Macfarlane ("Macfarlane"), Brian Nerdahl ("Nerdahl"), Hugo Pittoors ("Pittoors"), and Larry Travis ("Travis") (collectively, the "New Respondents");

**AND WHEREAS** on May 27, 2008, the Commission ordered that all trading in securities by Dickerson, Dupont, Ekiert, Macfarlane, Nerdahl, Pittoors and Travis cease and that any exemptions contained in Ontario securities law not apply to them and that the Order be continued until June 18, 2008 or until further order of the Commission;

**AND WHEREAS** on May 27, 2008, the Commission ordered that in respect of the Original Respondents, including Poole, the Temporary Order be continued until June 18, 2008;

**AND WHEREAS** on June 17, 2008, the Commission ordered that the hearing on the merits commence on May 4, 2009 and that the Temporary Order be continued until the completion of the hearing on the merits or until further order of the Commission;

**AND WHEREAS** on March 27, 2009, following a pre-hearing conference, the Commission ordered that Staff shall not be required to serve or otherwise notify Zielke of any further steps in this proceeding;

**AND WHEREAS** on April 8, 2009, the Commission ordered that the hearing on the merits commence on May 26, 2009 and that the Temporary Order be continued until the completion of the hearing on the merits or until further order of the Commission;

**AND WHEREAS**, following an appearance held on May 11, 2009, the Commission issued a Notice on May 19, 2009 that the hearing on the merits commence on October 20, 2009;

**AND WHEREAS** on September 29, 2009, the Commission ordered that the hearing on the merits commence on January 18, 2010;

**AND WHEREAS** a hearing on the merits was held between January 19, 2010 and February 5, 2010;

**AND UPON HEARING** submissions of Staff of the Commission; counsel to Borealis, IBC, Villanti, and Haliday; and counsel to Synergy, Canavista Corporate, Smith, Prentice, Andrew Lloyd, and Breau on February 5, 2010, no one appearing for the remaining Original Respondents and New Respondents;

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

**IT IS ORDERED THAT:**

1. the Temporary Order is continued until a decision on the merits and, if necessary, in respect of sanctions is / are released or until further order of the Commission.

**DATED** at Toronto this 26th day of February, 2010.

"Patrick J. LeSage"

"Paulette L. Kennedy"

**2.2.7 Barkerville Gold Mines Ltd. (formerly International Wayside Gold Mines Ltd.) – s. 1(11)(b)**

**Headnote**

Subsection 1(11)(b) – Order that the issuer is a reporting issuer for the purposes of Ontario securities law – Issuer already a reporting issuer in Alberta and British Columbia - Issuer's securities listed for trading on the TSX Venture Exchange – Continuous disclosure requirements in Alberta and British Columbia substantially the same as those in Ontario – Issuer has a significant connection to Ontario.

**Statutes Cited**

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(11)(b).

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

**AND**

**IN THE MATTER OF  
BARKERVILLE GOLD MINES LTD.  
(formerly International Wayside Gold Mines Ltd.)**

**ORDER  
(clause 1(11)(b))**

**UPON** the application of Barkerville Gold Mines Ltd. (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for an order pursuant to clause 1(11)(b) of the Act that, for the purposes of Ontario securities law, the Applicant is a reporting issuer in Ontario;

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

**AND UPON** the Applicant representing to the Commission as follows:

1. The Applicant was incorporated under the laws of the Province of British Columbia on February 12, 1970. The Applicant changed its name from International Wayside Gold Mines Ltd. to Barkerville Gold Mines Ltd. effective January 20, 2010.
2. The head office of the Applicant is located at 15th Floor – 675 West Hastings Street, Vancouver, British Columbia V6B 1N2 and the registered office of the Applicant is located at 300 – 576 Seymour Street, Vancouver, British Columbia V6B 3K1.
3. The authorized capital of the Applicant consists of an unlimited number of common shares.
4. As at February 4, 2010, 56,266,568 common shares of the Applicant were issued and outstanding.
5. The Applicant has been a reporting issuer under the *Securities Act* (British Columbia) (the **BC Act**) since January 5, 1979 and is a reporting issuer under the *Securities Act* (Alberta) (the **Alberta Act**) and has been making filings with the Alberta Securities Commission since November 2, 2005. The Applicant is not a reporting issuer or the equivalent in any jurisdiction in Canada other than British Columbia or Alberta.
6. The Applicant is not on the list of defaulting reporting issuers maintained pursuant to the BC Act or the Alberta Act and is not in default of any of its obligations under the BC Act or the Alberta Act or the rules and regulations made thereunder.
7. The continuous disclosure materials filed by the Applicant under the requirements of the BC Act and the Alberta Act are substantially the same as the continuous disclosure requirements under the Act.
8. The common shares of the Applicant are listed and posted for trading on the TSX Venture Exchange (the Exchange) under the symbol “BGM”.
9. The Applicant is not in default of the rules, regulations or policies of the Exchange.
10. The Exchange requires all of its listed issuers, which are not otherwise reporting issuers in Ontario, to assess whether they have a significant connection with Ontario, as defined in Policy 1.1 of the TSX Venture Exchange Corporate

Finance manual, and, upon first becoming aware that it has a significant connection to Ontario, to promptly make a *bona fide* application to the Ontario Securities Commission to be deemed a reporting issuer in Ontario.

11. The Applicant has a significant connection to Ontario since more than 20% of the total number of equity securities of the Applicant are owned by registered and beneficial shareholders resident in Ontario.
12. The Applicant does not have a shareholder which holds sufficient securities of the Applicant to affect materially the control of the Applicant.
13. Neither the Applicant, nor any of its officers, directors, nor, to the knowledge of the Applicant and its officers or directors, has:
  - (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;
  - (b) entered into a settlement agreement with a Canadian securities regulatory authority; or
  - (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely to be considered important to a reasonable investor making an investment decision.
14. Neither the Applicant, nor any of its officers, directors, nor, to the knowledge of the Applicant and its officers or directors, is or has been the subject of:
  - (a) any known ongoing or concluded investigation by a Canadian securities regulatory authority, or a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decisions; or
  - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangement or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the preceding 10 years.
15. Other than as disclosed below, neither any of the officers or directors of the Applicant, nor, to the knowledge of the Applicant and its officers and directors, is or has been at the time of such event an officer or director of any other issuer which is or has been subject to:
  - (a) any cease trade or similar orders, or orders that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or
  - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the preceding 10 years.
16. Craig D. Thomas, a director of the Applicant, is and was a director of Anglo-Andean Exploration Inc., a reporting issuer that had cease trade orders issued by the British Columbia Securities Commission (the **BCSC**) on February 16, 2002 and the Alberta Securities Commission (the **ASC**) on October 26, 2001 for the failure to file financial statements; a director of Rystar Communications Ltd., a reporting issuer that had cease trade orders issued by the BCSC on January 22, 2001 and the ASC on December 22, 2000 for the failure to file financial statements; a director of Terramin Mining Inc., a reporting issuer that had cease trade orders issued by the BCSC on May 29, 2001 and the ASC on July 26, 2001 for the failure to file financial statements; a director and President of Golden Raven Resources Ltd., a reporting issuer that had cease trade orders issued by the BCSC on August 23, 2006 and the ASC on September 13, 2006; a director of West Coast Forest Products Ltd., a reporting issuer that had cease trade orders issued by the BCSC on September 6, 2005, the Commission on October 7, 2005 and the ASC on December 15, 2005 for the failure to file financial statements; and a director of Maxxcapp Corporation, a reporting issuer that had cease trade orders issued by the BCSC on May 9, 2007 and the ASC on August 24, 2007 for the failure to file financial statements. The cease trade orders mentioned above are still in effect and Anglo-Andean Exploration Inc., Rystar Communications Ltd., Terramin Mining Inc. and Golden Raven Resources Ltd. have since been delisted.

**AND UPON** the Commission being satisfied that granting this Order would not be prejudicial to the public interest;

**IT IS HEREBY ORDERED** pursuant to clause 1(11)(b) of the Act that the Applicant is a reporting issuer for the purposes of Ontario securities law.

**DATED** at Toronto this 2nd day of March, 2010.

"Jo-Anne Matear"  
Assistant Manager, Corporate Finance



## 2.3 Rulings

### 2.3.1 Gluskin Sheff + Associates Inc. – ss. 74(1), 144(1)

#### Headnote

Relief from the prospectus requirement of the Act to permit distribution of pooled fund securities to managed accounts held by non-accredited investors on an exempt basis – NI 45-106 contains carve-out for managed accounts in Ontario prohibiting portfolio manager from making exemption distribution of securities of its proprietary pooled funds to its managed account clients in Ontario unless client qualifies as an accredited investor or invests \$150,000 per fund – portfolio manager provides bona fide portfolio management services to high net worth clients – may also provide services to clients that are not accredited investor but have close relationship to accredited investor client – portfolio manager permitted to make exempt distribution of proprietary pooled funds to managed account clients who are not accredited investors with a close relationship to a client that is an accredited investor provided written notice is sent to those clients advising them of relief granted – portfolio manager not permitted to distribute proprietary pooled fund securities to parties other than managed account clients.

#### Statutes Cited

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

February 10, 2010

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

AND

IN THE MATTER OF  
GLUSKIN SHEFF + ASSOCIATES INC.  
(the “Filer”)

RULING  
(Subsections 74(1) and 144(1) of the Act)

#### Background

The Ontario Securities Commission (the “**Commission**”) has received an application from the Filer, on behalf of itself and any open-ended investment fund that is not a reporting issuer and for which the Filer acts or will act as manager and portfolio manager (the “**GS+A Funds**”) for a ruling:

- (i) pursuant to subsection 74(1) of the Act, that distributions of securities of the GS+A Funds to managed accounts of Clients (as defined below) for which the Filer provides discretionary investment management services will not be subject to the prospectus requirement under section 53 of the Act (the “**Prospectus Requirement**”); and
  - (ii) pursuant to subsection 144(1) of the Act, to revoke and replace the Current Relief (as defined below)
- (collectively, the **Requested Relief**).

#### Interpretation

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

#### Representations

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

- 1. The Filer is incorporated under the laws of Ontario. Its head office is in Toronto, Ontario.
- 2. The Filer is registered as a portfolio manager, exempt market dealer and mutual fund dealer with the Commission. The Filer is also registered as a portfolio manager in British Columbia, Alberta, Manitoba, Quebec, New Brunswick, Nova Scotia and Northwest Territories.

3. The Filer is or will be the manager, trustee and portfolio manager of any GS+A Fund structured as a trust and is or will be the manager and portfolio manager of any GS+A Fund structured as a limited partnership. Each of the GS+A Funds is or will be offered pursuant to exemptions from the prospectus requirements.
4. The Filer offers discretionary portfolio management services to individuals, corporations and other entities (each a "**Client**") seeking wealth management or related services through a managed account ("**Managed Account**").
5. The Filer generally acts as portfolio manager to Clients who are "accredited investors" within the meaning of National Instrument 45-106 *Prospectus and Registration Exemptions* ("**NI 45-106**"). However, from time to time, the Filer may agree to provide services to Clients who are not "accredited investors".
6. The Filer's normal minimum aggregate balance for the Managed Accounts of a Client is \$3 million. From time to time, the Filer may accept certain Clients with less than \$3 million under management due to their close relationship with a Client that does meet the account minimum.
7. A significant majority of the Filer's Clients are accredited investors. Any Client that is not an "accredited investor" will typically have a close relationship with a Client that is an accredited investor.
8. The vast majority of non-accredited investor Clients are "**Secondary Clients**" as that term is defined under exemptive relief granted to the Filer by the Commission on August 5, 2005 (the "**Current Relief**"). The Current Relief grants the Filer relief from the Prospectus Requirement to distribute securities of the GS+A Funds to such Secondary Clients in amounts that are less than \$150,000. A condition of the Current Relief is that the Secondary Clients meet that definition at all times.
9. From time to time, the Filer may also have a small number of Managed Accounts that are held by Clients who are not accredited investors or Secondary Clients ("**Non-Exempt Clients**"). These Non-Exempt Clients are typically Clients who, due to a change in circumstances are no longer accredited investors or Secondary Clients, or who may otherwise have a relationship with a current Client but the relationship does not meet the definition of a Secondary Client under the Current Relief.
10. The Filer's usual practice is to not provide its services to Non-Exempt Clients. However, in certain limited cases, the Filer has determined that it may wish to provide its services to Non-Exempt Clients, often due to the strength of the pre-existing relationship between the Non-Exempt Client and the Filer or another Client.
11. The Filer cannot rely on the accredited investor exemption in NI 45-106 or on the Current Relief to provide its services to Managed Accounts held by Non-Exempt Clients.
12. All of the Managed Accounts are serviced by individual portfolio managers of the Filer who meet the proficiency requirements of an advising representative (or associate advising representative) under Ontario securities law.
13. Pursuant to a written agreement (the "**Account Agreement**") between the Filer and each Client, the Filer makes investment decisions for each Managed Account and has full discretionary authority to trade in securities for each Managed Account without obtaining the specific consent of the applicable Client to the trade. The Account Agreement further sets out how the Managed Account operates and informs the Client of the Filer's various rules, procedures and policies.
14. At the initial meeting between a new Client and a portfolio manager, the portfolio manager establishes the Client's general investment goals and objectives. Typically, the portfolio manager then makes written investment recommendations to the Client that describes the strategies that the Filer shall employ to meet these objectives.
15. After the initial meeting, the Filer's portfolio manager offers to meet at least once per year with his/her Clients (or more frequently as required) to review the performance of their account and their investment goals.
16. The Filer sends each Client a quarterly account statement showing current holdings in his/her Managed Account. Upon request, Clients may receive monthly account statements from the Filer. In addition, the Filer sends Clients trade confirmations for each purchase or sale of securities of the GS+A Funds. The portfolio manager is available to review and discuss with Clients all account statements.
17. The Filer has determined that to best fulfill its fiduciary duty to its Clients, all or a portion of the asset mix in its Clients' portfolios should be invested in the GS+A Funds.
18. The GS+A Funds are, or will be, established by the Filer with a view to achieving efficiencies in the delivery of portfolio management services to its Clients' Managed Accounts. The Filer will not be paid any compensation with respect to the distribution of the GS+A Funds' securities to the Managed Accounts.

19. Investments in individual securities may not be appropriate for the Clients with smaller Managed Accounts, since they may not receive the same asset diversification benefits and may, as a result of the minimum commission charges, incur disproportionately higher brokerage commissions relative to the Clients with larger Managed Accounts.
20. To give all of its Clients the benefit of asset diversification, access to investment products with a very high minimum investment threshold and economies of scale on brokerage commission charges, the Filer proposes to cause certain of its Clients, including those that do not qualify as “accredited investors”, to invest in securities of the GS+A Funds, without the Client needing to invest a minimum of \$150,000 in each GS+A Fund, subject to each Client’s risk tolerance.
21. Each GS+A Fund will pay all administration fees and expenses relating to its operation, including any management or performance fees paid to the Filer. None of the GS+A Funds charge a commission to investors. Where the Filer invests on behalf of a Managed Account in a GS+A Fund that would otherwise pay a management fee and/or performance fee to the Filer as advisor, the necessary steps will be taken to ensure that there will be no duplication of fees between a Managed Account and the GS+A Fund. Terms of the fees are detailed in each Client’s Account Agreement.
22. While a Managed Account qualifies as an “accredited investor” in each province and territory outside Ontario, NI 45-106 contains a carve out for Managed Accounts in Ontario when the securities being purchased by the Managed Account are those of an investment fund. Absent the relief being requested, the GS+A Funds are prohibited in Ontario from distributing, and the Filer is effectively prohibited from investing in, securities of the GS+A Funds for the Managed Accounts, in reliance upon the “accredited investor” exemption in NI 45-106 in circumstances where the individual Client who is the beneficial owner of the Managed Account is not otherwise qualified as an “accredited investor”. Reliance upon the \$150,000 minimum investment exemption available under NI 45-106 may not be appropriate for smaller Managed Accounts as this might require a disproportionately high percentage of the account to be invested in a single GS+A Fund.
23. Under the exempt distribution rule applicable in each province and territory outside Ontario, there is no restriction on the ability of Managed Accounts to purchase investment fund securities on an exempt basis. Under NI 45-106, a Managed Account in each province and territory outside Ontario can acquire securities of the GS+A Funds as an “accredited investor”.

### Ruling

The Commission being satisfied that the relevant tests contained in subsections 74(1) and 144(1) of the Act have been met, the Commission rules that the Requested Relief is granted provided that:

- (a) securities of the GS+A Funds distributed pursuant to the relief from the Prospectus Requirement contained in this ruling shall only be distributed to Managed Accounts;
- (b) for each Client that becomes a Client of the Filer after the date of this ruling that will invest in securities of one or more GS+A Funds through a Managed Account pursuant to this ruling, the Filer shall deliver to such Client, 60 days prior to effecting a trade in securities of a GS+A Fund in reliance on this ruling, written disclosure advising of:
  - (i) the nature of the relief granted under this ruling, and
  - (ii) the fact that the ruling permits the Client to invest in an investment fund product which the Client otherwise would not be allowed to invest in on an exempt basis through their Managed Account; and
- (c) this ruling will terminate upon the coming into force of any legislation or rule of the Commission exempting a trade by a fully managed account in Ontario in securities of investment funds from the Prospectus Requirement.

“James E. A. Turner”  
Vice-Chair  
Ontario Securities Commission

“David L. Knight”  
Commissioner  
Ontario Securities Commission

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## Chapter 4

# Cease Trading Orders

### 4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Haemacure Corporation	19 Feb 10	03 Mar 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
Seprotech Systems Incorporated	30 Dec 09	11 Jan 10	11 Jan 10	03 Mar 10	
RoaDor Industries Ltd.	—	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	03 Mar 10	
Axiotron Corp.	12 Feb 10	24 Feb 10	24 Feb 10		
RoaDor Industries Ltd.	—	24 Feb 10	24 Feb 10		

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## **Chapter 7**

# **Insider Reporting**

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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](http://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](http://www.sedi.ca)).

## Chapter 8

# Notice of Exempt Financings

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

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price (\$)	#of Securities Distributed
02/12/2010	3	181, 191, 195 The West Mall LP - Units	24,892,110.02	24,892,110.02
02/12/2010	2	2810 Matheson Boulevard LP - Units	5,052,151.33	5,052,151.33
02/12/2010	3	300, 302 &304 The East Mall LP - Units	12,181,283.65	12,181,283.65
12/31/2009	1	Acero-Martin Exploration Inc. - Units	225,000.00	1,000,000.00
01/05/2009 to 12/30/2009	180	Acker Finley Select Canada Focus Fund - Trust Units	3,650,749.00	530,444.18
01/05/2009 to 12/30/2009	241	Acker Finley Select US Value 50 Fund - Trust Units	4,857,766.15	2,409,801.34
02/10/2010	15	AEP Private Energy Limited Partnership No. 2 - Units	150,000.00	15.00
02/11/2010	16	African Minerals Ltd. - Common Shares	61,067,820.00	20,000,000.00
02/16/2010	55	American Manganese Inc. - Units	1,193,919.00	5,969,595.00
02/12/2010	27	Bandera Gold Ltd. - Units	825,000.00	5,500,000.00
02/18/2010	28	Bayfield Ventures Corp. - Common Share Purchase Warrant	250,000.00	N/A
02/11/2010	1	Biox Corporation - Receipts	200,000.00	100,000.00
12/31/2009	25	Bodnar Fixed Income Fund - Units	599,582.16	22,761.84
01/30/2009 to 12/31/2009	8	Bodnar Money Market Fund - Units	107,723.21	772.32
12/31/2009	25	Bodnar Canadian Equity Fund - Units	255,063.52	7,587.68
02/11/2010 to 02/12/2010	12	Brionor Resources Inc. - Common Shares	600,000.00	6,000,000.00
02/23/2010	2	Canada Green ESCO Inc. - Common Shares	200,000.00	1,333,332.00
02/08/2010 to 02/09/2010	13	Canadian Horizons Blended Mortgage Investment Corporation - Preferred Shares	199,750.00	199,750.00
02/08/2010 to 02/09/2010	46	Canadian Horizons First Mortgage Investment Corporation - Preferred Shares	1,075,978.00	1,075,978.00
02/16/2010	1	Cardana Corporation - Common Shares	250,000.00	5,000.00
02/08/2010 to 02/09/2010	53	CareVest Blended Mortgage Investment Corporation - Preferred Shares	2,999,454.00	2,999,454.00
02/08/2010 to 02/09/2010	54	CareVest Capital Blended Mortgage Investment Corp. - Preferred Shares	2,955,087.00	2,955,087.00
02/08/2010 to	32	CareVest First Mortgage Investment	713,951.00	713,951.00



**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>#of Securities Distributed</b>
02/09/2010		Corporation - Preferred Shares		
02/08/2010 to 02/09/2010	15	CareVest Second Mortgage Investment Corporation - Preferred Shares	195,000.00	195,000.00
02/16/2010	3	Champlain Resources Inc. - Common Shares	27,500.00	550,000.00
02/16/2010	22	Commonwealth Bank of Australia - Notes	250,842,501.00	250,000.00
01/06/2010	1	Consumer Discretionary SELT - Common Shares	71,014.60	2,200.00
02/05/2010	22	Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A. - Notes	350,100,000.00	3,005,530.17
02/16/2010	308	Coral Hill Energy Ltd. - Common Shares	74,087,500.00	29,635,000.00
02/03/2010	1	Crosstex Energy, L.P. and Crosstex Energy Finance Corporation - Notes	259,673.84	250.00
01/09/2009 to 08/13/2009	6	Di Tomasso Equilibrium Fund - Trust Units	2,746,175.00	92,823.26
02/08/2010	116	Diamcor Mining Inc. - Units	2,152,121.70	N/A
02/01/2010 to 02/05/2010	136	Eagle Peak Resources Inc. - Common Shares	1,909,182.00	N/A
02/19/2010	2	Eagleworth Mortgage Investment Corporation - Preferred Shares	30,000.00	N/A
01/29/2010	1	Energy Select Sector SPDR - Common Shares	24,090.75	400.00
02/04/2010 to 02/12/2010	11	FairWest Energy Corporation - Debentures	1,516,000.00	N/A
01/01/2009 to 12/31/2009	64	FAM Balanced Fund - Units	65,331,059.00	N/A
01/01/2009 to 12/31/2009	101	FAM Registered Balanced Fund - Units	78,279,894.00	N/A
12/31/2009	2	FI Capital Sri Canadian Equity Fund - Units	47,317.32	5,132.98
01/15/2010 to 01/29/2010	5	Financial Select Sector SPDR - Common Shares	12,286,591.78	790,700.00
02/10/2010 to 02/16/2010	5	First Leaside Fund - Trust Units	286,894.00	286,894.00
02/10/2010 to 02/16/2010	7	First Leaside Fund - Trust Units	71,319.00	71,319.00
02/10/2010	1	First Leaside Universal Limited Partnership - Units	25,000.00	25,000.00
02/16/2010	1	Foundation Group Capital Trust - Units	10,000.00	1,000.00
01/28/2010	16	Franconia Minerals Corporation - Special Warrants	2,910,100.15	6,466,667.00
02/19/2010	66	FT Capital Fund 4 - Units	1,152,500.00	2,305.00
02/16/2010	1	Fuel Transfer Technologies Inc. - Preferred Shares	10,000.00	2,500.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>#of Securities Distributed</b>
02/17/2010	2	Generac Holdings Inc. - Common Shares	16,309,800.00	1,200,000.00
05/25/2009 to 05/29/2009	9	General Motors Acceptance Corporation of Canada, Limited - Notes	3,419,649.38	3,419,649.38
01/29/2010 to 02/08/2010	3	Global Green Solutions Inc. - Notes	191,064.60	N/A
02/15/2010	2	Golden Chalice Resources Inc. - Common Shares	24,000.00	200,000.00
01/25/2010	3	Golden Tag Resources Ltd. - Debentures	200,000.00	975,600.00
06/12/2009 to 12/01/2009	1	Gryphon Canadian Equity Fund - Units	1,300,000.00	N/A
01/12/2010 to 01/20/2010	2	Health Care Select Sector - Common Shares	1,058,719.08	30,400.00
02/11/2010	34	Herdron Capital Corp. - Common Shares	1,693,149.15	4,837,569.00
02/09/2010	1	Horizon Acquisition Company plc - Common Shares	1,332,340.50	79,500.00
02/05/2010	54	HPCG Trunkbow Holdings L.P. - Limited Partnership Units	2,856,514.80	2,669,640.00
05/28/2009 to 12/31/2009	3	IAIM Canadian Bond Core Pooled Fund - Trust Units	1,200,010.00	1,220,000.00
02/08/2010 to 02/18/2010	18	IGW Real Estate Investment Trust - Trust Units	630,715.45	632,730.37
01/29/2010	1	iPATH S&P500 VIX SH-TRM Futures ETN - Common Shares	3,331,962.62	100,000.00
06/26/2009	56	ISee3D Inc. - Units	782,049.75	N/A
01/07/2010 to 01/29/2010	5	iShares CDN S&P/TSX 60 Index Fund - Common Shares	21,037,682.38	1,163,003.00
01/12/2010	2	iShares DJ US Real Estate - Common Shares	970,684.16	20,000.00
01/07/2010 to 01/27/2010	2	iShares FTSE/XINHUA China 25 - Common Shares	3,779,145.95	80,600.00
01/08/2010	2	iShares IBXX INV GR Corp BD - Common Shares	67,387.82	600.00
01/20/2010 to 01/22/2010	1	iShares Inc MSCI Australia INDEX - Common Shares	120,920.40	5,000.00
01/28/2010	1	iShares inc MSCI Japan INDEX - Common Shares	134,087.64	12,500.00
01/15/2010 to 01/29/2010	1	iShares iUnits/S&P CDN FINL - Common Shares	1,489,384.56	65,600.00
01/05/2010 to 01/08/2010	2	iShares MSCI Brazil - Common Shares	4,509,431.08	54,600.00
01/07/2010 to 01/08/2010	1	iShares MSCI EAFE Small Cap INDEX - Common Shares	14,072,405.83	354,102.00
01/07/2010 to 01/26/2010	3	iShares MSCI Emerging MKTS INDEX - Common Shares	25,334,741.86	576,200.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>#of Securities Distributed</b>
01/05/2010 to 01/08/2010	2	iShares MSCI Mexico Invest MKT INDEX - Common Shares	2,770,609.52	50,600.00
01/05/2010 to 01/08/2010	2	iShares MSCI South Korea IND - Common Shares	2,780,001.38	52,800.00
01/19/2010	1	iShares NASDAQ BIOTECHINDX - Common Shares	447,878.50	4,900.00
01/04/2010 to 01/26/2010	2	iShares Russell 2000 - Common Shares	65,692,856.90	965,000.00
01/25/2010	1	iShares Silver Trust - Common Shares	451,477.15	25,000.00
01/21/2010 to 01/29/2010	2	iShares S&P Global Financial Sector Index Fund - Common Shares	207,875.23	4,400.00
01/29/2010	1	iShares S&P Global MAT Sector Index Fund - Common Shares	80,340.63	1,300.00
01/05/2010 to 01/08/2010	2	iShares Taiwan Webs INDEX - Common Shares	1,919,227.55	135,400.00
01/04/2010 to 01/29/2010	2	iShares TR MSCI EAFE IDX - Common Shares	35,443,464.71	617,800.00
01/07/2010	1	iShares XINHUA/A50 China Tracker ETF - Common Shares	436,141.52	28,000.00
09/15/2009	1	Kelman Technologies Inc. - Debentures	500,000.00	N/A
02/02/2010	7	Kinetex Resources Corporation - Units	221,850.00	1,479,000.00
02/12/2010	13	LifeCycles Medical Inc. - Preferred Shares	1,350,685.56	32,475.00
01/05/2009 to 12/29/2009	1308	Man AHL Diversified (Canada) Fund - Units	79,555,530.27	N/A
08/17/2009 to 11/13/2009	12	Man Canada Investment Strategies Fund - Units	26,252,000.00	N/A
01/21/2009 to 11/23/2009	11	Man Glenwood Focus (MC) Fund - Units	8,967,262.00	N/A
01/15/2010 to 01/27/2010	1	Market Vectors Gold Miners - Common Shares	1,555,065.52	32,000.00
01/05/2010 to 01/22/2010	2	Market Vectors Russia ETF - Common Shares	1,841,461.93	52,100.00
01/20/2010	1	Materials Select Sector SPDR - Common Shares	461,721.60	12,800.00
01/01/2009 to 12/31/2009	1	MB Balanced Fund - Units	683,585.87	65,702.88
01/01/2009 to 12/31/2009	2	MB Balanced Growth Fund - Units	1,585,000.00	139,301.04
01/01/2009 to 12/31/2009	1	MB Balanced Plus Fund - Units	200,000.00	19,911.79
01/01/2009 to 12/31/2009	2	MB Canadian Equity Value Fund - Units	415,000.00	39,961.79
01/01/2009 to	6	MB Canadian Equity (Core) Fund - Units	1,300,000.00	135,097.29

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>#of Securities Distributed</b>
12/31/2009				
01/01/2009 to 12/31/2009	25	MB Fixed Income Fund - Units	22,358,802.98	400,328.36
01/01/2009 to 12/31/2009	7	MB Global Equity Fund - Units	1,466,728.36	80,197.75
01/01/2009 to 12/31/2009	2	MB International Equity Growth Fund - Units	31,500,000.00	5,396,375.22
01/01/2009 to 12/31/2009	1	MB Lifeplan Growth & Income Fund - Units	188,716.80	19,113.08
01/01/2009 to 12/31/2009	1	MB Lifeplan Income Fund - Units	188,716.80	18,985.98
01/01/2009 to 12/31/2009	25	MB Money Market Fund - Units	16,478,272.48	1,647,827.25
01/01/2009 to 12/31/2009	1	MB Select Balanced Fund - Units	484,113.14	58,400.40
01/01/2009 to 12/31/2009	5	MB Short Term Fixed Income Fund - Units	2,113,660.00	209,024.00
02/12/2010	35	McConachie Development Investment Corporation - Units	558,220.00	109,743.00
02/12/2010	41	McConachie Development Limited Partnership - Units	1,578,120.00	157,812.00
02/05/2010	2	Merrill Lynch International & Co. C.V. - Certificate	1,239,424.54	345,725.00
12/31/2009	4	Merrill Lynch International & Co. C.V. - Certificate	5,495,565.49	12,100,000.00
02/16/2010	10	Mines d'Or de Cuivre Newbaska Ltee - Common Shares	88,685.00	591,233.00
01/15/2010	2	Murgor Resources Inc. - Common Shares	9,400.00	100,000.00
12/14/2009 to 12/24/2009	2	Neilas (Shepherd Road) Limited Partnership - Units	170,000.00	N/A
01/15/2010 to 01/25/2010	10	Nelson Financial Group Ltd. - Notes	250,000.00	N/A
02/01/2010	27	New World Lenders Corp. - Bonds	2,088,610.00	2,021.00
02/09/2009	1	NFR Energy LLC and NFR Energy Finance Corporation - Notes	8,338,719.88	8,023.01
02/11/2010	1	Nichromet Extraction Inc. - Units	250,000.00	2,500,000.00
02/01/2010	7	North American Financial Group Inc. - Debt	832,663.60	N/A
10/08/2009	30	North American Gem Inc. - Units	300,000.00	N/A
02/11/2010	65	One Exploration Inc. - Warrants	25,000,000.00	N/A
02/12/2010	15	Opsens Inc. - Units	3,644,375.00	N/A
02/19/2010	1	Pier 21 Global Value Pool - Units	400,000.00	N/A

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>#of Securities Distributed</b>
02/12/2010 to 02/18/2010	4	Plasco Energy Group Inc. - Units	1,079,980.00	71,998.00
04/01/2009 to 12/31/2009	141	Polar Investment Fund Limited - Common Shares	43,413,305.76	433,266.81
01/07/2010	1	PowerSHS DB US IDX BL FD - Common Shares	66,487.91	2,700.00
01/31/2010	2	Prestigious Investment & Management (PRISM) A - Limited Partnership - Limited Partnership Units	522,112.50	101.00
01/16/2010 to 02/19/2010	3	Proforma Capital Bond Corporation - Bonds	278,300.00	2,783.00
01/28/2010	1	PRS ULT LEH20+YR - Common Shares	1,541,867.98	30,000.00
08/14/2009	1	Queenston Mining Inc. - Common Shares	54,400.00	10,000.00
02/09/2010	2	Questrade Inc. - Debentures	2,500,000.00	2,500,000.00
02/17/2010	2	QuinStreet, Inc. - Common Shares	945,000.00	60,000.00
02/23/2010	10	Red Rock Energy Inc. - Units	1,004,492.80	N/A
02/09/2010 to 02/10/2010	25	Scollard Energy Inc. - Common Shares	8,035,000.00	4,017,500.00
01/29/2010	1	Sedex Mining Corp. - Common Shares	7,500.00	300,000.00
02/11/2010	1	Severstal Columbus Escrow, LLC and Severstal; Columbus, LLC - Notes	6,174,504.00	1.00
02/08/2010	80	Silver Sun Resource Corp. - Units	980,000.00	14,000,000.00
02/25/2010	5	Solid Gold Resources Corp. - Common Shares	200,000.00	N/A
02/11/2010	33	Solid Resources Ltd. - Common Shares	810,000.00	810,000.00
01/04/2010	18	Solitaire Minerals Corp. - Flow-Through Shares	189,000.00	N/A
02/19/2010	1	Solitaire Minerals Corp. - Units	157,500.00	1,750,000.00
12/24/2009	25	Southern Silver Exploration Corp. - Units	359,000.00	3,590,000.00
12/10/2009	58	Southern Silver Exploration Corp. - Units	1,457,000.00	14,570,000.00
12/24/2009	12	Sparkle Income Fund - Trust Units	873,180.00	2,182,950.00
01/06/2010	1	SPDR Gold Trust - Common Shares	47,612.90	400.00
01/06/2010	1	SPDR S&P HomebuildersETF - Common Shares	74,697.42	4,500.00
01/19/2010	2	SPDR S&P Retail ETF - Common Shares	5,509,250.18	142,157.00
12/31/2009 to 01/11/2010	3	ST SPDR S&P INTL SC - Common Shares	206,979.66	7,400.00
01/04/2010 to 01/29/2010	8	S&P Depository Receipts TR Unit - Common Shares	71,418,614.83	602,360.00
02/11/2010	16	Tanzania Minerals Corp. - Common Shares	756,000.00	12,600,000.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>#of Securities Distributed</b>
02/08/2010	21	The PNC Financial Services Group, Inc. - Common Shares	66,686,004.00	55,555,600.00
01/19/2010	1	Thefile Inc. - Common Shares	1.00	400,000.00
01/19/2010	1	Thefile Inc. - Common Shares	500,000.00	N/A
01/02/2009 to 12/01/2009	153	Turtle Creek Equity Fund - Trust Units	11,960,042.82	717,823.75
01/02/2009 to 12/01/2009	43	Turtle Creek Investment Fund - Trust Units	7,588,841.51	602,062.54
02/12/2010	212	Tuscany International Drilling Inc. - Special Warrants	66,771,016.73	42,269,501.00
02/15/2010	2	UC Resources Ltd. - Units	780,000.00	9,750,000.00
02/25/2010	2	UC Resources Ltd. - Units	40,000.00	500,000.00
01/29/2010	1	Ultrashort Lehman 7-10 year - Common Shares	1,386,768.00	25,000.00
12/30/2009 to 02/03/2010	11	Unsynced Inc. - Warrants	425,000.00	N/A
01/05/2010	1	US Natural Gas Fund LP - Common Shares	280,025.60	25,000.00
01/12/2010	1	Utilities Select SectorSPDR - Common Shares	66,158.72	2,000.00
12/23/2009	13	Valterra Resource Corporation - Flow-Through Shares	583,000.00	N/A
01/20/2010	1	Vanguard Emerging Mazrket Vipers - Common Shares	707,731.14	16,010.00
01/27/2010	1	Vanguard Europe - Common Shares	9,989.00	200.00
01/08/2010	1	Vanguard Small Cap ETF - Common Shares	14,069,602.06	222,447.00
02/11/2010	69	Venturion Natural Resources Limited - Common Shares	5,000,000.00	2,000,000.00
02/12/2010	21	Walton AZ Mystic Vista Investment Corporation - Common Shares	308,710.00	30,871.00
02/12/2010	13	Walton AZ Mystic Vista Limited Partnership - Units	648,366.93	61,063.00
02/12/2010	26	Walton TX Austin Land Investment Corporation - Common Shares	867,760.00	45,115.00
02/12/2010	10	Walton TX Austin Land Limited Partnership - Limited Partnership Units	900,979.77	84,854.00
10/01/2009	1	Wellington Management Legacy Securities PPIF - Units	72,613,751.00	70,000.00

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## Chapter 11

# IPOs, New Issues and Secondary Financings

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**Issuer Name:**

AAER Inc.

Principal Regulator - Quebec

**Type and Date:**

Amended and Restated Preliminary Short Form Prospectus dated February 25, 2010

NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

Minimum Offering: \$5,000,000 or \* Offered Units (the "Minimum Offering")

Maximum Offering: \$6,500,000 or \* Offered Units (the "Maximum Offering")

Issuance of a Maximum of \* Payment Units in Settlement of Certain Outstanding Debts

Price: \$ \* per Unit

**Underwriter(s) or Distributor(s):**

Canaccord Financial Ltd.

**Promoter(s):**

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**Project #1520191**

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**Issuer Name:**

AEterna Zentaris Inc.

Principal Regulator - Quebec

**Type and Date:**

Preliminary Shelf Prospectus dated February 23, 2010

NP 11-202 Receipt dated February 24, 2010

**Offering Price and Description:**

U.S.\$60,000,000

Common Shares

Warrants to Purchase Common Shares

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #1536961**

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**Issuer Name:**

Athabasca Oil Sands Corp.

Principal Regulator - Alberta

**Type and Date:**

Preliminary Long Form Prospectus dated February 26, 2010

NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

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

**Underwriter(s) or Distributor(s):**

Morgan Stanley Canada Limited

GMP Securities L.P.

FirstEnergy Capital Corp.

Raymond James Ltd.

TD Securities Inc.

Peters & Co. Limited

Genuity Capital Markets

Barclays Capital Canada Inc.

Acumen Capital Finance Partners Limited

Haywood Securities Inc.

Dundee Securities Corporation

**Promoter(s):**

-

**Project #1539292**

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**Issuer Name:**

Augusta Resource Corporation

Principal Regulator - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated March 1, 2010

NP 11-202 Receipt dated March 1, 2010

**Offering Price and Description:**

\$32,505,000 - 11,820,000 Common Shares - Price: \$2.75 per Common Share

**Underwriter(s) or Distributor(s):**

TD Securities Inc.

Wellington West Capital Markets Inc.

Canaccord Financial Ltd.

National Bank Financial Inc.

**Promoter(s):**

-

**Project #1540377**



**Issuer Name:**

Black Diamond Group Limited  
Principal Regulator - Alberta

**Type and Date:**

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

**Offering Price and Description:**

\$22,620,000 - 1,200,000 Common Shares - Price: \$18.85  
per Common Share

**Underwriter(s) or Distributor(s):**

Raymond James Ltd.  
BMO Nesbitt Burns Inc.  
Acumen Capital Finance Partners Limited  
FirstEnergy Capital Corp.  
Peters & Co. Limited  
CI Capital Markets Inc.  
Clarus Securities Inc.

**Promoter(s):**

-

**Project #1541162**

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**Issuer Name:**

Boston Pizza Royalties Income Fund  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated February 26,  
2010  
NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

\$16,132,500 - 1,350,000 Units - Price: \$11.95 per Offered  
Unit

**Underwriter(s) or Distributor(s):**

BMO Nesbitt Burns Inc.  
CIBC World Markets Inc.  
TD Securities Inc.  
National Bank Financial Inc.  
Canaccord Financial Ltd.  
RBC Dominion Securities Inc.

**Promoter(s):**

-

**Project #1539291**

**Issuer Name:**

Brookfield Renewable Power Preferred Equity Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Short Form Prospectus dated February 24,  
2010  
NP 11-202 Receipt dated February 24, 2010

**Offering Price and Description:**

\$250,000,000 - 10,000,000 Class A Preference Shares,  
Series 1  
Price: \$25.00 per Series 1 Share to yield initially 5.25% per  
annum

**Underwriter(s) or Distributor(s):**

Scotia Capital Inc.  
CIBC World Markets Inc.  
RBC Dominion Securities Inc.  
TD Securities Inc.  
BMO Nesbitt Burns Inc.  
National Bank Financial Inc.  
HSBC Securities (Canada) Inc.  
Macquarie Capital Markets Canada Ltd.  
FirstEnergy Capital Corp.  
Canaccord Financial Ltd.  
Desjardins Securities Inc.  
Genuity Capital Markets  
Brookfield Financial Corp.

**Promoter(s):**

-

**Project #1537211**

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**Issuer Name:**

Connor, Clark & Lunn 2010 Flow-Through Limited  
Partnership  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated February 26,  
2010  
NP 11-202 Receipt dated March 1, 2010

**Offering Price and Description:**

Maximum Offering: \$50,000,000 (2,000,000 Units)  
Minimum Offering: \$5,000,000 (200,000 Units)  
Price: \$25.00 per Unit  
Minimum Purchase: \$5,000 (200 Units)

**Underwriter(s) or Distributor(s):**

BMO Nesbitt Burns Inc.  
CIBC World Markets Inc.  
RBC Dominion Securities Inc.  
National Bank Financial Inc.  
Scotia Capital Inc.  
GMP Securities L.P.  
Raymond James Ltd.  
Canaccord Capital Financial Ltd.  
HSBC Securities (Canada) Inc.  
Manulife Securities Incorporated  
Dundee Securities Corporation  
Macquarie Capital Markets Canada Ltd.  
Wellington West Capital Markets Inc.

**Promoter(s):**

Connor, Clark & Lunn Capital Markets Inc.

**Project #1539290**

**Issuer Name:**

DiaMedica Inc.

Principal Regulator - Manitoba

**Type and Date:**

Preliminary Short Form Prospectus dated March 1, 2010

NP 11-202 Receipt dated March 2, 2010

**Offering Price and Description:**

\$ \* - \* Units - Price: \* per Unit

**Underwriter(s) or Distributor(s):**

Bolder Investment Partners Ltd.

**Promoter(s):**

Dr. Albert D. Friesen

Genesys Venture Inc.

**Project #1541256**

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**Issuer Name:**

Dundee Precious Metals Inc.

Principal Regulator - Ontario

**Type and Date:**

Preliminary Short Form Prospectus dated February 26, 2010

NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

\$66,000,000 - 20,000,000 Common Shares - Price: \$3.30 per Common Share

**Underwriter(s) or Distributor(s):**

GMP Securities L.P.

Cormark Securities Inc.

Dundee Securities Corporation

BMO Nesbitt Burns Inc.

Union Securities Ltd.

**Promoter(s):**

-

**Project #1538797**

**Issuer Name:**

Dundee Real Estate Investment Trust

Principal Regulator - Ontario

**Type and Date:**

Preliminary Short Form Prospectus dated March 2, 2010

NP 11-202 Receipt dated March 2, 2010

**Offering Price and Description:**

\$100,116,250 - 3,965,000 REIT Units, Series A - PRICE: \$25.25 per Unit

**Underwriter(s) or Distributor(s):**

TD Securities Inc.

Scotia Capital Inc.

CIBC World Markets Inc.

Dundee Securities Corporation

BMO Nesbitt Burns Inc.

RBC Dominion Securities Inc.

Brookfield Financial Corp.

Desjardins Securities Inc.

Genuity Capital Markets

HSBC Securities (Canada) Inc.

National Bank Financial Inc.

Raymond James Ltd.

**Promoter(s):**

-

**Project #1541101**

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**Issuer Name:**

IBC Advanced Alloys Corp.

Principal Regulator - British Columbia

**Type and Date:**

Amended and Restated Preliminary Short Form Prospectus dated February 23, 2010

NP 11-202 Receipt dated February 24, 2010

**Offering Price and Description:**

\$8,500,000 - 50,000,000 Units - Price: \$0.17 per Unit

**Underwriter(s) or Distributor(s):**

Union Securities Ltd.

Pope & Company Ltd.

**Promoter(s):**

-

**Project #1505771**

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**Issuer Name:**

Ivanhoe Energy Inc.

Principal Regulator - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated February 26, 2010

NP 11-202 Receipt dated March 1, 2010

**Offering Price and Description:**

\$24,999,999 - 8,333,333 Common Shares and 2,083,333

Purchase Warrants; Issuable upon Conversion of

8,333,333 Outstanding Special Warrants

Price: \$3.00 per Special Warrant

**Underwriter(s) or Distributor(s):**

Macquarie Capital Markets Canada Ltd

**Promoter(s):**

-

**Project #1539699**

**Issuer Name:**

JINHUA CAPITAL CORPORATION

Principal Regulator - Alberta

**Type and Date:**

Preliminary CPC Prospectus dated February 24, 2010

NP 11-202 Receipt dated February 25, 2010

**Offering Price and Description:**

\$400,000 - 4,000,000 Common Shares - Price: \$0.10 Per Common Share

**Underwriter(s) or Distributor(s):**

PI FINANCIAL CORP.

**Promoter(s):**

Francis N. S. Leong

**Project #1537490**

**Issuer Name:**

Noravena Capital Corporation

Principal Regulator - Ontario

**Type and Date:**

Preliminary CPC Prospectus dated February 24, 2010

NP 11-202 Receipt dated February 24, 2010

**Offering Price and Description:**

\$300,000 - 1,500,000 Common Shares - Price: \$0.20 per Common Share

**Underwriter(s) or Distributor(s):**

Union Securities Ltd.

**Promoter(s):**

James P. Boyle

**Project #1537267**

---

**Issuer Name:**

Leisureworld Senior Care Corporation

Principal Regulator - Ontario

**Type and Date:**

Amended and Restated Preliminary Long Form Prospectus dated February 26, 2010

NP 11-202 Receipt dated March 1, 2010

**Offering Price and Description:**

\$ \* - \* Common Shares - Price: \$10.00 per Common Share

**Underwriter(s) or Distributor(s):**

TD Securities Inc.

Macquarie Capital Markets Canada Inc.

RBC Dominion Securities Inc.

BMO Capital Markets Inc.

CIBC World Markets Inc.

Scotia Capital Inc.

HSBC Securities (Canada) Inc.

Brookfield Financial Corp.

Genuity Capital Markets

**Promoter(s):**

Macquarie Long Term Care L.P.

**Project #1533618**

---

**Issuer Name:**

NorthWest Healthcare Properties Real Estate Investment Trust

Principal Regulator - Ontario

**Type and Date:**

Amended and Restated Preliminary Long Form Prospectus dated February 25, 2010

NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

\$ \* - \* Units - Price: \$ \* per Unit

**Underwriter(s) or Distributor(s):**

RBC Dominion Securities Inc.

BMO Nesbitt Burns Inc.

CIBC World Markets Inc.

National Bank Financial Inc.

Scotia Capital Inc.

TD Securities Inc.

Canaccord Financial Ltd.

Macquarie Capital Markets Canada Ltd.

Versant Partners Inc.

**Promoter(s):**

NorthWest Operating Trust

**Project #1532615**

---

**Issuer Name:**

Mitel Networks Corporation

Principal Regulator - Ontario

**Type and Date:**

Preliminary Long Form PREP Prospectus dated February 24, 2010

NP 11-202 Receipt dated February 25, 2010

**Offering Price and Description:**

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

**Underwriter(s) or Distributor(s):**

Merrill Lynch Canada Inc.

J.P. Morgan Securities Canada Inc.

UBS Securities Canada Inc.

Genuity Capital Markets

**Promoter(s):**

-

**Project #1537441**

---

**Issuer Name:**

NuLoch Resources Inc.

Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated February 23, 2010

NP 11-202 Receipt dated February 24, 2010

**Offering Price and Description:**

\$ \* - \* Class A Common Shares issuable upon exercise of \* outstanding Special Warrants

Price: \$1.25 per Special Warrant

**Underwriter(s) or Distributor(s):**

Genuity Capital Markets

Wellington West Capital Markets Inc.

**Promoter(s):**

-

**Project #1537402**

**Issuer Name:**

Precious Metals and Mining Trust  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Short Form Prospectus dated February 25, 2010

NP 11-202 Receipt dated February 25, 2010

**Offering Price and Description:**

Warrants to Subscribe for up to 9,713,166 Units (Upon the exercise of one Warrant for one Unit)

Price: \$7.42 per Unit

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Sentry Select Capital Inc.

**Project #1537850**

---

**Issuer Name:**

Questerre Energy Corporation  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated March 1, 2010

NP 11-202 Receipt dated March 1, 2010

**Offering Price and Description:**

Up to \$\* - Price: \$\* per Common Share

**Underwriter(s) or Distributor(s):**

Dundee Securities Corporation  
Cormark Securities Inc.  
Mackie Research Capital Corporation  
Industrial Alliance Securities Inc.  
Fraser Mackenzie Limited  
Clarus Securities Inc.  
National Bank Financial Inc.  
Maison Placements Canada Inc.

**Promoter(s):**

-

**Project #1539825**

**Issuer Name:**

Questerre Energy Corporation  
Principal Regulator - Alberta

**Type and Date:**

Amended and Restated Preliminary Short Form Prospectus dated March 2, 2010

NP 11-202 Receipt dated March 2, 2010

**Offering Price and Description:**

\$43,120,400 - 10,028,000 Common Shares - Price: \$4.30 per Common Share

**Underwriter(s) or Distributor(s):**

Dundee Securities Corporation  
Cormark Securities Inc.  
Mackie Research Capital Corporation  
Industrial Alliance Securities Inc.  
Fraser Mackenzie Limited  
Clarus Securities Inc.  
National Bank Financial Inc.  
Maison Placements Canada Inc.

**Promoter(s):**

-

**Project #1539825**

---

**Issuer Name:**

Stone 2010 Flow-Through Limited Partnership  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated March 1, 2010

NP 11-202 Receipt dated March 2, 2010

**Offering Price and Description:**

\$\* (Maximum Offering) - \$5,000,000 (Minimum Offering)

\* Maximum of \* Units and Minimum of 200,000 Units

Minimum Subscription: 100 Units

Subscription Price: \$25 per Unit

**Underwriter(s) or Distributor(s):**

CIBC World Markets Inc.  
National Bank Financial Inc.  
RBC Dominion Securities Inc.  
BMO Nesbitt Burns Inc.  
Scotia Capital Inc.  
Canaccord Financial Ltd.  
Manulife Securities Incorporated  
Raymond James Ltd.  
Wellington West Capital Markets Inc.  
HSBC Securities (Canada) Inc.  
Macquarie Capital Markets Canada Ltd.  
Burgeonvest Bick Securities Limited  
Mackie Research Capital Corporation

**Promoter(s):**

Stone 2010 Flow-Through GP Inc.  
Stone & Co. Limited

**Project #1541105**

**Issuer Name:**

Superior Plus Corp.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated February 26, 2010

NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

\$150,000,000 - 5.75% Convertible Unsecured Subordinated Debentures

Price: \$1,000 per Debenture

**Underwriter(s) or Distributor(s):**

TD Securities Inc.  
CIBC World Markets Inc.  
Natioanl Bank Financial Inc.  
Scotia Capital Inc.  
BMO Nesbitt Burns Inc.  
Cormark Securities Inc.

**Promoter(s):**

-

**Project #1539319**

**Issuer Name:**

Uranium One Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated February 24, 2010

NP 11-202 Receipt dated February 24, 2010

**Offering Price and Description:**

\$250,000,000 - 7.5% (re-settable to 5%) Convertible Unsecured Subordinated Debentures due March 13, 2015

Price: \$1,000.00 per Debenture

**Underwriter(s) or Distributor(s):**

GMP Securities L.P.  
Canaccord Financial Ltd.  
BMO Nesbitt Burns Inc.  
CIBC World Markets Inc.  
RBC Dominion Securities Inc.  
Paradigm Capital Inc.

**Promoter(s):**

-

**Project #1537361**

---

**Issuer Name:**

Torquay Oil Corp.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Long Form Prospectus dated March 2, 2010

NP 11-202 Receipt dated March 2, 2010

**Offering Price and Description:**

Minimum Offering: 10,000 Units at \$1,000 per Unit (\$10,000,000)

Maximum Offering: 12,000 Units at \$1,000 per Unit (\$12,000,000)

Price: \$1,000 Per Unit

Minimum Subscription: Five Units (\$5,000)

**Underwriter(s) or Distributor(s):**

GMP Securities L.P.  
Genuity Capital Markets  
Macquarie Capital Markets Canada Ltd.  
Acumen Capital Finance Partners Limited

**Promoter(s):**

J. Brent McKercher  
Terry R. McCallum  
Darwin K. Little

**Project #1541155**

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**Issuer Name:**

Acuity Global Dividend Class  
Principal Regulator - Ontario

**Type and Date:**

Amendment #2 to Final Simplified Prospectus and Annual Information Form dated February 17, 2010

NP 11-202 Receipt dated February 25, 2010

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Acuity Funds Ltd.  
**Project #1448392**

---

**Issuer Name:**

AlphaNorth 2010 Flow-Through Limited Partnership  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated February 25, 2010  
NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

Maximum Offering: \$25,000,000 (2,500,000 Units)  
Minimum Offering: \$5,000,000 (500,000 Units)  
Price: \$10.00 per Unit  
Minimum Subscription: \$2,500 (250 Units)

**Underwriter(s) or Distributor(s):**

Canaccord Financial Ltd.  
RBC Dominion Securities Inc.  
GMP Securities L.P.  
Scotia Capital Inc.  
Dundee Securities Corporation  
Raymond James Ltd.  
Macquarie Capital Markets Canada Ltd.  
Research Capital Corporation  
Wellington West Capital Markets Inc.  
Queensbury Securities Inc.

**Promoter(s):**

AlphaNorth Asset Management  
PowerOne Asset Management Limited  
**Project #1523156**

---

**Issuer Name:**

Blue Ribbon Income Fund (formerly Citadel Diversified  
Investment Trust)  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated February 24, 2010  
NP 11-202 Receipt dated March 2, 2010

**Offering Price and Description:**

Warrants to Subscribe for up to 13,000,000 Units at a  
Subscription - Price of \$9.62 per Unit

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Blue Ribbon Fund Management Ltd.  
**Project #1519313**

---

**Issuer Name:**

Canada Dominion Resources 2010 Limited Partnership  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated February 25, 2010  
NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

Maximum Offering: \$10,000,000 (400,000 Units)  
Minimum Offering: \$100,000,000 (4,000,000 Units)  
Price per Unit: \$25.00  
Minimum Subscription: \$5,000 (200 Units)

**Underwriter(s) or Distributor(s):**

RBC Dominion Securities Inc.  
CIBC World Markets Inc.  
Dundee Securities Corporation  
National Bank Financial Inc.  
BMO Nesbitt Burns Inc.  
Scotia Capital Inc.  
TD Securities Inc.  
Canaccord Financial Ltd.  
HSBC Securities (Canada) Inc.  
Macquarie Capital Markets Canada Ltd.  
Manulife Securities Incorporated  
Raymond James Ltd.  
Desjardins Securities Inc.  
Wellington West Capital Markets Inc.

**Promoter(s):**

CMP/CDR GP Inc.  
Goodman & Company, Investment Counsel Ltd.  
**Project #1523121**

---

**Issuer Name:**

Canadian Capital Auto Receivables Asset Trust II  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated February 26, 2010  
NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

\$255,900,000 - 1.097% Auto Loan Receivables-Backed  
Notes, Series 2010-1, Class A-1  
\$298,350,000 - 2.002% Auto Loan Receivables-Backed  
Notes, Series 2010-1, Class A-2  
\$124,291,000 - 3.053% Auto Loan Receivables-Backed  
Notes, Series 2010-1, Class A-3  
\$15,903,000 - 3.954% 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:**

Fidelity American Disciplined Equity Currency Neutral Class  
Fidelity Global Disciplined Equity Currency Neutral Class  
Fidelity International Disciplined Equity Currency Neutral Class

Principal Regulator - Ontario

**Type and Date:**

Amendment #1 dated February 26, 2010 to Final Simplified Prospectuses and Annual Information Form dated September 21, 2009

NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

FIDELITY INVESTMENTS CANADA ULC

Project #1459940

---

**Issuer Name:**

Fidelity American Disciplined Equity Currency Neutral Fund  
Fidelity American High Yield Currency Neutral Fund  
Fidelity Global Bond Currency Neutral Fund  
Fidelity Global Disciplined Equity Currency Neutral Fund  
Fidelity International Disciplined Equity Currency Neutral Fund

Principal Regulator - Ontario

**Type and Date:**

Amendment #1 dated February 26, 2010 to Final Simplified Prospectuses and Annual Information Form dated November 2, 2009

NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

Fidelity Investments Canada ULC  
Fidelity Investments Canadaz ULC  
Fidelity Investments Canada Limited  
Fidelity Investments Canada ULC

**Promoter(s):**

Fidelity Investments Canada ULC

Project #1481108

**Issuer Name:**

Fidelity Balanced Currency Neutral Private Pool  
Fidelity Balanced Income Currency Neutral Private Pool  
Fidelity Global Equity Currency Neutral Private Pool  
Fidelity International Equity Currency Neutral Private Pool  
Fidelity U.S. Equity Currency Neutral Private Pool

Principal Regulator - Ontario

**Type and Date:**

Amendment #1 dated February 26, 2010 to Final Simplified Prospectuses and Annual Information Form dated September 21, 2009

NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

Fidelity Investments Canada ULC

**Promoter(s):**

Fidelity Investments Canada ULC

Project #1459938

---

**Issuer Name:**

First Trust Raymond James Canadian Focus Picks Portfolio (formerly Raymond James Canadian Focus Picks Portfolio)  
Veritas Canadian Select Portfolio

Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectuses dated February 26, 2010

NP 11-202 Receipt dated March 1, 2010

**Offering Price and Description:**

Series A and Series F Shares

**Underwriter(s) or Distributor(s):**

**Promoter(s):**

First Defined Portfolio Management Co.

Project #1527139

---

**Issuer Name:**

Geologix Explorations Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Final Short Form Prospectus dated March 1, 2010

NP 11-202 Receipt dated March 2, 2010

**Offering Price and Description:**

\$4,059,049.28 - 18,450,224 Units (consisting of Common Shares and Warrants)

Price: \$0.22 per Unit

**Underwriter(s) or Distributor(s):**

Salman Partners Inc.  
Fraser Mackenzie Limited  
Raymond James Ltd.

**Promoter(s):**

-

Project #1527703

**Issuer Name:**

Innergex Renewable Energy Inc.  
Principal Regulator - Quebec

**Type and Date:**

Final Short Form Prospectus dated February 25, 2010  
NP 11-202 Receipt dated February 25, 2010

**Offering Price and Description:**

\$70,000,000 - 5.75% Extendible Convertible Unsecured  
Subordinated Debentures

Price: \$1,000.00 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:**

Final Short Form Prospectus dated February 25, 2010  
NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

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

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

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

Price: \$1,000 per Investment Unit

**Underwriter(s) or Distributor(s):**

Wellington West Capital Inc.  
HSBC Securities (Canada) Inc.

**Promoter(s):**

-

**Project #1527206**

---

**Issuer Name:**

Mercari Acquisition Corp.  
Principal Regulator - Ontario

**Type and Date:**

Final CPC Prospectus dated March 1, 2010  
NP 11-202 Receipt dated March 2, 2010

**Offering Price and Description:**

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

Price: \$0.10 per Common Share

**Underwriter(s) or Distributor(s):**

Macquarie Private Wealth Inc.

**Promoter(s):**

Lee Alexander Petigrew

**Project #1530729**

**Issuer Name:**

OceanaGold Corporation  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated February 26, 2010  
NP 11-202 Receipt dated February 26, 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:**

Oilsands Quest Inc.

**Type and Date:**

Final Prospectus - MJDS dated February 19, 2010  
Receipted on February 24, 2010

**Offering Price and Description:**

90,912,637 Shares of Common Stock

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #1477444**



**Issuer Name:**

Pathway Mining 2010 Flow-Through Limited Partnership  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated February 26, 2010  
NP 11-202 Receipt dated February 26, 2010

**Offering Price and Description:**

\$20,000,000 (Maximum Offering) - \$5,000,000 (Minimum Offering)

A Maximum of 2,000,000 and a Minimum of 500,000 Limited Partnership Units

Minimum Subscription: 250 Limited Partnership Units  
Subscription Price: \$10.00 per Limited Partnership Unit

**Underwriter(s) or Distributor(s):**

Wellington West Capital Inc.  
HSBC Securities (Canada) Inc.  
BMO Nesbitt Burns Inc.  
Burgeonvest Bick Securities Limited  
Canaccord Financial Ltd.  
Raymond James Ltd.  
Blackmont Capital Corporation  
Dundee Securities Corporation  
M Partners Inc.  
Research Capital Corporation  
Integral Wealth Securities Limited  
Argosy Securities Inc.

**Promoter(s):**

Pathway Mining 2009-II Inc.

**Project #1518529**

---

**Issuer Name:**

Rio Novo Gold Inc.  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated February 26, 2010  
NP 11-202 Receipt dated March 1, 2010

**Offering Price and Description:**

\$40,000,000 - 25,000,000 Units - Price: \$1.60 per Unit

**Underwriter(s) or Distributor(s):**

BMO Nesbitt Burns Inc.  
GMP Securities L.P.  
RBC Dominion Securities Ltd.  
Canaccord Financial Ltd.  
Macquarie Capital Markets Canada Ltd.  
TD Securities Inc.  
Cormark Securities Inc.  
MGI Securities Inc.  
Salman Partners Inc.

**Promoter(s):**

CoralBrook Ltd.

**Project #1526750**

---

**Issuer Name:**

Sprott Physical Gold Trust  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated February 25, 2010  
NP 11-202 Receipt dated February 25, 2010

**Offering Price and Description:**

US\$500,000,000 (50,000,000 Units)

Minimum Subscription: US\$1,000 (100 Units) - Price: \$10 per Unit

**Underwriter(s) or Distributor(s):**

RBC Dominion Securities Inc.  
Morgan Stanley Canada Limited  
BMO Nesbitt Burns Inc.  
Scotia Capital Inc.  
TD Securities Inc.  
Canaccord Capital Ltd.  
GMP Securities L.P.  
Dundee Securities Corporation  
HSBC Securities (Canada) Inc.

**Promoter(s):**

Sprott Asset Management LP

**Project #1513451**

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**Issuer Name:**

Formation Metals Inc. (formerly Formation Capital Corporation)

Principal Jurisdiction - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated November 10, 2009 and

Amended & Restated Preliminary Short Form Prospectus dated December 10, 2009

Withdrawn on February 24, 2010

**Offering Price and Description:**

\$60,000,000,180 - \* Common Shares and 102,014 Notes Units

Price: US\$980.00 per Unit and C\$ \* per Common Share

**Underwriter(s) or Distributor(s):**

Jennings Capital Inc.  
Blackmont Capital Inc.  
Acumen Capital Finance Partners Limited

**Promoter(s):**

-

**Project #1496778**

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## Chapter 12

# Registrations

### 12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: New Generation Advisors Limited  To: NewGen Asset Management Limited	Exempt Market Dealer Portfolio Manager Investment Fund Manager	January 29, 2010
Change of Category	Agilith Capital Inc	From: Exempt Market Dealer, Portfolio Manager, and Commodity Trading Manager  To: Exempt Market Dealer, Portfolio Manager, Commodity Trading Manager and Investment Fund Manager.	February 24, 2010
New Registration	McNulty Private Capital Inc.	Exempt Market Dealer	February 25, 2010
New Registration	SW8 Asset Management Inc.	Exempt Market Dealer Portfolio Manager Investment Fund Manager	March 1, 2010
Change of Category	B.E.S.T. Investment Counsel Limited	From: Portfolio Manager  To: Portfolio Manager, Investment Fund Manager	March 2, 2010
Change of Category	Baring Asset Management, Inc.	From: Portfolio Manager  To: Portfolio Manager, Exempt Market Dealer and Investment Fund Manager	March 2, 2010
Change of Category	Barometer Capital Management Inc.	From: Exempt Market Dealer and Portfolio Manager  To: Exempt Market Dealer and Portfolio Manager and Commodity Trading Manager	March 2, 2010

**Registrations**

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<b>Type</b>	<b>Company</b>	<b>Category of Registration</b>	<b>Effective Date</b>
Voluntary Surrender of Registration	Scotia Cassels Investment Counsel Limited	Exempt Market Dealer and Portfolio Manager under the <i>Securities Act</i> and Commodity Trading Manager under the <i>Commodity Futures Act</i>	March 2, 2010
Consent to Suspension (s. 30 of the Act – Surrender of Registration)	Davenport Capital Partners Ltd.	Exempt Market Dealer and Portfolio Manager	March 3, 2010

## Chapter 25

# Other Information

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### 25.1 Approvals

#### 25.1.1 Marret Asset Management Inc. – s. 213(3)(b) of the LTCA

##### Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager, with no prior track record acting as trustee, for approval to act as trustee of pooled funds and future pooled funds to be established and managed by the applicant and offered pursuant to a prospectus exemption.

##### Statutes Cited

Loan and Trust Corporations Act, R.S.O. 1990, c. L.25, as am., s. 213(3)(b).

February 23, 2010

Stikeman Elliott LLP  
5300 Commerce Court West  
199 Bay Street  
Toronto, ON M5L 1B9

Attention: Erin Zipes

Dear Sir/Madam:

**Re: Marret Asset Management Inc. (the “Applicant”)**

**Application pursuant to clause 213(3)(b) of the  
*Loan and Trust Corporations Act* (Ontario) for  
approval to act as trustee  
Application No. 2010/0057**

Further to your application dated January 22, 2010 (the “Application”) filed on behalf of the Applicant, and based on the facts set out in the Application and the representation by the Applicant that the assets of Marret Investment Grade Hedge Fund and Marret IGH Trust and such other funds as the Applicant may establish from time to time, will be held in the custody of a trust company incorporated and licensed or registered under the laws of Canada or a jurisdiction, or a bank listed in Schedule I, II or III of the Bank Act (Canada), or an affiliate of such bank or trust company, the Ontario Securities Commission (the “Commission”) makes the following order.

Pursuant to the authority conferred on the Commission in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of Marret Investment Grade Hedge Fund and Marret IGH Trust and such other funds which may be established and managed by the Applicant from

time to time, the securities of which will be offered pursuant to a prospectus exemption.

Yours truly,

“David L. Knight”

“Margot C. Howard”

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