The Ontario Securities Commission

OSC Bulletin

April 30, 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)

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1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

APRIL 30, 2010

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

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

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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

May 3, 2010 10:00 a.m.	**Ciccone Group, Medra Corporation, 990509 Ontario Inc., Tadd Financial Inc., Cachet Wealth Management Inc., Vince Ciccone, Darryl Brubacher, Andrew J. Martin., Steve Haney, Klaudiusz Malinowski and Ben Giangrosso** s. 127 P. Foy in attendance for Staff Panel: DLK
May 4, 2010 11:00 a.m.	**M P Global Financial Ltd., and Joe Feng Deng** s. 127 (1) M. Britton in attendance for Staff Panel: DLK/MCH
May 12-17; May 19-21; May 26 – June 4; June 14-15; June 28-29, 2010 10:00 a.m.	**Coventree Inc., Geoffrey Cornish and Dean Tai** s. 127 J. Waechter in attendance for Staff Panel: JEAT/MGC/PLK
May 13, 2010 10:00 a.m.	**Carlton Ivanhoe Lewis, Mark Anthony Scott, Sedwick Hill, Leverage Pro Inc., Prosporex Investment Club Inc., Prosporex Investments Inc., Prosporex Ltd., Prosporex Inc., Prosporex Forex SPV Trust, Networth Financial Group Inc., and Networth Marketing Solutions** s. 127 and 127.1 H. Daley in attendance for Staff Panel: CSP

May 13, 2010
10:00 a.m.

Wilton J. Neale, Multiple Streams of Income (MSI) Inc., and 360 Degree Financial Services Inc.

s. 127 and 127.1

H. Daley in attendance for Staff

Panel: CSP

May 13, 2010
10:00 a.m.

Albert Leslie James, Ezra Douse and Dominion Investments Club Inc.

s. 127 and 127.1

H. Daley in attendance for Staff

Panel: CSP

May 26, 2010
8:30 a.m.

Xi Biofuels Inc., Biomaxx Systems Inc., Xiiva Holdings Inc. carrying on Business as Xiiva Holdings Inc., Xi Energy Company, Xi Energy and Xi Biofuels, Ronald Crowe and Vernon Smith

s. 127

M. Vaillancourt in attendance for Staff

Panel: DLK/MCH

May 31 – June 4, 2010
10:00 a.m.

Lyndz Pharmaceuticals Inc., James Marketing Ltd., Michael Eatch and Rickey McKenzie

s. 127(1) and (5)

J. Feasby in attendance for Staff

Panel: TBA

June 3, 2010
10:00 a.m.

Richvale Resource Corp., Marvin Winick, Howard Blumenfeld, Pasquale Schiavone, and Shafi Khan

s. 127(7) and 127(8)

H. Craig in attendance for Staff

Panel: DLK

June 4, 2010
10:00 a.m.

Franklin Danny White, Naveed Ahmad Qureshi, WNBC The World Network Business Club Ltd., MMCL Mind Management Consulting, Capital Reserve Financial Group, and Capital Investments of America

s. 127

C. Price in attendance for Staff

Panel: PJL/CSP

June 10, 2010
10:00 a.m.

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

s. 127

T. Center in attendance for Staff

Panel: PJL/CSP

June 10, 2010
2:00 p.m.

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

s. 127

H. Craig in attendance for Staff

Panel: TBA

June 10, 2010
2:00 p.m.

York Rio Resources Inc., Brilliante Brasilcan Resources Corp., Victor York, Robert Runic, George Schwartz, Peter Robinson, Adam Sherman, Ryan Demchuk, Matthew Oliver, Gordon Valde and Scott Bassingdale

s. 127

H. Craig in attendance for Staff

Panel: TBA

June 14, 2010 10:00 a.m.	**Christina Harper, Howard Rash, Michael Schaumer, Elliot Feder, Vadim Tsatskin, Oded Pasternak, Alan Silverstein, Herbert Groberman, Allan Walker, Peter Robinson, Vyacheslav Brikman, Nikola Bajovski, Bruce Cohen and Andrew Schiff** s. 127 H. Craig in attendance for Staff Panel: TBA
June 15, 2010 2:00 p.m.	**Paladin Capital Markets Inc., John David Culp and Claudio Fernando Maya** s. 127 C. Price in attendance for Staff Panel: CSP
June 21, 2010 10:00 a.m.	**Rezwealth Financial Services Inc., Pamela Ramoutar, Chris Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 Ontario Inc. and Sylvan Blackett** s. 127(1) and (5) A. Heydon in attendance for Staff Panel: JEAT
June 28, 2010 10:00 a.m.	**Shallow Oil & Gas Inc., Eric O'Brien, Abel Da Silva, Gurdip Singh Gahunia aka Michael Gahunia and Abraham Herbert Grossman aka Allen Grossman** s. 127(7) and 127(8) M. Boswell in attendance for Staff Panel: TBA
June 29, 2010 10:00 a.m.	**Oversea Chinese Fund Limited Partnership, Weizhen Tang and Associates Inc., Weizhen Tang Corp., and Weizhen Tang** s. 127 and 127.1 M. Britton in attendance for Staff Panel: TBA
June 30, 2010 9:30 a.m.	**Abel Da Silva** s. 127 M. Boswell in attendance for Staff Panel: TBA
July 8-9, 2010 10:00 a.m.	**Shane Suman and Monie Rahman** s. 127 & 127(1) C. Price in attendance for Staff Panel: JEAT/PLK
July 9, 2010 10:00 a.m.	**Hillcorp International Services, Hillcorp Wealth Management, Suncorp Holdings, 1621852 Ontario Limited, Steven John Hill, Daryl Renneberg and Danny De Melo** s. 127 A. Clark in attendance for Staff Panel: CSP
July 9, 2010 11:30 a.m.	**Global Energy Group, Ltd. And New Gold Limited Partnerships** s. 127 H. Craig in attendance for Staff Panel: CSP
August 13, 2010 10:00 a.m.	**Axcess Automation LLC, Axcess Fund Management, LLC, Axcess Fund, L.P., Gordon Alan Driver and David Rutledge, Steven M. Taylor and International Communication Strategies** s. 127 Y. Chisholm in attendance for Staff Panel: CSP

September 7-10, 2010 10:00 a.m.	**Maple Leaf Investment Fund Corp., Joe Henry Chau (aka: Henry Joe Chau, Shung Kai Chow and Henry Shung Kai Chow), Tulsiani Investments Inc., Sunil Tulsiani and Ravinder Tulsiani** s. 127 M. Vaillancourt/T. Center in attendance for Staff Panel: TBA
September 13, 2010 9:00 a.m.	**Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjiaints Select American Transfer Co., Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., Nutrione Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group** s. 127 and 127.1 H. Craig in attendance for Staff Panel: JEAT
September 13-24, 2010 10:00 a.m.	**New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 Ontario Ltd., L. Jeffrey Pogachar, Paola Lombardi and Alan S. Price** s. 127 S. Kushneryk in attendance for Staff Panel: TBA
September 13-24, 2010 and October 4-19, 2010 10:00 a.m.	**Sulja Bros. Building Supplies, Ltd., Petar Vucicevich, Kore International Management Inc., Andrew Devries, Steven Sulja, Pranab Shah, Tracey Banumas and Sam Sulja** s. 127 and 127.1 J. Feasby in attendance for Staff Panel: TBA
October 13, 2010 10:00 a.m.	**Ameron Oil and Gas Ltd. and MX-IV, Ltd.** s.127 M. Boswell in attendance for Staff Panel: MGC
October 13, 2010 10:30 a.m.	**QuantFX Asset Management Inc., Vadim Tsatskin, Lucien Shtromvaser and Rostislav Zemlinsky** s. 127 H. Craig in attendance for Staff Panel: TBA
October 18 – November 5, 2010 10:00 a.m.	**Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjiaints Select American Transfer Co., Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., Nutrione Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group** s. 127 and 127.1 H. Craig in attendance for Staff Panel: TBA
October 25-29, 2010 10:00 a.m.	**IBK Capital Corp. and William F. White** s. 127 M. Vaillancourt in attendance for Staff Panel: TBA
March 7, 2011 10:00 a.m.	**Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton** s. 127 H. Craig in attendance for Staff Panel: TBA

TBA **Yama Abdullah Yaqeen**

s. 8(2)

J. Superina in attendance for Staff

Panel: TBA

TBA **Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell**

s. 127

J. Waechter in attendance for Staff

Panel: TBA

TBA **Frank Dunn, Douglas Beatty, Michael Gollogly**

s. 127

K. Daniels in attendance for Staff

Panel: TBA

TBA **Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)**

s. 127 and 127.1

D. Ferris in attendance for Staff

Panel: TBA

TBA **Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin**

s. 127

H. Craig in attendance for Staff

Panel: TBA

TBA **Gregory Galanis**

s. 127

P. Foy in attendance for Staff

Panel: TBA

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

s. 127(1) and 127.1

J. Superina, A. Clark in attendance for Staff

Panel: TBA

TBA **Global Partners Capital, Asia Pacific Energy Inc., 1666475 Ontario Inc. operating as "Asian Pacific Energy", Alex Pidgeon, Kit Ching Pan also known as Christine Pan, Hau Wai Cheung, also known as Peter Cheung, Tony Cheung, Mike Davidson, or Peter McDonald, Gurdip Singh Gahunia also known as Michael Gahunia or Shawn Miller, Basis Marcellinius Toussaint also known as Peter Beckford, and Rafique Jiwani also known as Ralph Jay**

s. 127

M. Boswell in attendance for Staff

Panel: TBA

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

s. 127

C. Price in attendance for Staff

Panel: TBA

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

s. 127 and 127(1)

D. Ferris in attendance for Staff

Panel: TBA

TBA

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

s. 127 and 127.1

J. Feasby in attendance for Staff

Panel: TBA

TBA

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

s. 127

H. Craig in attendance for Staff

Panel: TBA

TBA

Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson

s. 127(1) and 127(5)

M. Boswell in attendance for Staff

Panel: TBA

TBA

Lehman Cohort Global Group Inc., Anton Schnedl, Richard Unzer, Alexander Grundmann and Henry Hehlsinger

s. 127

H. Craig in attendance for Staff

Panel: JEAT/CSP/SA

TBA

Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance

s. 127

C. Johnson in attendance for Staff

Panel: TBA

TBA

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

s. 127 and 127.1

Y. Chisholm in attendance for Staff

Panel: TBA

TBA

Nest Acquisitions and Mergers, IMG International Inc., Caroline Myriam Frayssignes, David Pelcowitz, Michael Smith, and Robert Patrick Zuk

s. 37, 127 and 127.1

C. Price in attendance for Staff

Panel: TBA

TBA

Chartcandle Investments Corporation, CCI Financial, LLC, Chartcandle Inc., PSST Global Corporation, Stephen Michael Chesnowitz and Charles Pauly

s. 127 and 127.1

S. Horgan in attendance for Staff

Panel: TBA

TBA

Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited

s. 127

M. Britton/J.Feasby in attendance for Staff

Panel: JDC/KJK

TBA

Anthony Ianno and Saverio Manzo

s. 127 and 127.1

A. Clark in attendance for Staff

Panel: CSP

TBA **Robert Joseph Vanier (a.k.a. Carl Joseph Gagnon)**

s. 127

S. Horgan in attendance for Staff

Panel: JEAT/PLK

TBA **Peter Robinson and Platinum International Investments Inc.**

s. 127

M. Boswell in attendance for Staff

Panel: TBA

TBA **Uranium308 Resources Inc., Michael Friedman, George Schwartz, Peter Robinson, and Shafi Khan**

s. 127

M. Boswell in attendance for Staff

Panel: TBA

TBA **Innovative Gifting Inc., Terence Lushington, Z2A Corp., and Christine Hewitt**

s. 127

M. Boswell in attendance for Staff

Panel: TBA

TBA **Maple Leaf Investment Fund Corp., Joe Henry Chau (aka: Henry Joe Chau, Shung Kai Chow and Henry Shung Kai Chow),**

s. 127

M. Vaillancourt/T. Center in attendance for Staff

Panel: TBA

TBA **Tulsiani Investments Inc. and Sunil Tulsiani**

s. 127

M. Vaillancourt/T. Center in attendance for Staff

Panel: TBA

TBA **Agoracom Investor Relations Corp., Agora International Enterprises Corp., George Tsiolis and Apostolis Kondakos (a.k.a. Paul Kondakos)**

s. 127

T. Center in attendance for Staff

Panel: TBA

TBA **Gold-Quest International, 1725587 Ontario Inc. carrying on business as Health and Harmoney, Harmoney Club Inc., Donald Iain Buchanan, Lisa Buchanan and Sandra Gale**

s. 127

H. Craig in attendance for Staff

Panel: TBA

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

S. B. McLaughlin

Livent Inc., Garth H. Drabinsky, Myron I. Gottlieb, Gordon Eckstein, Robert Topol

Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg

Maitland Capital Ltd., Allen Grossman, Hanouch Ulfan, Leonard Waddingham, Ron Garner, Gord Valde, Marianne Hyacinthe, Diana Cassidy, Ron Catone, Steven Lanys, Roger McKenzie, Tom Mezinski, William Rouse and Jason Snow

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

LandBankers International MX, S.A. De C.V.; Sierra Madre Holdings MX, S.A. De C.V.; L&B LandBanking Trust S.A. De C.V.; Brian J. Wolf Zacarias; Roger Fernando Ayuso Loyo, Alan Hemingway, Kelly Friesen, Sonja A. McAdam, Ed Moore, Kim Moore, Jason Rogers and Dave Urrutia

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

1.1.2 Notice of Correction – Roger D. Rowan et al.

NOTICE OF CORRECTION

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

AND

**IN THE MATTER OF
ROGER D. ROWAN, WATT CARMICHAEL INC.,
HARRY J. CARMICHAEL, AND
G. MICHAEL McKENNEY**

(2010), 33 O.S.C.B. 91. In paragraph 44, please delete the first sentence before the quotation and insert:

> These goals were clearly articulated by an advisory committee appointed under s. 143.12 of the Act to review the legislation, regulations and rules relating to matters dealt with by the Commission and the legislative needs of the Commission, which recommended adding the present administrative penalty provision to the Act (the "Five Year Review Committee"):

1.1.3 Notice of Rescission of Commission Approval – Amendments to MFDA Rule 1.1.7 – Business Names, Styles, Etc.

**MUTUAL FUND DEALERS ASSOCIATION
OF CANADA (MFDA)**

**HOUSEKEEPING AMENDMENTS TO
MFDA RULE 1.1.7 –
BUSINESS NAMES, STYLES, ETC.**

**NOTICE OF RESCISSION OF
COMMISSION APPROVAL**

The Ontario Securities Commission has rescinded approval of amendments to MFDA Rule 1.1.7 – Business Names, Styles, Etc. In addition, the Alberta Securities Commission, Manitoba Securities Commission, New Brunswick Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission have withdrawn approval of the amendments and the British Columbia Securities Commission has withdrawn its non-objection to the amendments.

Notice of Commission approval of the amendments was published in Chapter 1 of the OSC Bulletin on September 26, 2008.

The MFDA subsequently withdrew the amendments from consideration by Members at the Annual General and Special Meeting of Members on December 4, 2008, and as a consequence, the amendments were not implemented. On July 9, 2009, the MFDA issued Bulletin #0388-P explaining why the amendments were withdrawn.

1.1.4 Notice of Commission Approval – Material Amendments to CDS Procedures – New York Link (NYL) Service

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

MATERIAL AMENDMENTS TO CDS PROCEDURES

NEW YORK LINK (NYL) SERVICE

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on April 27, 2010, amendments filed by CDS to its procedures relating to the establishment of earlier collateral requirement deadlines for the NSCC Participant Fund for the New York Link service. A copy and description of these amendments were published for comment on February 19, 2010 at (2010) 33 OSCB 1723. No comments were received.

1.1.5 Notice of Commission Approval – Material Amendments to CDS Procedures – Automated Confirmation Transaction (ACT) Service

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

MATERIAL AMENDMENTS TO CDS PROCEDURES

AUTOMATED CONFIRMATION TRANSACTION (ACT) SERVICE

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on April 27, 2010, amendments filed by CDS to its procedures to reflect changes to the ACT service which will introduce two new reports and eliminate the existing suite of ACT reports produced by CDS. The proposed amendments to the reports are a consequence of CDS's decision to change its role from a sponsor, service bureau and executing broker to the role of a sponsor only for the ACT service. A copy and description of these amendments were published for comment on February 26, 2010 at (2010) 33 OSCB 1881. No comments were received.

1.1.6 CSA Staff Notice 55-315 – Frequently Asked Questions about National Instrument 55-104 Insider Reporting Requirements and Exemptions

CANADIAN SECURITIES ADMINISTRATORS STAFF NOTICE 55-315

FREQUENTLY ASKED QUESTIONS
ABOUT NATIONAL INSTRUMENT 55-104
INSIDER REPORTING REQUIREMENTS AND EXEMPTIONS

Purpose

The staff of the Canadian Securities Administrators (CSA staff or we) have prepared this notice to assist reporting insiders,[1] issuers and other market participants in relation to the new insider reporting regime established by National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (NI 55-104) and to promote consistency in electronic filings on the system for electronic disclosure by insiders (SEDI).

This notice sets out a number of frequently asked questions (FAQs) that we have received relating to the transition to the new insider reporting regime contained in NI 55-104.

The notice contains a number of examples of arrangements and transactions together with examples of how to report these arrangements and transactions. The instructions contained in this notice are guidelines only, and do not necessarily represent the only way that such arrangements and transactions may be reported in compliance with securities law.

The Companion Policy to NI 55-104 (Policy 55-104CP) and to National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)* (NI 55-102) also contain explanation and guidance on the insider reporting requirements.

CSA Staff will also shortly publish the following general guidance:

- CSA Staff 55-312 *Insider Reporting Guidelines for Certain Derivative Transactions (Equity Monetization) (REVISED)*
- CSA Staff Notice 55-316 *Questions and Answers on Insider Reporting and the System for Electronic Disclosure by Insiders (SEDI)* which will replace CSA Staff Notice 55-308 *Questions on Insider Reporting* and CSA Staff Notice 55-310 *Questions and Answers on the System for Electronic Disclosure by Insiders (SEDI)*.

If you have questions or comments with respect to the contents of this notice, please contact a member of staff. Contact information is included at the end of this notice. This notice is dated April 28, 2010. We may from time to time reissue this notice to reflect additional frequently asked questions or concerns.

1. Do existing insiders have to file a new initial report within 10 days of April 30, 2010?

Background

1. ABC Inc. (the Issuer) is a reporting issuer in all provinces and territories.

2. On January 1, 2009, I became the CEO of the Issuer. I am therefore an “insider” of the Issuer under Canadian securities legislation. I have filed all required insider reports since becoming CEO.

3. On April 30, 2010, NI 55-104 came into force.

4. NI 55-104 contains a new definition of “reporting insider”. The definition of “reporting insider” includes a CEO of a reporting issuer. I am therefore a “reporting insider” for this Issuer under NI 55-104.

5. Section 3.2 of NI 55-104 states that a reporting insider must file an insider report in respect of a reporting issuer, “within 10 days of becoming a reporting insider”, disclosing certain prescribed information.

[1] Prior to April 30, 2010, Canadian securities legislation generally required all persons and companies who are “insiders” (as defined in securities legislation) to file insider reports unless they had an exemption from the insider reporting requirement. On April 30, 2010, the Canadian Securities Administrators introduced a new insider reporting regime established by NI 55-104. Under NI 55-104, the insider reporting requirement is generally limited to “reporting insiders” (as defined in NI 55-104) and certain persons who may be designated insiders for certain historical transactions (see s. 3.5 of NI 55-104). For convenience, this notice will refer to insiders subject to a reporting requirement as “reporting insiders”.

Question

1. Do I have to file a new initial report under section 3.2 within 10 days of April 30, 2010? (In other words, have I "become" a reporting insider as a result of NI 55-104 coming into force?) I do not otherwise have any transactions involving securities or related financial instruments to report.

Response

1. No, you do not have to file a new initial report. The term "reporting insider" is simply intended to refer to a defined class of insiders who have reporting obligations. A person is determined to be an insider by operation of the statutory definition of "insider". A person is a reporting insider for the purposes of the insider reporting requirements in NI 55-104 if the person has a position or function, such as CEO or director, or has a particular type of relationship to a reporting issuer, described in the definition of "reporting insider". We do not consider you to have "become" a reporting insider simply through the introduction of this term in NI 55-104.

2. Do insiders who previously filed reports but who are not reporting insiders under NI 55-104 have to file anything to show their change in reporting status?

Background

1. ABC Inc. (the Issuer) is a reporting issuer in all provinces and territories.

2. I am the CEO of a subsidiary of the Issuer (SubCo). Prior to April 30, 2010, I was required to file insider reports because SubCo was a "major subsidiary" of the Issuer as that term was defined in former National Instrument 55-101 *Insider Reporting Exemptions* (NI 55-101).

3. On April 30, 2010, NI 55-104 came into force. The definition of "major subsidiary" in NI 55-104 has been amended from the definition in NI 55-101 in that the assets and revenue thresholds have been increased from 20% to 30%.

4. SubCo is not a "major subsidiary" of the Issuer as defined in NI 55-104. I am not an insider of the Issuer in any capacity other than as CEO of SubCo. I am therefore not a "reporting insider" for this Issuer under NI 55-104.

Question

1. Do I need to amend my SEDI profile, or otherwise do anything, to disclose the fact that I am not a reporting insider under NI 55-104?

Response

1. No. There is no requirement to file an amended insider profile on SEDI for an insider who has ceased to have reporting obligations because the insider is not a reporting insider under NI 55-104.

2. However, we recommend that an insider who has previously filed insider reports, but as of April 30, 2010 is no longer required to file insider reports because they are not a "reporting insider" under NI 55-104, add a comment on SEDI in the "Remarks" field regarding their change of status. This can be done on either their next transaction to be filed on SEDI or by amending their last transaction already filed on SEDI. A member of the public viewing the insider reports on SEDI will then know why the insider ceased reporting.

   Note: section 4.3.1.19 of CSA Staff Notice 55-310 included similar guidance for insiders who previously filed insider reports and then proposed to rely on an exemption from insider reporting in Part 2 or Part 3 of NI 55-101.

3. Can a reporting insider rely on the exemption in Part 5 of NI 55-104 (exemption for automatic securities purchase plans) for a grant of related financial instruments under a compensation arrangement?

Response

1. No. See section 5.3 of NI 55-104 which states that the exemption in section 5.2 does not apply to an acquisition of options or similar securities granted to a director or officer. Subsection 5.1(2) states that, in Part 5, a reference to a security of a reporting issuer includes a related financial instrument involving a security of the reporting issuer. See section 5.1 of Policy 55-104CP for related commentary.

A reporting insider can rely on the exemption in Part 6 of NI 55-104 (exemption for certain issuer grants) for a grant of related financial instruments under a compensation arrangement if the issuer files an issuer grant report in accordance with Part 6.

Despite the above, if a compensation arrangement provides for the automatic issuance of related financial instruments as dividend equivalents, staff would accept that aspect of the compensation arrangement as coming within the definition of "automatic securities purchase plan" for the purposes of Part 5 of NI 55-104. We would not consider an issuance in these circumstances to be a grant for the purposes of section 5.3 of NI 55-104.

4. How do I report a grant of related financial instruments made prior to April 30, 2010?

Background

1. ABC Inc. (the Issuer) is a reporting issuer in all provinces and territories.

2. I am the CEO of the Issuer and therefore a "reporting insider" for this Issuer under NI 55-104. I did not hold any deferred share units (DSUs) when I became an insider of the Issuer.

3. On March 15, 2010, I received a grant of 100 DSUs.

4. The redemption value of a DSU is equal to the market value of a common share of the Issuer at the time of redemption, in accordance with the DSU Plan. The DSUs are cash-settled and do not provide for or permit settlement in securities of the Issuer. The DSUs do not entitle the holder to voting or other shareholder rights. The DSUs cannot be redeemed for cash until the holder has ceased to be a director, officer or employee of the Issuer.

5. At the time of the grant, I confirmed that the DSUs do not, as a matter of law, constitute securities and are therefore not subject to the ordinary insider reporting requirements applicable to securities. I also confirmed that the Issuer has disclosed the existence and material terms of the DSU Plan in its circular and that I was therefore eligible for the reporting exemption in s. 2.2(b) of Multilateral Instrument 55-103 *Insider Reporting for Certain Derivative Transactions (Equity Monetization)* (MI 55-103) and, in British Columbia, Part 3 of BCI 55-506 *Exemption from insider reporting requirements for certain derivative transactions* (BCI 55-506).

6. Accordingly, I did not file an insider report to report the grant of 100 DSUs on March 15, 2010.

7. On April 30, 2010, NI 55-104 came into force.

8. On May 15, 2010, I received a further grant of 100 DSUs.

9. The Issuer has not filed an issuer grant report about this grant.

Questions

1. Do I need to file a report about the March grant of DSUs? If yes, when do I need to file it by? (For example, do I need to file it within 10 days of April 30, 2010?)

2. Do I need to file a report about the May grant of DSUs? If yes, when do I need to file it by?

3. If I need to file a report about the May grant, do I show a balance of 100 or 200 DSUs?

Responses

1. Assuming the DSUs are not securities, and the March grant was properly covered by the exemptions in MI 55-103 and BCI 55-506, you do not need to file an insider report about the March grant. Accordingly, there is no requirement to file a report about the March grant within 10 days of April 30, 2010. However, the next time there is a change in your holdings of DSUs (i.e., the May 15 grant), before you can report this change, you will first need to take a step to reflect the March grant in your holdings. We have set out below two methods for doing this. Either method is acceptable so long as you explain in the General Remarks section which method you are using.

2. Assuming the DSUs are not securities, they would likely be considered "related financial instruments" under NI 55-104. Accordingly, you are required to file an insider report about the May grant within 10 days of the grant, or by May 25, 2010.

Note: If the issuer files an issuer grant report about this grant on or before May 25, 2010, the deadline for the insider report is March 31, 2011. When filing this report, use nature of transaction code 56 – grant of rights. See Part 6 of NI 55-104 for more information.

Note: SEDI does not use the term "related financial instrument". For the purposes of filing on SEDI, the term "security" applies to both securities and related financial instruments.

3. Before you can file a report about the May 15 grant of 100 DSUs, you will need to reflect the March 15 grant in your holdings. There are two methods for doing this. These are described below.

   In order to file an insider report about a grant of securities or related financial instruments, it is first necessary

   a. to confirm that the Issuer has created a security designation for this type of instrument, and

   b. record an Opening Balance on Initial Report for the DSUs.

   If the Issuer has not created a security designation for DSUs, you should contact the Issuer and request the Issuer to add the security designation to its issuer profile supplement. If the Issuer is unable to comply in a timely manner, you should contact the securities regulatory authority that is the principal regulator for the Issuer (generally, the securities regulatory authority in the jurisdiction where the Issuer's head office is located).

Method 1 – filing an opening balance that shows the March grant

4. Under this method, you can reflect the March grant in your opening balance. (If there are other prior grants of the same type of DSU, aggregate all such grants.)

5. When you record an Opening Balance for the DSUs, you should include a remark in the General Remarks section to explain that you are using method 1. Failure to do this may result in the filing being misleading. For example,

   "Opening balance for DSUs reflects grant of 100 DSUs on March 15, 2010. At the time of the grant, the grant was exempt from reporting requirements under Part 2 of MI 55-103 and Part 3 of BCI 55-506".

   Note: Ordinarily, the Opening Balance is intended to reflect the insider's holdings as of the date the insider became an insider. In this case, if the individual first became an insider on January 1, 2009, but did not receive any DSUs until the March 15, 2010 grant, then the record will be potentially misleading unless the insider also includes a comment in the general remarks section to explain that opening balance for DSUs reflects the grant of 100 DSUs on March 15, 2010.

6. When filing the insider report about the May 15, 2010 grant of DSUs, report the number of DSUs awarded and the equivalent number of underlying common shares. Use nature of transaction code 56 – grant of rights.

   For more information, please refer to the section "Insider Report for Deferred Share Units (DSU) or Restricted Share Awards" in the online SEDI help.

Method 2 – notional adjusting transaction

7. Under this method, you would first file an opening balance of "0" for the DSUs.

8. Then, prior to filing an insider report to reflect the May 15 grant of 100 DSUs, you would file a report to show a *notional* acquisition of the 100 DSUs that were granted on March 15, 2010. (If there are other prior grants of the same type of DSU, aggregate all such grants.)

9. If this method is used, you should use the *date of filing* as the date of the notional acquisition, and not the actual date of acquisition (i.e., March 15, 2010) for the transaction date.

   Note: If you use the actual date of acquisition, or March 15, 2010, this may generate a late filing invoice. If this occurs, contact CSA staff in the jurisdiction which acts as principal regulator for the Issuer for assistance.

10. When you file the report about the notional acquisition, you should include a remark in the General Remarks section to explain that you are using method 2. Failure to do this may result in the filing being misleading. For example,

"Notional transaction to reflect grant of 100 DSUs on March 15, 2010. At the time of the grant, the grant was exempt from reporting requirements under Part 2 of MI 55-103 and Part 3 of BCI 55-506".

Note: If you do not include an explanation in the general remarks section, this may suggest there was an actual acquisition of 100 DSUs on the date of filing (in addition to the grant of 100 DSUs granted on May 15, 2010). This may result in the public record being misleading. In addition, if the DSU exercise price is based on the share price on the actual date of grant (i.e., March 15, 2010), but the filing date is used as the transaction date without explanation in the general remarks section, this may suggest that DSUs have not been granted in accordance with the DSU plan.

5. How do I report additional DSUs received as dividends?

Background

1. Same facts as in preceding FAQ.

2. The Issuer has a dividend reinvestment plan (the DRIP) that provides that a holder of common shares may choose to receive additional common shares in lieu of cash dividends.

3. On June 30, 2010, the Issuer declared a dividend on its common shares. Under the Issuer's DRIP, a holder of common shares would receive one additional common share for each 10 common shares held.

4. Similarly, under the DSU Plan, additional DSUs are received as dividend equivalents. A participant in the DSU Plan cannot exercise any discretion in terms of the receipt of additional DSUs as dividend equivalents (i.e., the participant cannot choose between receiving DSUs or cash).

5. Accordingly, on June 30, 2010, I received an additional 20 DSUs as a dividend on the 200 DSUs I currently hold.

Question

1. Do I need to file an insider report about the additional 20 DSUs received on June 30, 2010 within 10 days of the acquisition?

Response

1. If the issuer files an issuer grant report about a grant of DSUs after April 30, 2010, and the issuer grant report discloses, in addition to all other required information, the fact that each time the issuer issues common shares as dividends on its common shares, holders of DSUs will automatically receive corresponding DSUs as dividends, staff will accept that the exemption in section 6.2 of NI 55-104 is available for the issuance of the additional DSUs as dividend equivalents.

2. In this case, the information required by section 6.3 will be readily determinable based on the issuer grant report and public disclosure by the issuer about the declaration of a dividend. You would need to file an alternative report by March 31, 2011 showing all DSUs received as dividend equivalents.

3. Alternatively, so long as the reporting insider cannot exercise any discretion in terms of the issuance of additional DSUs as dividend equivalents under the DSU Plan, staff would accept that aspect of the DSU Plan as coming within the definition of "automatic securities purchase plan" for the purposes of Part 5 of NI 55-104. (Note that we would not accept that the DSU Plan generally constitutes an automatic plan for the purposes of the *initial grant* of DSUs under the Plan. This is because timely disclosure of grants of securities and similar instruments, whether through the insider reporting system or through the issuer filing an issuer grant report, can provide important information to investors and allows investors to monitor whether insiders may be causing issuers to engage in improper or unauthorized dating practices including backdating, spring-loading and bullet-dodging. See section 5.1 of Policy 55-104CP.)

4. Accordingly, you can rely on the exemption in Part 5 of NI 55-104 for acquisitions of securities and related financial instruments under an automatic plan. You would need to file an alternative report by March 31, 2011 showing all DSUs received as dividend equivalents.

6. What information do I need to include in an issuer grant report?

Response

1. The issuer grant report must contain the information required by section 6.3 of NI 55-104.

2. An example of a report would be as follows:

On November 1, 2010, ABC Inc. granted a total of 1,000,000 incentive stock options to directors, officers, employees and consultants of ABC Inc. Details of options granted to reporting insiders are:

Name	Number of Options
[Insert name of recipient]	10,000
[Insert name of recipient]	10,000
[Insert name of recipient]	10,000
[Insert name of recipient]	10,000
[Insert name of recipient]	10,000
[Insert name of recipient]	10,000
[Insert name of recipient]	10,000
[Insert name of recipient]	10,000
TOTAL	80,000

These stock options have an exercise price of $2.00 and expire on October 31, 2015.
The options were granted under the stock option plan described in the ABC Inc. Information Circular dated June 30, 2010.

3. The issuer grant report function on SEDI is subject to the following restrictions:

Title box character limit: 120
Text box character limit: 4,000
Private remarks to regulators box character limit: 256

Note: If it is not possible to adequately describe a transaction or to include all of the material terms of a transaction in the space provided, consider making reference to a public document (e.g., a news release issued by the issuer) that further describes the transaction. Alternatively, this information may be included in a schedule that may be filed in paper format by facsimile in accordance with the provisions of Part 3 of NI 55-102. Fax the schedule to the facsimile number of the securities regulatory authority set out on Form 55-102F6. We recommend that you make reference to this filing by facsimile in the general remarks field on SEDI. Staff will make this schedule available to the public on request.

7. If an issuer files an issuer grant report within the normal filing period (i.e., 10-days in the case of grants prior to November 1, 2010, five days in the case of grants on or after November 1, 2010), but an insider then files an insider report about the grant after the normal filing deadline has expired, will there be a late fee for that filing?

Response

Late fees will be levied based on the information we receive from issuers and reporting insiders. In the example above, if the insider filed an insider report about a grant outside the normal filing period, and we levied a late fee based on this filing, and the insider then advised us that the issuer had in fact filed an issuer grant report within the filing period, staff would likely recommend a waiver of the late fee because the insider had an exemption available.

Questions

Please refer your questions to any of:

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April Penn
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April 28, 2010

1.2 Notices of Hearing

1.2.1 Ciccone Group et al. – ss. 127(7), 127(8)

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

AN

IN THE MATTER OF
CICCONE GROUP, MEDRA CORPORATION,
990509 ONTARIO INC., TADD FINANCIAL INC.,
CACHET WEALTH MANAGEMENT INC.,
VINCE CICCONE, DARRYL BRUBACHER,
ANDREW J. MARTIN., STEVE HANEY,
KLAUDIUSZ MALINOWSKI AND
BEN GIANGROSSO

NOTICE OF HEARING
(Sections 127(7) and 127(8))

WHEREAS on April 21st, 2010, the Ontario Securities Commission (the "Commission") issued a temporary cease trade order pursuant to sections 127(1) and 127(5) (the "Temporary Order") of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") ordering the following: that all trading in securities by Medra Corporation, Ciccone Group and 990509 Ontario Inc, shall cease; that all trading in Medra Corporation, Ciccone Group and 990509 Ontario Inc. securities shall cease; and, that Ciccone Group, 990509 Ontario Inc., Medra Corporation, Tadd Financial Inc., Cachet Wealth Management Inc., Vince Ciccone, Darryl Brubacher, Andrew J. Martin, Steve Haney, Klaudiusz Malinowski and Ben Giangross are ordered to cease trading in all securities;

TAKE NOTICE THAT the Commission will hold a hearing pursuant to subsections 127(7) and (8) of the Act at the offices of the Commission, 20 Queen Street West, 17th Floor, Hearing Room A, commencing on May 3, 2010 at 10:00 a.m., or as soon thereafter as the hearing can be held;

TO CONSIDER whether it is in the public interest for the Commission:

(a) to extend the Temporary Order pursuant to subsections 127(7) and (8) of the Act until the conclusion of the hearing, or until such further time as considered necessary by the Commission;

(b) to make such further orders as the Commission considers appropriate;

BY REASON OF the particulars set out in the Temporary Order and such allegations and evidence 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 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 further notice of the proceeding.

DATED at Toronto this 22nd day of April, 2010.

"John Stevenson"
Secretary to the Commission

1.4 Notices from the Office of the Secretary

1.4.1 IBK Capital Corp. and William F. White

FOR IMMEDIATE RELEASE
April 22, 2010

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

AND

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

TORONTO – The Commission issued an Order in the above named matter which provides that the hearing on the merits of this matter is scheduled to commence on October 25, 2010 at 10:00 a.m. and to continue on October 26, 27, 28 and 29, 2010.

A copy of the Order dated April 22, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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416-593-2315

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

1.4.2 Coventree Inc. et al.

FOR IMMEDIATE RELEASE
April 22, 2010

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

AND

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

TORONTO – The Commission issued an Order which provides that the matter is adjourned to a hearing panel on April 23, 2010 at 2 p.m. to address issues concerning the scheduling of this matter.

A copy of the Order dated April 22, 2010 is available at **www.osc.gov.on.ca**.

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1.4.3 Maple Leaf Investment Fund Corp. et al.

FOR IMMEDIATE RELEASE
April 23, 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 a decision is rendered following a hearing on the merits in relation to the matters raised in the Notice of Hearing issued on February 12, 2010 and the accompanying Statement of Allegations.

A copy of the Order dated April 21, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
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1.4.4 Tulsiani Investments Inc. and Sunil Tulsiani

FOR IMMEDIATE RELEASE
April 23, 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 a decision is rendered following a hearing on the merits in relation to the matters raised in the Notice of Hearing issued on February 12, 2010 and the accompanying Statement of Allegations.

A copy of the Order dated April 21, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.5 Maple Leaf Investment Fund Corp. et al.

FOR IMMEDIATE RELEASE
April 23, 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 the hearing of this matter on the merits is scheduled to commence on September 7, 2010 at 10 a.m. and to continue on September 8, 9 and 10, 2010.

A copy of the Order dated April 21, 2010 is available at **www.osc.gov.on.ca**.

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1.4.6 Ciccone Group et al.

FOR IMMEDIATE RELEASE
April 23, 2010

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

AN

IN THE MATTER OF
CICCONE GROUP, MEDRA CORPORATION, 990509 ONTARIO INC., TADD FINANCIAL INC., CACHET WEALTH MANAGEMENT INC., VINCE CICCONE, DARRYL BRUBACHER, ANDREW J. MARTIN., STEVE HANEY, KLAUDIUSZ MALINOWSKI AND BEN GIANGROSSO

TORONTO – The Office of the Secretary issued a Notice of Hearing setting the matter down to be heard on May 3, 2010 at 10:00 a.m. to consider whether it is in the public interest for the Commission:

(1) to extend the Temporary Order pursuant to subsections 127(7) and (8) of the Act until the conclusion of the hearing, or until such further time as considered necessary by the Commission; and

(2) to make such further orders as the Commission considers appropriate.

A copy of the Notice of Hearing dated April 22, 2010 and Temporary Order dated April 21, 2010 are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.7 Coventree Inc. et al.

FOR IMMEDIATE RELEASE
April 26, 2010

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

AND

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

TORONTO – The Commission issued an Order which provides that the hearing on the merits shall commence on May 12, 2010 at 10:00 a.m. at the offices of the Commission, 20 Queen Street West, 17th floor, Toronto.

A copy of the Order dated April 23, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
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1.4.8 QuantFX Asset Management Inc. et al.

FOR IMMEDIATE RELEASE
April 26, 2010

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

AND

IN THE MATTER OF
QUANTFX ASSET MANAGEMENT INC.,
VADIM TSATSKIN, LUCIEN SHTROMVASER AND
ROSTISLAV ZEMLINSKY

TORONTO – The Commission issued an order which provides that the Temporary Order is extended to October 14, 2010 and the hearing is adjourned to October 13, 2010 at 10:30 a.m. in the above named matter.

A copy of the Order dated April 23, 2010 is available at **www.osc.gov.on.ca**.

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JOHN P. STEVENSON
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1.4.9 Agoracom Investor Relations Corp. et al.

FOR IMMEDIATE RELEASE
April 26, 2010

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

AND

IN THE MATTER OF
AGORACOM INVESTOR RELATIONS CORP.,
AGORA INTERNATIONAL ENTERPRISES CORP.,
GEORGE TSIOLIS AND APOSTOLIS KONDAKOS
(a.k.a. PAUL KONDAKOS)

TORONTO – The Commission issued an order which provides that a confidential pre-hearing conference shall take place on July 7, 2010 at 10:00 a.m. in the above named matter.

A copy of the Order dated April 26, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
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1.4.10 Investment Industry Regulatory Organization of Canada v. Julius Caesar Phillip Vitug

FOR IMMEDIATE RELEASE
April 26, 2010

IN THE MATTER OF
AN APPLICATION FOR A HEARING
AND REVIEW OF A DECISION OF THE
ONTARIO DISTRICT COUNCIL OF THE
INVESTMENT INDUSTRY REGULATORY
ORGANIZATION OF CANADA PURSUANT TO
SECTION 21.7 OF THE SECURITIES ACT,
R.S.O. 1990, c. S.5, AS AMENDED

AND

IN THE MATTER OF DISCIPLINE PROCEEDINGS
PURSUANT TO DEALER MEMBER RULE 20
OF THE INVESTMENT INDUSTRY REGULATORY
ORGANIZATION OF CANADA

BETWEEN

STAFF OF THE INVESTMENT INDUSTRY
REGULATORY ORGANIZATION OF CANADA

AND

JULIUS CAESAR PHILLIP VITUG

TORONTO – The Commission issued their Reasons and Decision following a hearing held to consider the Application made by Julius Caesar Phillip Vitug for a review of a decision of the Ontario District Council of IIROC dated March 31, 2009.

A copy of the Reasons and Decision dated April 23, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:

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

Theresa Ebden
Senior Communications Specialist
416-593-8307

Robert Merrick
Senior Communications Specialist
416-593-2315

For investor inquiries:

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

1.4.11 Chartcandle Investments Corporation et al.

FOR IMMEDIATE RELEASE
April 27, 2010

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

AND

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

TORONTO – The Commission issued an Order approving the Settlement Agreement reached between Staff of the Ontario Securities Commission and Charles Pauly.

A copy of the Order dated April 26, 2010 and Settlement Agreement dated April 26, 2010 are available at **www.osc.gov.on.ca**.

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1.4.12 Hillcorp International Services et al.

FOR IMMEDIATE RELEASE
April 27, 2010

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

AND

IN THE MATTER OF
HILLCORP INTERNATIONAL SERVICES,
HILLCORP WEALTH MANAGEMENT,
SUNCORP HOLDINGS, 1621852 ONTARIO LIMITED,
STEVEN JOHN HILL, DARYL RENNEBERG AND
DANNY DE MELO

TORONTO – The Commission issued an Order approving the Settlement Agreement reached between Staff of the Commission and Daryl Renneberg.

A copy of the Order dated April 27, 2010 and the Settlement Agreement dated April 23, 2010 are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Result Energy 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).

April 22, 2010

McCarthy Tetrault
Suite 3300, 421 – 7th Avenue SW
Calgary, AB T2P 4K9

Attention: Andrew Grasby

Dear Sir:

Re: Result Energy Inc.(the Applicant) – Application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba and Ontario (the Jurisdictions) that the Applicant is not a reporting issuer

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

As the Applicant has represented to the Decision Makers that:

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

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

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

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

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

"Blaine Young"
Associate Director, Corporate Finance
Alberta Securities Commission

2.1.2 First National Financial Income Fund et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemption from the requirements in section 4.2(a)(ix) of National Instrument 44-101 Short Form Prospectus Distributions and items 12.1(3) and (4) of Form 44-101F1 Short Form Prospectus to provide separate guarantor disclosure in a prospectus and on an ongoing basis. Income trust to file prospectus for an offering of debentures guaranteed by certain downstream entities (an operating trust, a partnership and the general partner of the partnership). Partnership is the sole operating entity in the income trust structure. None of the income trust, the operating trust or the general partner have any material operations. Prospectus will disclose that income trust has been advised that the credit rating assigned to the debentures is based on the guarantee of the partnership and the inter-creditor agreement to be entered into by the parties. Income trust understands that the guarantees of the operating trust and the general partner were not material to the credit rating. Certain separate guarantor disclosure to be provided by the partnership. Relief granted subject to numerous conditions.

Applicable Legislative Provisions

National Instrument 44-101 Short Form Prospectus Distributions, ss. 4.2(a)(ix), 8.1.
Form 44-101 Short Form Prospectus, items 12.1(3) and (4).

April 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
FIRST NATIONAL FINANCIAL INCOME FUND
(THE "FUND"), FIRST NATIONAL FINANCIAL
OPERATING TRUST (THE "TRUST"), FIRST
NATIONAL FINANCIAL LP (THE "PARTNERSHIP")
AND FIRST NATIONAL FINANCIAL GP
CORPORATION (THE "GENERAL PARTNER", AND
TOGETHER WITH THE TRUST, THE PARTNERSHIP
AND THE FUND, 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 relief from the requirements in:

(a) Section 4.2(a)(ix) of National Instrument 44-101 *Short Form Prospectus Distributions* ("**NI 44-101**") that the Fund must provide an undertaking to file the periodic and timely disclosure of the Trust, the Partnership and the General Partner (the "**Continuous Disclosure Relief**");

(b) Item 12.1(3) of Form 44-101F1 *Short Form Prospectus* to NI 44-101 ("**Form 44-101F1**") that the Fund provide certain disclosure in the Prospectus on the Trust and General Partner; and

(c) Item 12.1(4) of Form 44-101F1 that the Trust's and the General Partner's earnings coverage ratios under Item 6.1 of Form 44-101F1 must be provided as if such credit supporter were the issuer of the Debentures (together with (b) above, the "**Prospectus Relief**", and collectively with the Continuous Disclosure Relief, the "**Exemptions Sought**").

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

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

(e) 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 Alberta, British Columbia, Manitoba, Saskatchewan, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut.

Furthermore, the principal regulator in the Jurisdiction has received a request from the Filers for a decision that the application and this decision be kept confidential and not be made public until the earlier of: (a) the date on which the Fund is issued a receipt for the preliminary short form prospectus of the Fund in respect of a proposed offering of non-convertible secured debentures of the Fund (the "**Debentures**"); (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 (the "**Confidentiality Sought**").

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 First National Entities:

1. The Fund is an unincorporated open-ended limited purpose trust established under the laws of the Province of Ontario pursuant to a declaration of trust dated April 19, 2006, as the same was amended and restated on June 8, 2006.

2. The Trust is an unincorporated, open-ended limited purpose trust established under the laws of the Province of Ontario pursuant to a declaration of trust dated April 19, 2006, as the same was amended and restated on June 8, 2006.

3. The General Partner is a corporation incorporated under the laws of the Province of Ontario.

4. The Partnership is a limited partnership established under the laws of the Province of Ontario pursuant to a limited partnership agreement dated as of April 19, 2006, as the same was amended and restated on June 15, 2006.

5. The Fund holds all of the outstanding interests in the Trust, and also holds all of the Series 1 Notes of the Trust.

6. The Trust holds directly, and indirectly through its interest in the General Partner, a 21.15% interest in the Partnership. The Trust holds a 21.15% interest in the General Partner.

7. The General Partner holds a 0.01% interest in the Partnership.

8. First National Financial Corporation ("**FNFC**") owns 78.85% of the voting interest in the Fund (through special voting units) and in the Partnership. FNFC holds a 78.85% interest in the General Partner.

9. Pursuant to the terms and conditions of an exchange agreement dated June 15, 2006 among the Fund, the Trust, the Partnership, the General Partner and FNFC, FNFC may indirectly exchange its ownership interest in the Partnership along with a corresponding proportion of its ownership interest in the General Partner, for a proportionate ownership interest in the Fund (the "**Exchange Right**").

10. Should FNFC fully exercise the Exchange Right, the Fund would, through its control of the Trust, control both the Partnership and the General Partner and the current shareholders of FNFC would control the Fund.

11. As among the Filers, the Partnership is the sole operating entity and none of the Fund, the Trust or the General Partner (except in its capacity as general partner of the Partnership) have any material operations.

12. The Trust does not legally own any assets other than its interests in the Partnership and the General Partner, nor does it have any liabilities other than the Trust's Series 1 Notes issued to the Fund, nor has it provided any guarantees or credit support other than in connection with the Bank Guarantees and Security (as defined and described below).

13. The General Partner (except in its capacity as general partner of the Partnership) does not legally own any assets other than in connection with its *de minimis* interest in the Partnership, nor does it have any liabilities, nor has it provided any guarantees or credit support other than in connection with the Bank Guarantees and Security.

14. The Fund's annual information form (and other continuous disclosure) contains the disclosure required by applicable law on the business and operations of the Partnership, as if the Partnership was a reporting issuer.

15. Pursuant to an undertaking of the Fund given on June 7, 2006 to the securities commissions or securities regulatory authorities in each of the provinces and territories of Canada (the "**Undertaking**"), the Fund treats the Partnership as a subsidiary of the Fund in complying with its reporting issuer obligations; and in doing so, while generally accepted accounting principals prohibit the consolidation of financial information of the Partnership and the Fund, and for as long as the Partnership (including any of its significant business interests) represents a significant asset of the Fund, the Fund provides unitholders of the Fund with separate financial statements and management's discussion and analysis for the Partnership (including information about any of its significant business interests) (the "**Partnership Financial Information**"). The Partnership Financial Information is publically available on the Fund's SEDAR profile.

16. The Fund is in compliance with the Undertaking (other than the filing of annual compliance certificates pursuant to subsection (d) of the Undertaking). The Fund has filed or will file a remedial compliance certificate.

17. The Fund recently announced that it plans to convert from an income trust to a corporate structure, as set out more particularly in its management information circular dated March 31, 2010 (the "**Conversion**"). It is expected that the Conversion will be effected by way of plan of arrangement (the "**Arrangement**"). Pursuant to the Arrangement, unitholders of the Fund will receive, for each unit of the Fund ("**Unit**") held, one common share of First National Financial Inc. ("**FNFI**") on the effective date of the Arrangement (the "**Effective Date**") which is expected to occur

on or about January 1, 2011. After the Effective Date, FNFI will be listed on the Toronto Stock Exchange under the symbol "FN". In addition, the Fund and the Trust will be dissolved and the current holders of Units (including the holders of publicly traded units, along with FNFC or its successors, the holder of the special voting units) will be the sole shareholders of FNFI. FNFI will be the sole interestholder of both the Partnership and the General Partner. It is anticipated that the board of directors and senior management of FNFI will be comprised of the current directors and senior management of the General Partner, respectively.

18. Following the Conversion, FNFI will control both the General Partner and the Partnership, and accordingly will consolidate the Partnership's and the General Partner's financial information. It is also expected that the exemption in section 13.4 of Form 44-101F1 would be satisfied at such time, and therefore no additional Continuous Disclosure Relief would be required.

19. Following the Conversion, the Trust will be dissolved and will therefore cease to be a credit supporter. As such, relief in respect of the Trust will no longer be applicable.

20. Following the Conversion, the Prospectus Relief will no longer be required, as the Prospectus will have already been filed. The Prospectus will contain the disclosure required by Item 19 of Form 44-101F1 in respect of the relief granted by this decision, the effect of the Conversion on the relief and what continuous disclosure will be provided before and after the Conversion.

The Offering:

21. The Fund intends to offer the Debentures by way of short form prospectus (the "**Prospectus**") in all the provinces and territories of Canada.

22. It is intended that the Debentures will be guaranteed, jointly and severally, by each of the Trust, the Partnership and the General Partner (the "**Debenture Guarantees**"). The Debentures will be secured by all present and future undertakings, property and assets of the Fund and all rights and benefits accruing thereunder, and the Guarantees will be secured by all present and future undertakings, property and assets of the Trust, the Partnership and the General Partner and all rights and benefits accruing thereunder (the "**Debenture Security**", and together with the Debenture Guarantees, the "**Debenture Guarantees and Security**"). The Debenture Guarantees will constitute "full and unconditional credit support" as defined in National Instrument 41-101.

23. It is intended that the Debentures will be direct senior secured obligations of the Fund and will rank equally and rateably, including with respect to security interests, with the indebtedness outstanding from time to time under the Partnership's existing bank credit facility, as it may be modified, amended, restated, replaced or refinanced from time to time (the "**Bank Credit Facility**"). If the security securing the Bank Credit Facility is released for any reason, including on repayment of the Bank Credit Facility (but other than while the Debenture trustee is enforcing its rights under security securing the Debentures), the Debenture trustee will be required to release the Debenture Security. In the event that the *pari passu* ranking secured and unsubordinated indebtedness becomes unsecured, the Debentures will become direct unsecured obligations and will rank *pari passu* with all other unsecured and unsubordinated indebtedness of the Fund.

24. The Trust and General Partner have provided guarantees and granted security to the lenders in connection with the Bank Credit Facility (the "**Bank Guarantees and Security**").

25. The Fund intends to use the net proceeds of the offering to repay current indebtedness. As the indebtedness is at the Partnership level, following closing of the offering, the Fund intends to lend the net proceeds of the offering to the Trust, which will subsequently lend such amount to the Partnership, and such loans will be evidenced by promissory notes (the "**Promissory Notes**").

26. While the Fund cannot consolidate the financial statements of the Partnership into its own financial statements, the Prospectus will contain all of the disclosure required by Item 12.1 of Form 44-101F1 in respect of the Partnership, either directly or by the incorporation of documents by reference therein.

27. The General Partner and the Trust each satisfy the requirements of Item 13.4 (a), (b) and (c) of Form 44-101F1.

28. Although the General Partner is not controlled by the Fund, the Fund's publically available disclosure clearly sets out the details of FNFC's control over the Fund, the General Partner and the Partnership. Additionally, upon full exercise of the Exchange Right, the Fund would control the General Partner and the Partnership.

29. The Prospectus will comply with Item 12.1(4) of Form 44-101F1 in respect of the Trust, the General Partner and the Partnership (including providing the information in paragraphs 11, 12, 13 above), other than financial statements, management's discussion and analysis and

earnings coverage ratios of each of the Trust and the General Partner.

30. None of the Filers are in default of securities legislation in any jurisdiction.

Undertakings:

31. The Fund and the Trust have provided the principal regulator and the securities regulatory authorities in the other provinces and territories with an undertaking that so long as the Debentures are outstanding and the Conversion has not yet been effected, if condition (e) below is not met, the Trust will provide to the Fund and the Fund will file continuous disclosure documents of the Trust.

32. The Fund and the General Partner have provided the principal regulator and the securities regulatory authorities in the other provinces and territories with an undertaking that so long as the Debentures are outstanding and the Conversion has not yet been effected, if condition (f) below is not met, the General Partner will provide to the Fund and the Fund will file continuous disclosure documents of the General Partner.

33. The Partnership and the General Partner have provided the principal regulator and the securities regulatory authorities in the other provinces and territories with an undertaking that so long as the Debentures are outstanding and the Conversion has not yet been effected, the Partnership will provide and the General Partner will cause the Partnership to provide the Fund with all necessary information so that the Fund can comply with conditions (g) through (m) below.

34. FNFI has provided the principal regulator and the securities regulatory authorities in the other provinces and territories with an undertaking that so long as the Debentures are outstanding and the Conversion has been effected,

    (a) if the exemption contained in section 13.4 of Form 44-101F1 is available for use, FNFI will include in its consolidated financial statements the information substantially contained in section 13.4(e)(i) of Form 44-101F1 or the disclosure specified in section 13.4(e)(ii) of Form 44-101F1,

    (b) if the exemption contained in section 13.4 of Form 44-101F1 is not available for use, FNFI will comply with conditions (h) through (l) below, and

    (c) if the exemption contained in section 13.4 of Form 44-101F1 is not available for use and if condition (f) below is not met, FNFI will file continuous disclosure documents of the General Partner.

Decision

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

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

Prospectus Relief:

(a) the Prospectus contains all the disclosure required by Item 12.1 of Form 44-101F1 in respect of the Partnership, either directly or by the incorporation of documents by reference therein and discloses that the Fund has been advised that the credit rating assigned to the Debentures is based on the Debenture Guarantee of the Partnership and the intercreditor agreement to be entered into by each of the Filers, the Debenture trustee and the agent under the Bank Credit Facility and accordingly, the Fund understands that the Debenture Guarantees of the Trust and the General Partner were not material to such credit rating;

(b) each of the General Partner and the Trust satisfy the conditions set forth in Item 13.4 (a), (b) and (c) of Form 44-101F1;

Continuous Disclosure Relief:

(c) until the Conversion is effected, the Fund will continue to satisfy its obligations pursuant to the Undertaking for financial periods ending before the effective date of the Conversion;

(d) until the Conversion is effected and the Trust is dissolved, the Fund will continue to consolidate the financial statements of the Trust into the Fund's financial statements for financial periods ending before the effective date of the Conversion;

(e) until the Conversion is effected and the Trust is dissolved, so long as the Debentures are outstanding, the Trust shall not have any material operations, nor assets, other than its interests in the Partnership and the General Partner, nor liabilities other than in connection with the Trust's Series 1 Notes issued to the Fund, the Bank Guarantees and Security,

the Debenture Guarantees and Security and the Promissory Notes;

(f) until the exemption contained in section 13.4 of Form 44-101F1 is available for use, so long as the Debentures are outstanding, the General Partner (except in its capacity as general partner of the Partnership) shall not have any material operations, nor assets, other than in connection with its de minimus interest in the Partnership, nor liabilities other than in connection with the Bank Guarantees and Security and the Debenture Guarantees and Security;

(g) until the Conversion is effected, the Fund will continue to file audited annual financial statements and related management's discussion and analysis of the Partnership and unaudited interim financial statements and related management's discussion and analysis of the Partnership in accordance with the Undertaking for financial periods ending before the effective date of the Conversion;

(h) until the exemption contained in section 13.4 of Form 44-101F1 is available for use, the Fund or FNFI, as the case may be, will include in its annual information form (for disclosure in respect of financial years ending before the date the exemption is available for use), the same information about the Partnership that the Partnership would be required to disclose in an annual information form, should the Partnership be required to file an annual information form;

(i) until the exemption contained in section 13.4 of Form 44-101F1 is available for use, the Fund or FNFI, as the case may be, will include in its annual information form and management information circular (for disclosure in respect of financial years ending before the date the exemption is available for use), the same executive compensation disclosure about the officers and directors of the Partnership that the Partnership would be required to disclose in an annual information form and management information circular, should the Partnership be required to file an annual information form and management information circular;

(j) until the exemption contained in section 13.4 of Form 44-101F1 is available for use, the Fund or FNFI, as the case may be, will file a business acquisition report in respect of any significant acquisition by the Partnership (for acquisitions completed before the date the exemption was available for use);

(k) until the exemption contained in section 13.4 of Form 44-101F1 is available for use, the Fund or FNFI, as the case may be, will file any material contracts or constating documents of the Partnership (for contracts and documents dated before the date the exemption was available for use) that the Partnership would be required to file under Part 12 of National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**");

(l) until the exemption contained in section 13.4 of Form 44-101F1 is available for use, the Fund or FNFI, as the case may be, will issue a news release and file a material change report in accordance with Part 7 of NI 51-102 in respect of any material change in the affairs of the Partnership (that occurs before the date the exemption was available for use) that is not also a material change in the affairs of the Fund or FNFI, as the case may be;

(m) until the Conversion is effected, if the Partnership restates its financial statements or financial information, the Fund will comply with section 11.5 of NI 51-102 as though the Partnership were a reporting issuer (for financial periods ending before the effective date of the Conversion);

(n) the Fund or FNFI, as the case may be, will file on SEDAR any material amendments to the Bank Credit Facility and will issue a press release if there are changes to the security granted under the Bank Credit Facility that materially affect the Debenture Security;

(o) after the Conversion, FNFI will file all relevant change of corporate structure documents in connection with the Conversion, as required by applicable securities laws;

(p) after the Conversion, FNFI will file with its consolidated financial statements the information required by section 13.4(e) of Form 44-101F1 for so long as the Debentures are outstanding, and

(q) the Exemptions Sought are granted only with respect to the offering of the Debentures pursuant to the Prospectus.

Furthermore, the decision of the principal regulator is that the Confidentiality Sought is granted.

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

2.1.3 Vena Resources Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application for exemptive relief in relation to a proposed distribution of securities by the issuer by way of an "equity line of credit" – a drawdown under an equity line of credit may be considered to be an indirect distribution of securities by the issuer to purchasers in the secondary market through the equity line purchaser acting as underwriter – relief granted to the issuer and purchaser from certain registration and prospectus requirements, subject to terms and conditions, including a 9.9% restriction on the number of securities that may be distributed under an equity line in any 12-month period, certain restrictions on the permitted activities of the purchaser and certain notification and disclosure requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25(1), 71, 74(1), 147.
National Instrument 44-101 Short Form Prospectus Distributions.
National Instrument 44-102 Shelf Distributions.

March 16, 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
VENA RESOURCES INC. (THE "ISSUER"),
YA GLOBAL MASTER SPV LTD.
(THE "PURCHASER") AND
YORKVILLE ADVISORS, LLC
(THE "PURCHASER MANAGER" AND, TOGETHER
WITH THE ISSUER AND THE PURCHASER,
THE "FILERS")

DECISION

Background

The securities regulatory authority or regulator in the Jurisdiction (the "**Decision Maker**") has received an application from the Filers for a decision under the securities legislation of the Jurisdiction (the "**Legislation**"):

(a) that the following prospectus disclosure requirements under the Legislation (the "**Prospectus Disclosure Requirements**") do not fully apply to the Issuer in connection with the Distribution (as defined below):

  (i) the statement in the Prospectus Supplement (as defined below) respecting statutory rights of withdrawal and rescission in the form prescribed by item 20 of Form 44-101F1 of National Instrument 44-101 *Short Form Prospectus Distributions* ("**NI 44-101**"); and

  (ii) the statements required by subsections 5.5(2) and (3) of National Instrument 44-102 *Shelf Distributions* ("**NI 44-102**");

(b) that the prohibition from acting as a dealer unless the person is registered as such (the "**Dealer Registration Requirement**") does not apply to the Purchaser and the Purchaser Manager in connection with the Distribution;

(c) that the requirement that a dealer send a copy of the Prospectus (as defined below) to a subscriber or purchaser in the context of a distribution (the "**Prospectus Delivery Requirement**") does not apply to the Purchaser, the Purchaser Manager or the dealer(s) through whom the Purchaser distributes the Shares (as defined below) and that, as a result, rights of withdrawal or rights of rescission, price revision or damages for non-delivery of the Prospectus do not apply in connection with the Distribution; and

(d) that the application for this decision and this decision (collectively, the "**Confidential Materials**") be kept confidential until the occurrence of the earliest of the following:

(i) the date on which the Issuer publicly announces by way of a news release the execution of the Distribution Agreement (as defined below);

(ii) the date on which the Issuer advises the Decision Makers that there is no longer any need to hold the Confidential Materials in confidence; and

(iii) 90 days after the date of this decision,

(the "**Request For Confidentiality**").

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 Alberta and British Columbia.

Interpretation

Terms defined in National Instrument 14-101 - *Definitions* and MI 11-102 have the same meanings 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 incorporated under the laws of Canada and has its head office located at 130 Adelaide Street West, Suite 2700, Toronto, Ontario, M5H 3P5.

2. The Issuer is a reporting issuer in the provinces of Alberta, British Columbia and Ontario and is not in default of securities legislation in these provinces.

3. The Issuer's authorized share capital currently consists of an unlimited number of common shares (the "**Shares**") of which 88,264,576 Shares were outstanding as at March 1, 2010.

4. The Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**"). Based on the closing price of $0.30 of the Shares on the TSX on March 1, 2010, the current market capitalization of the Issuer is approximately $26,476,372.

5. The Issuer is qualified to file a short form prospectus under section 2.2 of NI 44-101 and therefore to file a base shelf prospectus under NI 44-102.

6. The Issuer intends to file with the securities regulators in each of Alberta, British Columbia and Ontario a base shelf prospectus pertaining to various securities of the Issuer, including the Shares (such base shelf prospectus and any amendment thereto and renewal thereof, being referred to herein as the "**Base Shelf Prospectus**").

7. The statements required by subsections 5.5(2) and (3) of NI 44-102 included in the Base Shelf Prospectus will be qualified by adding the following (the "**Additional Disclosure**"): "*, except in cases where an exemption from such delivery requirements has been obtained*".

The Purchaser

8. The Purchaser is incorporated in the Cayman Islands.

9. The Purchaser is managed by the Purchaser Manager, a Delaware limited liability company, with its head office in Jersey City, New Jersey, United States.

10. Neither the Purchaser nor the Purchaser Manager is a reporting issuer or registered as a registered firm as defined in National Instrument 31-103 Registration Requirements and Exemptions in any jurisdiction of Canada. The Purchaser and the Purchaser Manager are not in default of any requirements under the Legislation.

The Distribution Agreement

11. The Issuer proposes to enter into a standby equity distribution agreement with the Purchaser (the "**Distribution Agreement**") pursuant to which the Purchaser will agree to purchase, and the Issuer will have the right but not the obligation to issue and sell, up to $10,000,000 of Shares (the "**Aggregate Commitment Amount**") over a period of 60 months in a series of drawdowns.

12. Under the Distribution Agreement, the Issuer will have the sole ability to determine the timing and the amount of each drawdown, subject to a maximum investment amount per drawdown and the Aggregate Commitment Amount.

13. The purchase price per Share and the number of Shares to be issued to the Purchaser for each drawdown will be calculated based on a predetermined percentage discount from the daily volume-weighted average price of the Shares traded on the TSX over a period of ten trading days following a drawdown notice sent by the Issuer (the "**Drawdown Pricing Period**"). The Issuer may fix in such drawdown notice a minimum purchase price below which it will not issue any Shares for any given trading day.

14. On the 11th trading day following the date of each drawdown notice (the "**Settlement Date**"), the amount of the drawdown will be paid by the Purchaser and the relevant number of Shares will be issued by the Issuer.

15. The Distribution Agreement will provide that, at the time of each drawdown notice and at each Settlement Date, the Issuer will make a representation to the Purchaser that the Base Shelf Prospectus, as supplemented (the "**Prospectus**"), contains full, true and plain disclosure of all material facts relating to the Issuer and the Shares being distributed. The Issuer would therefore be unable to issue Shares when it is in possession of undisclosed information that would constitute a material fact or a material change.

16. On or after the Settlement Date for any drawdown, the Purchaser may seek to sell all or a portion of the Shares purchased under the drawdown.

17. The Purchaser, its affiliates, associates, partners or insiders, will agree not to own at any time, directly or indirectly, more than 9.9% of all issued and outstanding Shares.

18. After receipt of a drawdown notice, the Purchaser may seek to resell Shares to be purchased under the drawdown, or engage in hedging strategies, in order to reduce the economic risk associated with the purchase of securities of the Issuer.

19. Under the Distribution Agreement, the Purchaser, its affiliates, associates, partners and insiders, will agree not to hold a net short position in Shares during the term of the Distribution Agreement. Accordingly, the Purchaser may sell Shares to hedge its obligation to purchase Shares under a drawdown notice provided that:

    (a) The Purchaser complies with applicable TSX regulations and securities legislation; and

    (b) The Purchaser will not during a drawdown pricing period, together with any affiliate, associate and subsidiaries, sell Shares for gross proceeds in aggregate exceeding the amount of the drawdown.

20. The Purchaser and the Purchaser Manager will also agree, in effecting any sale of Shares, not to engage in any sales, marketing or solicitation activities of the type undertaken by underwriters in the context of a public offering. More specifically, the Purchaser and the Purchaser Manager will not (a) advertise or otherwise hold itself out as a dealer, (b) purchase or sell securities as principal from or to customers, (c) carry a dealer inventory in securities, (d) quote a market in securities, (e) extend or arrange for the extension of credit in connection with securities transactions, (f) run a book of repurchase and reverse repurchase agreements, (g) use a carrying broker for securities transactions, (h) lend securities for customers, (i) guarantee contract performance or indemnify the Issuer for any loss or liability from the failure of the transaction to be successfully consummated, (j) participate in a selling group, or (k) during a Drawdown Pricing Period, together with any affiliate, associate, subsidiaries, partners or insiders, sell Shares for gross proceeds in the aggregate exceeding the amount of the drawdown.

21. The Purchaser will not solicit offers to purchase Shares and will complete all sales of Shares through one or more dealer(s) unaffiliated with the Purchaser, the Purchaser Manager or the Issuer.

The Prospectus Supplements

22. The Issuer intends to file with the securities regulator in each of the provinces of Alberta, British Columbia and Ontario a prospectus supplement to the Base Shelf Prospectus (each a "**Prospectus Supplement**") within two business days after the Settlement Date for each drawdown under the Distribution Agreement.

23. The Prospectus Supplement will include (i) the number of Shares sold, (ii) the price per Share, (iii) the information required under NI 44-102 including the disclosure required by subsection 9.1(3) of NI 44-102, and (iv) the following statement (the "**Amended Statement of Rights**"):

> Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment are not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. However, such rights and remedies will not be available to purchasers of common shares distributed under this prospectus because the prospectus will not be delivered to purchasers, as permitted under a decision document issued by the Ontario Securities Commission on ●, 2010.
>
> The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contain a misrepresentation, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. Such remedies remain unaffected by the non-delivery of the prospectus, as permitted under the decision document referred to above.
>
> The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

24. The Base Shelf Prospectus, as supplemented by each Prospectus Supplement, will: (a) qualify the distribution of Shares to the Purchaser on the Settlement Date of the drawdown disclosed in the relevant Prospectus Supplement; and (b) qualify the distribution of Shares to purchasers who purchase them from the Purchaser through the dealer(s) engaged by the Purchaser through the TSX or another exchange recognized by the securities regulator in the Jurisdiction (the "**TSX Purchasers**") during the period that commences on the first day of the relevant Drawdown Pricing Period and ends on the earlier of (i) the date on which the distribution of such Shares has ended or (ii) the 40th day following the relevant Settlement Date (collectively, the "**Distribution**").

25. The Prospectus Delivery Requirements are not workable in the context of a Distribution because the TSX Purchasers will not be readily identifiable as the dealer(s) acting on behalf of the Purchaser may combine the sell orders made under the Prospectus with other sell orders and the dealer(s) acting on behalf of the TSX Purchasers may combine a number of purchase orders.

26. The Prospectus Supplement will contain an underwriter's certificate in the form set out in section 2.2 of Appendix B to NI 44-102 signed by the Purchaser.

27. At least three business days prior to the filing of each Prospectus Supplement, the Issuer will provide for comment to the Decision Makers a draft of such Prospectus Supplement.

Press Releases / Continuous Disclosure

28. After execution of the Distribution Agreement the Issuer will:

    (a) promptly issue and file a news release disclosing the existence and purpose of the Distribution Agreement and the Aggregate Commitment Amount; and

    (b) within ten days:

(i) file a material change report disclosing, at a minimum, the information required in paragraph (a); and

(ii) file a copy of the Distribution Agreement.

29. Promptly after delivery of each drawdown notice to the Purchaser, the Issuer will issue and file a news release disclosing, for that drawdown, the aggregate amount, the maximum number of Shares to be issued and the minimum price (if any) per Share.

30. In respect of each Settlement Date the Issuer will:

(a) promptly issue and file a news release disclosing:

(i) the number of Shares sold and the price per Share in the relevant drawdown;

(ii) that the Base Shelf Prospectus and the relevant Prospectus Supplement are available on SEDAR and specifying how a copy of these documents can be obtained; and

(iii) the Amended Statement of Rights; and

(b) within ten days file a material change report if the Distribution constitutes a material change disclosing, at a minimum, the information required in paragraph (a).

31. The Issuer will also disclose, for each financial period, the number and price of Shares sold to the Purchaser pursuant to the Distribution Agreement in its financial statements and MD&A for such financial period filed on SEDAR.

Deliveries upon Request

32. The Issuer will deliver to the Decision Makers and to the TSX, upon request, a copy of each drawdown notice delivered by the Issuer to the Purchaser under the Distribution Agreement.

33. Pursuant to the Distribution Agreement, the Purchaser will agree to make available to the Decision Makers, upon request, full particulars of trading and hedging activities by the Purchaser or the Purchaser Manager (and, if required, trading and hedging activities by their affiliates, associates, partners or insiders) in relation to securities of the Issuer during the term of the Distribution Agreement.

Decisions

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

The decision of the Decision Makers under the Legislation is that:

(a) the Prospectus Disclosure Requirements do not apply to the Issuer in connection with the Distribution, so long as:

(i) the Additional Disclosure is included in the Base Shelf Prospectus;

(ii) the Issuer files Prospectus Supplements that:

(A) qualify the Distribution;

(B) include the disclosure required by subsection 9.1(3) of NI 44-102; and

(C) include the Amended Statement of Rights;

(iii) the Issuer issues the news releases described in paragraphs 28, 29 and 30 above:

(iv) the number of Shares distributed by the Issuer under one or more equity lines of credit, including the equity line of credit established under the Distribution Agreement, does not exceed:

(A) in any 12 month period, 9.9% of the aggregate number of Shares outstanding calculated at the beginning of such period, and

(B) during the term of the Distribution Agreement, 25% of the aggregate number of Shares outstanding calculated on the fifth trading day following the final Base Shelf Prospectus or such other time and place the Purchaser and the Issuer may agree upon, unless the Issuer has obtained shareholder approval; and

(v) the Issuer delivers to the Decision Makers and the TSX, upon request, a copy of each drawdown notice delivered by the Issuer to the Purchaser under the Distribution Agreement;

(b) the Dealer Registration Requirement does not apply to the Purchaser or the Purchaser Manager in connection with a Distribution for so long as:

(i) the Purchaser and the Purchaser Manager do not solicit offers to purchase the Shares in Canada;

(ii) the Purchaser and the Purchaser Manager effect all Distributions to TSX Purchasers through the TSX (or the TSX Venture Exchange, the NASDAQ or the NYSE, provided that the Issuer's securities are listed for trading on such exchange) using one or more dealer(s) unaffiliated with the Purchaser, the Purchaser Manager and the Issuer;

(iii) no extraordinary commission or consideration is paid by the Purchaser or the Purchaser Manager to a person or company in respect of the Distribution to the TSX Purchasers; and

(iv) the Purchaser and the Purchaser Manager make available to the Decision Makers, upon request, full particulars of trading and hedging activities by the Purchaser, the Purchaser Manager and their affiliates, associates, partners or insiders in relation to securities of the Issuer during the term of the Distribution Agreement;

(c) the Prospectus Delivery Requirement does not apply to the Purchaser, to the Purchaser Manager or to the dealer(s) through whom the Purchaser distributes the Shares and, that, as a result, rights of withdrawal or rights of rescission, price revision or damages for non-delivery of the Prospectus do not apply in connection with the Distribution, so long as the conditions set out in paragraphs (b)(i) through (iii) of this decision are satisfied; and

(d) this decision applies only to Distributions completed within 24 months after execution of the Distribution Agreement; and

(e) this decision will terminate 24 months after execution of the Distribution Agreement.

The further decision of the Decision Makers under the Legislation is that the Request for Confidentiality is granted until the earliest of the following:

(f) date on which the Issuer publicly announces by way of a news release the execution of the Distribution Agreement;

(g) the date on which the Issuer advises the Decision Makers that there is no longer any need to hold the Confidential Materials in confidence; and

(h) 90 days after the date of this decision.

As to the Exemption Sought from the Prospectus Disclosure Requirements:

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

As to the Exemption Sought from the Dealer Registration Requirement and the Prospectus Delivery Requirement:

"Wesley M. Scott"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

2.1.4 Shermag Inc.

Headnote

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

Applicable Legislative Provisions

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

[Translation]

April 21, 2010

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

AND

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

AND

IN THE MATTER OF
SHERMAG INC.
(the "Applicant")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the "**Decision Makers**") has received an application from the Applicant for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") that the Applicant is not a reporting issuer (the "**Exemptive Relief Sought**").

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

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

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

Interpretation

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

Representations

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

1. The Applicant was incorporated under the *Companies Act (Québec)* on January 28, 1977 and continued under Part 1A of the *Companies Act (Québec)* on January 30, 1981. Its head office is located in Sherbrooke, Québec

2. The Applicant is a reporting issuer in the Jurisdictions.

3. On May 5, 2008 (the "**Filing Date**"), the Applicant and its subsidiaries, Jaymar Furniture Corp., Scierie Montauban Inc., Megabois (1989) Inc., Shermag Corporation and Jaymar Sales Corporation applied for and obtained an order of the Québec Superior Court (the "**Court**") under the *Companies' Creditors Arrangement Act*.

4. The common shares of the Applicant were listed and traded on the TSX until trading was halted on May 1st 2009 and the common shares were de-listed on July 31, 2009.

5. On August 20, 2009, the Applicant filed a restructuring plan (the "**Plan**") before the Court which provided, among other things, that Groupe Bermex Inc. would subscribe for 41,666,667 common shares of the Applicant for an aggregate consideration of $1,250,000, or $0.03 per common share. On September 10, 2009, the creditors of the Applicant approved the Applicant's Plan and the Court sanctioned the Plan on September 15, 2009. The transactions comprising the Plan closed on October 9, 2009 and on October 14, 2009, all the conditions precedent to the closing of the transactions comprising the Plan were met.

6. The Applicant held an annual and special shareholders meeting (the "**Meeting**") on March 25, 2010 at which its shareholders approved a corporate reorganization of the Applicant (the "**Reorganization**") comprised of the following transactions:

   (a) the adoption of by-law 2010-1 abrogating the authorised share capital of the Applicant, replacing it with a share capital comprising three classes of shares, namely common shares, class A preferred shares and class B preferred shares (the "**Recapitalization**");

   (b) the conversion of the presently issued and outstanding Common Shares into class B preferred shares and the presently issued and outstanding Preferred Shares into class A preferred shares (the "**Conversion**");

(c) concurrent with the Recapitalization and Conversion, the subscription by way of private placement of Groupe Bermex Inc. of 100 new common shares of the Applicant for a total subscription price of $100 (the "**Private Placement**"); and

(d) immediately following the Recapitalization, the Conversion and the Private Placement, the repurchase by the Applicant of all the issued and outstanding class B preferred shares at a price of $0.03 per share.

7. The Applicant is currently subject to Cease Trade Orders in Québec and Ontario. A partial revocation of the Cease Trade Orders was granted in Québec and Ontario on March 25, 2010 for the purposes of the Reorganization.

8. Immediately following the Meeting, the Applicant completed the Reorganization.

9. Following the Reorganization, the outstanding securities of the Applicant are held by three holders: (i) 100 new common shares are held by Groupe Bermex Inc.; (ii) 700,000 class A preferred shares are held by Investissement Québec; and (iii) two convertible debentures of the Applicant in the aggregate principal amount of $1,000,000 and $3,000,000, each being convertible into new common shares and preferred shares of the Applicant are held by Fonds de solidarité des travailleurs du Québec (F.T.Q.).

10. The Applicant has no intention currently to seek financing by way of a public or private placement in a jurisdiction of Canada

11. The Applicant seeks a decision that it is not a reporting issuer in the Jurisdictions in which it is currently a reporting issuer.

12. The Applicant is not in default of any requirements applicable to a reporting issuer under the Legislation, except for failure to file: (i) its annual information form for the years ended April 4, 2008 and April 3, 2009; (ii) its interim financial statements and related interim management's discussion and analysis for the interim periods ended June 30, September 30 and December 31, 2008 as required by National Instrument 51-102 Continuous Disclosure Obligations; and (iii) the certificates as required by National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.

13. The outstanding securities of the Applicant, including debt securities, are beneficially owned by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total in Canada.

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

15. Upon the grant of the Exemptive Relief Sought, the Applicant will not be a reporting issuer in any jurisdiction of Canada. The Applicant has requested that the Cease Trade Orders be revoked concurrently with the granting of the Exemptive Relief Sought.

Decision

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

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

Alida Gualtieri
Manager, Continuous Disclosure
Autorité des marchés financiers

2.1.5 Mackenzie Financial Corporation and Mackenzie Focus America Class

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund merger – approval required because merger does not meet the criteria for pre-approval – investment objectives of merging funds not substantially similar.

Applicable Legislative Provisions

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

September 19, 2008

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
MACKENZIE FINANCIAL CORPORATION
("MACKENZIE")

AND

IN THE MATTER OF
MACKENZIE FOCUS AMERICA CLASS
(the "TERMINATING FUND")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from Mackenzie for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "Legislation") for the approval of the merger of the Terminating Fund into Mackenzie Universal U.S. Blue Chip Class (the "Continuing Fund") (the Terminating Fund and the Continuing Fund are sometimes collectively referred to as the "Funds") (the merger is referred to as the "Proposed Merger") under clause 5.5(1)(b) of National Instrument 81-102 ("NI 81-102") (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) Mackenzie has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("MI 11-102") is to be relied on in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, the Northwest Territories and Nunavut (the "Non-Principal Jurisdictions").

Interpretation

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

Representations

This decision is based on the following facts represented by Mackenzie and the Funds:

1. Mackenzie is a corporation governed by the laws of Ontario, with its head office located in Toronto, Ontario. Mackenzie is registered as an adviser in the categories of investment counsel and portfolio manager in Ontario, Manitoba and Alberta. Mackenzie is also registered with the Ontario Securities Commission as a dealer in the category of Limited Market Dealer, as well as registered under the *Commodity Futures Act* (Ontario) in the categories of Commodity Trading Counsel & Commodity Trading Manager.

2. Mackenzie is the manager of the Funds, each of which is a class of shares of Mackenzie Financial Capital Corporation ("Capitalcorp"), a mutual fund corporation governed by the laws of Ontario.

3. The Funds both have the following eight series of shares: Series A, F, I, O, P, R, T6 and T8 shares. The Continuing Fund also intends to offer Series D shares on or about the date of the special meeting, which Series D shares are expected to be created specifically for Series D unit investors of Putnam U.S. Value Fund, for purpose of effecting the merger of that fund into the Continuing Fund, which merger is expected to occur on the same date as the merger contemplated in this decision. All of these series, except Series D and R, are offered for sale in all provinces and territories of Canada under a simplified prospectus and annual information form dated November 14, 2007, as amended, for the Mackenzie Mutual Funds. Series R shares are only offered on an exempt distribution basis, and are available to other Mackenzie funds and other investors as Mackenzie may determine from time to time on a case-by-case basis.

4. The Funds are reporting issuers under the applicable securities legislation of each province and territory of Canada. Neither Mackenzie nor the Funds are in default of securities legislation in any jurisdiction.

5. Other than where securities regulatory authorities (the "Authorities") have exempted the Funds therefrom, the Funds follow the standard investment restrictions and practices established by the Authorities.

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

7. A press release, material change report and amendment to the simplified prospectus and annual information form of the Mackenzie Mutual Funds were filed on SEDAR on or about July 23, 2008, in respect of the Proposed Merger.

8. Shareholders of the Terminating Fund will be asked to approve the Proposed Merger at a special meeting scheduled to occur on September 19, 2008. Implicit in the approval of shareholders of the Proposed Merger is the adoption by the Terminating Fund of the investment objectives and strategies, and fee structure of the Continuing Fund.

9. Mackenzie will pay all of the expenses incurred in connection with the Proposed Merger, including all brokerage commissions payable in connection with the acquisition by the Continuing Fund of the investment portfolio of the Terminating Fund, the costs of holding the special meeting and of soliciting proxies.

10. If the approval of the Terminating Fund's investors is not received at the special meeting, then the Proposed Merger will not proceed.

11. The Terminating Fund's investors will continue to have the right to redeem shares of the Terminating Fund for cash at any time up to the close of business on the business day immediately preceding the effective date of the Proposed Merger. Some investors may, if they choose to redeem their shares for cash, incur redemption charges and/or other fees.

12. The exchange of an investor's shares of the Terminating Fund for shares of the Continuing Fund as a consequence of the Proposed Merger will not trigger a capital gain or loss on those shares of the Terminating Fund as the Proposed Merger will be carried out on a tax-deferred basis. Shareholders of the Terminating Fund have been provided with information about the tax consequences of the Proposed Merger in the management information circular and have had the opportunity to consider this information prior to voting on the transactions.

13. A notice, management information circular and proxy in connection with the Proposed Merger were filed on SEDAR and mailed to Focus America's investors of record as at August 15, on or about August 26, 2008.

14. Subject to obtaining the required regulatory and investor approvals, the Proposed Merger will be implemented on or about September 26, 2008.

15. Following the Proposed Merger, the Continuing Fund will continue as a publicly offered open-ended mutual fund and the Terminating Fund will be wound up as soon as practicable thereafter.

16. The Terminating Fund and the Continuing Fund have the same fee structure. The management fee and administration fee are the same for each series of the Funds. Accordingly, the Terminating Fund's investors should not expect to pay higher fees if their shares are merged into the Continuing Fund.

17. Approval of the Proposed Merger is required under clause 5.5(1)(b) of NI 81-102, and pre-approval under subsection 5.6(1) of NI 81-102 is unavailable, because the fundamental investment objectives of the Funds are not, or may not be considered by a reasonable person to be, "substantially similar". Otherwise, the Proposed Merger complies with all other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102, except for those criteria from which Mackenzie has previously obtained future relief. Mackenzie has previously obtained relief from the simplified prospectus and financial statement delivery requirements in subparagraph 5.6(1)(f)(ii) of NI 81-102. The conditions set out in that relief have been met with respect to the Proposed Merger.

18. The materials sent to shareholders of the Terminating Fund in connection with the approval of the Proposed Merger included a tailored document consisting of

    a. The current Part A of the simplified prospectus of the Continuing Fund, as amended, and

    b. The current Part B of the simplified prospectus of the Continuing Fund, as amended.

19. The Funds both pursue long-term capital growth through similar U.S. equity mandates. Accordingly, adopting the mandate of the Continuing Fund will allow investors in the Terminating Fund to continue to have investment exposure to a U.S. equity mandate.

20. A key difference in investment objectives is that the Terminating Fund has an objective of using a multi-manager investment strategy of between two to six portfolio management teams, selected by Mackenzie, to manage the Terminating Fund's

portfolio investment. The Continuing Fund does not have this objective.

21. Whereas a single portfolio management team manages the Continuing Fund, the Terminating Fund is currently managed by four teams of portfolio managers, including two teams from Mackenzie, and two teams from Ivy Investment Management Company, a subsidiary of Waddell & Reed Financial, Inc. ("Waddell & Reed"). A portfolio management team from Waddell & Reed also manages the Continuing Fund. Accordingly, the Proposed Merger would allow the Terminating Fund's investors to continue to receive portfolio management from Waddell & Reed, albeit from different individual portfolio managers.

22. A further notable difference in investment objectives is that the Continuing Fund has an objective of investing primarily in U.S. equity securities of large capitalization ("blue chip") companies. The Terminating Fund has no similar investment objective, but its strategies include investing in a mix of U.S. equity securities of small, mid and large capitalization companies.

23. With respect to the Funds' strategies, whereas the Terminating Fund's overall investment style is a blend of a value and growth investment approach due to the combined styles of its portfolio managers, the Continuing Fund can hold a balance of either value or growth oriented stocks at the discretion of the sole portfolio management team.

24. Both Funds' strategies contemplate providing relatively concentrated portfolios that seek to maximize the performance of their portfolio managers' best ideas.

25. Both Funds' strategies allow for securities lending, repurchase and reverse repurchase transactions and also the use of derivatives for both hedging and non-hedging purposes.

26. Mackenzie, as manager of the Terminating Fund, believes the merger is in the best interests of the Terminating Fund's investors for the following principal reasons:

    (a) The Continuing Fund's Superior Relative Performance: As more fully detailed in the circular being mailed to the Terminating Fund's investors of record as at August 15, 2008, the Continuing Fund's Series A returns were superior to the Terminating Fund's returns for the past three year and five year periods ended July 31, 2008.

    (b) The Continuing Fund's Expected Lower Volatility of Returns: While the Terminating Fund invests in a mix of small, mid and large capitalization companies, the Continuing Fund invests primarily in large capitalization ("blue chip") companies. Over the long-term (15 years), blue chip stocks have demonstrated consistently lower volatility of returns than mid-size and smaller stocks in the United States. Further, blue chip stocks in the U.S. have historically delivered strong long-term investment returns.

    (c) Consistency of Investment Portfolio: Although their investment approaches are somewhat different, and the Terminating Fund is a multi-manager fund whereas a single portfolio management team manages the Continuing Fund, both Funds pursue long-term growth of capital primarily by investing in U.S. equity securities. Accordingly, adopting the mandate of the Continuing Fund will allow the Terminating Fund's investors to continue to have investment exposure to a U.S. equity mandate.

    (d) No Adverse Tax Consequences: The exchange of shares of the Terminating Fund for shares of the Continuing Fund as a consequence of the merger will not trigger a capital gain or loss on an investor's shares of the Terminating Fund as this transaction occurs on a tax-deferred basis.

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 is that the Exemption Sought is granted.

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

2.1.6 Manufacturers Investment Corporation – 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).

April 26, 2010

The Manufacturers Investment Corporation
38500 Woodward Avenue
Bloomfield Hills, Michigan 48304

Dear Sirs/Mesdames:

Re: The Manufacturers Investment Corporation (the Applicant) – application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, 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.

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

2.1.7 Canaccord Financial Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

National Instrument 51-102, s. 13.1 Continuous Disclosure Obligations – BAR – An issuer requires relief from the requirement to include certain financial statements in a business acquisition report – The issuer intends to acquire numerous holding companies that own 100% of certain operating companies that comprise a business that is a significant acquisition for the issuer; at the time the significant acquisition is completed, the holding companies will not hold any material liabilities, business operations or other investments, other than interests in the operating companies, and the holding companies will be amalgamated into two holding companies; the financial statements of the holding companies contain information about previous business operations that is not relevant to the significant acquisition; the business acquisition report will contain audited combined financial statements of the operating companies and sufficient alternative information about the significant acquisition.

National Instrument 51-102, s. 13.1 Continuous Disclosure Obligations – Information Circular – An issuer requires relief from the requirement to include certain financial statements in an information circular – The issuer intends to acquire one or more holding companies that own 100% of certain operating companies that comprise a business that is a significant acquisition for the issuer; at the time the significant acquisition is completed, the holding companies will not hold any material liabilities, business operations or other investments, other than interests in the operating companies, and the holding companies will be amalgamated into two holding companies; the financial statements of the holding companies contain information about previous business operations that is not relevant to the significant acquisition; the information circular will contain audited combined financial statements of the operating companies and sufficient alternative information about the significant acquisitio.n

Securities Act s. 140(2), Confidentiality – An applicant wants to keep an application and order confidential for a limited amount of time after the order is granted – The record provides intimate financial, personal or other information; the disclosure of the information before a specific transaction would be detrimental to the person affected; the information will be made available after a specific date.

Applicable Legislative Provisions

National Instrument 51-102, s. 13.1 Continuous Disclosure Obligations – BAR.
National Instrument 51-102, s. 13.1 Continuous Disclosure Obligations – Information Circular.
Securities Act, R.S.O. 1990, c.S.5, as am., ss. 140(2) Confidentiality.

March 23, 2010

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

AND

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

AND

IN THE MATTER OF
CANACCORD FINANCIAL INC.
(the Filer)

DECISION

Background

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

(a) Item 14.2 of Form 51-102F5 – *Information Circular* (Form 51-102F5) for the Filer to include the Partner Holdco Financial Statements, and GFG Holdpar Financial Statements (as such terms are defined below) and *pro forma* financial statements of the Filer that give effect to the acquisition of the Partner Holdcos and GFG Holdpar (as such terms are defined below) in the information circular (Information Circular) that the Filer will deliver to shareholders of the Filer (Shareholders) in connection with the contemplated Shareholder meeting at which Shareholders will vote on the issuance of common shares of the Filer in partial consideration for the indirect acquisition (the Proposed Acquisition) by the Filer of the business of Genuity Capital Markets (GCM) and certain of its affiliates (Information Circular Requested Relief); and

(b) Item 8.4 of NI 51-102 for the Filer to include the Partner Holdco Financial Statements, GFG Holdpar Financial Statements and *pro forma* financial statements of the Filer that give effect to the acquisition of the Partner Holdcos and GFG Holdpar in the business acquisition report (BAR) that the Filer will be required to file in connection with the closing of the Proposed Acquisition (BAR Requested Relief).

Furthermore, the Decision Makers have received a request from the Filer that this decision and the application (collectively, the Confidential Material) be kept confidential and not be made public until the earlier of:

(i) the date on which the Filer mails the Information Circular;

(ii) the date the Filer advises the Decision Makers that there is no longer any need for the Confidential Material to remain confidential; and

(iii) the date that is 30 days after the date of this decision (the Confidentiality Sought).

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

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

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

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

Interpretation

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

Representations

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

The Filer

1. the Filer was incorporated as Canaccord Holdings Ltd. on February 14, 1997 by the filing of a memorandum and articles with the Registrar of Companies for British Columbia under the *Company Act* (British Columbia) and continues in existence under the *Business Corporations Act* (British Columbia); on June 21, 2004, the Filer changed its name to Canaccord Capital Inc.; the Filer was amalgamated in a short-form vertical amalgamation with its wholly-owned subsidiary 0719880 B.C. Ltd. on April 1, 2007; on December 1, 2009 the Filer changed its name to Canaccord Financial Inc.;

2. the Filer's head office is located at 2200 – 609 Granville Street, Vancouver, British Columbia, V7Y 1H2; the Filer's registered office is located at 1000 – 840 Howe Street, Vancouver, British Columbia, V6Z 2M1;

3. the Filer is a reporting issuer (or the equivalent thereof) in each of the jurisdictions of Canada; it is currently not in default of any applicable requirements under the securities legislation in any jurisdiction of Canada;

4. the authorized capital of the Filer consists of an unlimited number of common shares, without nominal or par value, and an unlimited number of preferred shares, issuable in series, of which 55,588,311 common shares and no preferred shares were issued and outstanding as of March 5, 2010;

5. the common shares of the Filer are listed on the TSX under the symbol "CF"; the common shares of the Filer are also listed on AIM, a market operated by the London Stock Exchange, under the symbol "CF";

6. the Filer's financial year end is March 31;

Genuity

7. GCM is a general partnership formed under the laws of Ontario; the sole partners of GCM are the Partner Holdcos and GFG Holdpar (as such terms are defined below); GCM's financial year end is January 31;

8. Genuity Financial Group (GFG Holdpar) is a general partnership formed under the laws of Ontario; the sole partners of GFG Holdpar are the Partner Holdcos; GFG Holdpar's financial year end is January 1;

9. Genuity Limited Partnership (GLP) is a limited partnership formed under the laws of Ontario; the limited partnership interests of GLP are held, directly or indirectly, by family trusts established for the benefit of the family members and friends of principals of GCM and by Partner Holdcos (as defined below); the general partnership interest of GLP is held by Genuity GP Inc. (Genuity GP); GLP's financial year end is December 31;

10. Genuity GP is a corporation formed under the laws of Ontario; Genuity GP was created to act as general partner of GLP and is a wholly-owned subsidiary of GFG Holdpar; Genuity GP's financial year end is December 31;

11. 2054386 Ontario Inc. (2054386) is a corporation formed under the laws of Ontario; 2054386 is a wholly-owned subsidiary of GFG Holdpar; 2054386's financial year end is December 31;

12. Genuity Capital Markets USA Corp. (Genuity USA) is a corporation formed under the laws of Ontario; Genuity USA is a wholly-owned subsidiary of GCM. Genuity USA's financial year end is January 31;

13. Genuity Fund Management Inc. (GFMI) is the mutual fund manager of Genuity Fund Corp., a mutual fund corporation offering redeemable, non-voting, participating shares in different classes and series on a private placement basis to accredited investors; prior to the announcement of the Proposed Acquisition and unrelated to the Proposed Acquisition, an application dated February 10, 2010 was filed with the Ontario Securities Commission requesting approval for the sale of GFMI to an entity 50% owned by Genuity Financial Group II Limited Partnership (GFG II LP) and a letter of no-objection to the sale was received from the Ontario Securities Commission on March 12, 2010; GFMI will be sold by GFG Holdpar on or about March 31, 2010, prior to the closing of the Proposed Acquisition;

14. the registered and head office of each of GCM, GFG Holdpar, GLP, Genuity GP, 2054386 and Genuity USA is located at Scotia Plaza, Suite 4900, 40 King Street West, Toronto, Ontario M5H 3Y2;

15. Genuity is not a reporting issuer (or the equivalent thereof) in any jurisdiction and none of its securities are listed for trading on any stock exchange or other market;

16. GCM is the principal operating entity of the Genuity Entities; Genuity USA conducts the Genuity Entities' U.S. business operations, with certain ancillary operations conducted through 2054386 and GLP (for which Genuity GP acts as general partner); together, GCM, Genuity USA, 2054386, GLP and Genuity GP (the Genuity Opcos) conduct all the business and operations of the Genuity Entities being acquired by the Filer;

17. GFG Holdpar's sole current purpose is to hold direct and indirect equity interests of the Genuity Opcos, and pending regulatory approval of a transfer to be completed prior to closing of the Proposed Acquisition, an interest in GFMI, and it does not have any operations or carry on any business other than the holding of such interests;

18. prior to September 30, 2009, GFG Holdpar also held limited partnership interests in certain limited partnerships that made private equity investments (the Private Equity Business); GFG Holdpar owned the general partners and the manager of the entities that made the private equity investments for the Private Equity Business; GFG Holdpar, together with certain principals of the Genuity business held 5% of the limited partnership interests in the Private Equity Business, and an outside investor owned and continues to own 95% of the limited partnership interests of the Private Equity Business; on September 30, 2009, GFG Holdpar sold its ownership interests in the Private Equity Business to GFG II LP and received limited partnership units of GFG II LP as consideration for the sale; GFG Holdpar distributed all the units of GFG II LP held by it to the partners of GFG Holdpar (each a Partner Holdco, as defined below); each of the Partner Holdcos have either

transferred such units of GFG II LP to an affiliated entity or will, prior to the amalgamations as described in paragraph 24, transfer such units to an affiliated entity;

19. GFG II LP and its subsidiaries, including GFMI (once the transfer of the shares of this regulated entity from GFG to a subsidiary of GFG II LP is completed on or about March 31, 2010, prior to the closing of the Acquisition), are not being acquired as a part of the Proposed Acquisition, and will continue to be held by the holding companies affiliated with the Partner Holdcos referenced in the immediately preceding paragraph;

20. at all relevant times, the Genuity Opcos were under common control or management;

21. Thomas Briant Holdings Inc., Zambezi Capital Corp., Kassie Capital Corporation, Evershed Capital Corporation, Daviau Capital Corporation, R5 Capital Corporation, Merkur Capital Investment Corporation, SMB Capital Corporation, BIG Capital Corporation, Jasa Capital Corporation, Epistle Capital Corporation, Artha Capital Corporation, Alan Polak Capital Corp, Sachin Capital Corporation, Levin Capital Corporation, Fedrock Capital Corporation, Fredette Capital Corporation, Eggertson Capital Corporation, Hirst Capital Corporation, Yip Capital Corporation, Loria Capital Corporation, Shanti Corp, Ashmount Capital Corporation, Melbourne Capital Corporation, SR MacDonald Capital Corporation, Robco Capital Corporation, Wylie Capital Corporation, Darren Hunter Capital Corporation, McBride Capital Corporation, Minas Capital Corporation, Katsiyianis Capital Corporation, Michel Capital Corporation, Bruni Capital Corporation, MacDougall Capital Corporation, Lindner Capital Corporation, Ridpath Capital ULC, Sandmark Capital Corporation, L.O.W. Capital ULC, Mendonca Capital Corporation, Ghose Capital Corporation, Skolnick Capital Corp., Rothschild Capital Corporation, Kristjansen Capital Corporation, Lesiak Capital Corporation, D. Chopra Capital Corporation, Tyerman Capital Corporation, Dechaine Capital Corporation, Payne Investment Corporation, and Bederman Investment Corporation (collectively, together with any holding corporation established to hold individual partner interests in Genuity Opcos prior to closing of the Proposed Acquisition, the Partner Holdcos) were established for the sole purpose of carrying on, as partners, the business of GCM and GFG Holdpar; each individual partner of GCM established such a Partner Holdco;

22. the Partner Holdcos have not historically generally been audited or subject to an auditor review;

The Proposed Acquisition

23. on March 3, 2010, the Filer entered into a definitive agreement (the Acquisition Agreement) in respect of the Proposed Acquisition;

24. under the terms of the Acquisition Agreement, immediately prior to the closing of the Proposed Acquisition, GFG Holdpar will be dissolved and undivided interests in all of its assets (comprised entirely of the partnership units of GCM, shares of Genuity GP and shares of 2054386) will be distributed to the Partner Holdcos, pro rata based on their partnership interests; the Partner Holdcos that are not unlimited liabilities companies will then amalgamate, and the Partner Holdcos that are limited liability companies will amalgamate, resulting in the holding companies Amalco 1 and Amalco 2, respectively;

25. the Proposed Acquisition will be completed, in part, by the Filer acquiring all of the shares of Amalco 1 and Amalco 2 (the Amalco Shares) in consideration for cash and the issuance of 26,500,000 common shares (the Consideration Shares) of the Filer, as well as a subsidiary of the Filer acquiring substantially all of the assets of GLP for cash and the assumption of substantially all of the liabilities of GLP, other than debt owed to its partners; immediately following the closing of the Proposed Acquisition, Amalco 1 and Amalco 2 will be the only holders of partnership units of GCM, shares of Genuity GP and shares of 2054386, providing Filer with 100% direct or indirect ownership of the business of the Genuity Opcos;

26. the steps described in paragraphs 24 and 25 will be undertaken to accommodate a share sale, with the Filer's objective being to indirectly acquire the Genuity Opcos, and it is a condition of closing in favour of the Filer that if any Partner Holdco has any assets other than direct or indirect interests in the Genuity Opcos, such assets must be transferred prior to closing such that its assets will comprise only these interests on closing and will not form a part of the Proposed Acquisition or the individual partner must establish a new Partner Holdco and transfer its interests in the Genuity Opcos to such Partner Holdco;

Financial Statements for Information Circular and BAR

27. the issuance of the Consideration Shares in connection with the Proposed Acquisition will require Shareholder approval and the preparation of the Information Circular;

28. the Proposed Acquisition will constitute a "significant acquisition" of the Filer for the purposes of NI 51-102, as determined in accordance with the tests prescribed by Part 8 of NI 51-102; the Filer will therefore be required to file the BAR under Section 8.2(1) of NI 51-102 in the prescribed form with respect to the Proposed Acquisition;

29. pursuant to Item 14.2 of Form 51-102F5 mandated by Part 9 of NI 51-102, because the Proposed Acquisition will constitute a significant acquisition under which the Consideration Shares will be issued, the Filer will be required to include in the Information Circular, among other things, disclosure (including financial statements) prescribed under securities legislation and described in the form of prospectus "that the entity would be eligible to use prior to sending and filing of the information circular in respect of the significant acquisition";

30. at the time of the closing of the Proposed Acquisition, neither Amalco 1 nor Amalco 2 will hold any assets, except for direct or indirect ownership interests in the Genuity Opcos; further, the Partner Holdcos comprising Amalco 1 and Amalco 2 were established for the sole purpose of carrying on, as partners, the business of Holdpar and GCM and they have no other material assets or business operations, no material expenses or liabilities (except those associated with general administrative matters and the earning of the Partner Holdco's Genuity Opco income; it is a condition of closing in favour of the Filer that all Partner Holdcos must not hold any assets other than direct and indirect interests in the Genuity Opcos, and to the extent any Partner Holdcos currently holds any other such assets, such Partner Holdco may be required to incorporate a new company and transfer its direct and indirect interests in the Genuity Opcos and treat such new company as the Partner Holdco for the purposes of the Proposed Transaction from thereon or transfer such assets from the Partner Holdco prior to closing of the Proposed Acquisition;

31. GFG Holdpar does not hold any assets, except for direct or indirect ownership interests in the Genuity Opcos and GFMI; GFG Holdpar holds certain interests in the entities carrying on the business and operations of the Genuity business and has no material assets or business operations, no material expenses and no material liabilities other than its interests in GCM, 2054386 and Genuity GP and, pending regulatory approval of a transfer to be completed prior to the closing of the Proposed Acquisition, an interest in GFMI;

32. financial statements of GFG Holdpar and the Partner Holdcos would reflect financial results of GFG II LP and the Private Equity Business (which are not being acquired, directly or indirectly, by the Filer) for the period until its transfer in 2009;

33. all revenue producing and operational activities, except (a) those activities specifically attributable to the Private Equity Business and (b) related party activities between GFG Holdpar and Genuity Opcos, occurred within the Genuity Opcos; as a result, the only financial statements that will be of relevance for investors are the financial statements of the Genuity Opcos and the Filer's pro forma financial statements after giving effect to the Proposed Acquisition prepared based upon the financial statements of the Filer and the Genuity Opcos, and not the Partner Holdco Financial Statements or GFG Holdpar Financial Statements; such financial statements of the Genuity Opcos and the Filer's pro forma financial statements after giving effect the Acquisition will provide investors with all necessary disclosure regarding the Filer and the Proposed Acquisition;

34. the Filer proposes that the Information Circular only contain the following financial statements (the Circular Financial Statements):

    (a) audited combined financial statements for the Genuity Opcos, including combined statements of income, retained earnings and cash flows for the 12 months ended January 31, 2008, January 31, 2009 and January 31, 2010, together with a combined balance sheet for the Genuity Opcos as at January 31, 2009 and January 31, 2010;

    (b) *pro forma* income statements of the Filer for (i) the 12 months ended March 31, 2009 (based on the audited combined income statement of the Genuity Opcos for the 12 months ended January 31, 2009 and audited income statement of the Filer for the 12 months ended March 31, 2009), and (ii) the nine months ended December 31, 2009 (based on the financial results of the Genuity Opcos for the 9 months ended October 31, 2009 and financial results of the Filer for the 9 months ended December 31, 2009) (plus *pro forma* earnings per share for such periods), as well as a *pro forma* balance sheet as at December 31, 2009 (based on the balance sheet of the Filer as at December 31, 2009 and the balance sheet of the Genuity Opcos as at October 31, 2009); and

35. the Filer proposes that the BAR only contain the following financial statements (the BAR Financial Statements):

(a) audited combined financial statements for the Genuity Opcos, including combined statements of income, retained earnings and cash flows for the 12 months ended January 31, 2009 and January 31, 2010, together with a combined balance sheet for the Genuity Opcos as at January 31, 2009 and January 31, 2010;

(b) *pro forma* income statements of the Filer for (i) the 12 months ended March 31, 2009 (based on the audited income statement of the Genuity Opcos for the 12 months ended January 31, 2009 and audited income statement of the Filer for the 12 months ended March 31, 2009), and (ii) the nine months ended December 31, 2009 (based on the financial results of the Genuity Opcos for the 9 months ended October 31, 2009 and financial results of the Filer for the 9 months ended December 31, 2009) (plus *pro forma* earnings per share for such periods), as well as a *pro forma* balance sheet as at December 31, 2009 (based on the balance sheet of the Filer as at December 31, 2009 and the balance sheet of the Genuity Opcos as at October 31, 2009).

Decision

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

The decision of the Decision Makers under the Legislation is that:

(a) the Information Circular Requested Relief is granted provided that the Information Circular includes the Circular Financial Statements, and

(b) the BAR Requested Relief is granted provided that the BAR includes the BAR Financial Statements.

Furthermore, the decision of the Decision Makers is that the Confidentiality Sought is granted.

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

2.2 Orders

2.2.1 Shermag Inc. – s. 144

Headnote

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

Applicable Legislative Provisions

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

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

AND

IN THE MATTER OF
SHERMAG INC.

ORDER
(Section 144)

WHEREAS a Director of the Ontario Securities Commission (the "**Commission**") issued a temporary cease trade order dated November 20, 2009 pursuant to paragraphs 2 and 2.1 of subsection 127(1) and subsection 127(5) of the Act, as extended by an order dated December 2, 2009 pursuant to paragraphs 2 and 2.1 of subsection 127(1) and subsection 127(5) of the Act (the "**Ontario CTO**") which provided that all trading of the securities of Shermag Inc. (the "**Applicant**") are subject to a cease trade order;

AND WHEREAS the Applicant has applied to the Commission pursuant to section 144 of the Act for a full revocation of the Ontario CTO;

AND WHEREAS the Applicant has represented to the Commission that:

1. The Applicant is incorporated under the *Companies Act (*Québec) on January 28, 1977 and continued under Part 1A of the *Companies Act* (Québec) on January 30, 1981. Its head office is located in Sherbrooke, Québec.

2. The Applicant is a reporting issuer in the Provinces of Quebec and Ontario.

3. The connecting factor used to identify Quebec as the principal regulator is the location of the Applicant's head office and business operations.

4. Prior to the Reorganization (as defined below), the Applicant's authorized capital consisted of an unlimited number of common shares ("**Common Shares**") and preferred shares ("**Preferred Shares**"), of which 55,015,391 Common Shares and 700,000 Second-ranking Series 1 Preferred Shares were then issued and outstanding.

5. The Preferred Shares have never been listed on an exchange. Trading of the Common Shares on the TSX was halted on May 1st 2009, and the Common Shares were subsequently de-listed on July 31, 2009.

6. The Ontario CTO was issued by the Commission as a result of the Applicant's failure to file the following continuous disclosure materials as required by Ontario securities law:

   a. its audited annual financial statements for the years ended March 31, 2008 and 2009;

   b. management's discussion and analysis relating to audited annual financial statements for the years ended March 31, 2008 and 2009; and

   c. its interim financial statements and related management discussion and analysis for the interim periods ending June 30 2008, September 30, 2008, December 31, 2008 and June 30 2009.

7. The Applicant is also subject to cease trade orders (collectively, the "**Quebec CTO**") issued by the *Autorité des marchés financiers du Québec* (the "**AMF**") dated November 16, 2009 and December 1, 2009.

8. On May 5, 2008 (the "**Filing Date**"), the Applicant and its subsidiaries, Jaymar Furniture Corp., Scierie Montauban Inc., Megabois (1989) Inc., Shermag Corporation and Jaymar Sales Corporation (collectively, the "**Applicants**") applied for and obtained an order (the "**CCAA Order**") of the Quebec Superior Court (the "**Court**") for their protection under the *Companies' Creditors Arrangement Act*, including a general stay of proceedings against the Applicants until June 4, 2008 (the "**Stay Termination Date**").

9. The CCAA Order, *inter alia*, allowed the Applicant to continue operating as it attempted to develop a restructuring plan by staying, as of the Filing Date, substantially all claims against the Applicants, their respective property and assets and their respective directors, officers, agents, contractors and employees.

10. Pursuant to the CCAA Order, the Applicant obtained from the Court an order releasing it from certain obligations, and in particular that of preparing any document related to a potential shareholders' meeting, including the annual

financial statements, management information, circular and annual information form.

11. From June 4, 2008 onwards, the Applicants received successive new orders from the Court, *inter alia*, further extending the Stay Termination Date. The last such order was issued on August 12, 2009, and extended the Stay Termination Date to October 16, 2009.

12. On August 20, 2009, the Applicant filed a restructuring plan (the "**Plan**") before the Court which provided, among other things, that Groupe Bermex Inc. would subscribe for 41,666,667 Common Shares for aggregate consideration consisting of $1,250,000, or $0.03 per Common Share. On September 10, 2009, the creditors of the Applicant approved the Applicant's Plan and the Court sanctioned the Plan on September 15, 2009. The transactions comprising the Plan closed on October 9, 2009 and on October 14, 2009, all the conditions precedent to the closing of the transactions comprising the Plan were met.

13. Following the closing of the transactions comprising the Plan, Groupe Bermex Inc. became the Applicant's controlling shareholder, holding 44,279,567 Common Shares, or 80.5% of the issued and outstanding Common Shares.

14. On February 12, 2010, the Applicant filed the following the following continuous disclosure materials on SEDAR:

    a. its audited annual financial statements for the year ended April 3, 2009 (including audited comparative information for the year ended April 4, 2008);

    b. its management's discussion and analysis relating to audited annual financial statements for the year ended April 3, 2009; and

    c. its interim financial statements and related management discussion and analysis for the interim periods ending July 3, 2009 and October 2, 2009.

15. The Applicant is not in default of any requirements applicable to a reporting issuer under the Act, except for the Applicant's failure to file: (a) its annual information form for the years ended April 4, 2008 and April 3, 2009; (b) its interim financial statements and related interim management's discussion and analysis for the interim periods ended June 30, September 30 and December 31, 2008 as required by National Instrument 51-102 *Continuous Disclosure Obligations*; and (c) the certificates as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* in respect of the filings mentioned in paragraph (b) above.

16. The Applicant's current financial situation is precarious and it is currently operating as a going concern.

17. The Applicant's board of directors are of the opinion that the Applicant's status as a reporting issuer is inappropriate and that a reorganization of the Applicant, leading to the privatization of the Applicant, is necessary and desirable. In addition, such a reorganization would provide otherwise inaccessible liquidity for the holders of Common Shares.

18. On February 26, 2010, the Applicant mailed to its shareholders and filed on SEDAR a management information circular containing prospectus-level disclosure in connection with a proposed reorganization of the Applicant.

19. On March 25, 2010, the AMF granted a partial revocation of the Quebec CTO for the purposes of the Reorganization.

20. On March 25, 2010, the Commission granted a partial revocation of the Ontario CTO for the purposes of the Reorganization.

21. The Applicant held an annual and special shareholders meeting (the "**Meeting**") on March 25, 2010 at which its shareholders approved a corporate reorganization of the Applicant (the "**Reorganization**") comprised of the following transactions:

    a. the adoption of by-law 2010-1 abrogating the authorised share capital of the Applicant, replacing it with a share capital comprising three classes of shares, namely common shares, class A preferred shares and class B preferred shares (the "**Recapitalization**");

    b. the conversion of the presently issued and outstanding Common Shares into class B preferred shares and the presently issued and outstanding Preferred Shares into class A preferred shares (the "**Conversion**");

    c. concurrent with the Recapitalization and Conversion, the subscription by way of private placement of Groupe Bermex Inc. of 100 new common shares of the Applicant for a total subscription price of $100 (the "**Private Placement**"); and

    d. immediately following the Recapitalization, the Conversion and the Private Placement, the repurchase by the Applicant of all the issued and outstanding class B preferred shares at a price of $0.03 per share.

22. The Reorganization constituted a "business combination" within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") for which an exemption existed from the formal valuation requirement as provided for in Section 4.4(1)(a) thereof.

23. At the Meeting, the Applicant obtained the necessary shareholder approval, including "minority approval" (as defined in MI 61-101), of the Reorganization, and following the Meeting, the Applicant completed the Reorganization.

24. Following the Reorganization, the outstanding securities of the Applicant are held by three holders: (a) 100 new common shares are held by Groupe Bermex Inc.; (b) 700,000 class A preferred shares are held by Investissement Québec; and (c) two convertible debentures of the Applicant in the aggregate principal amount of $1,000,000 and $3,000,000, each being convertible into new common shares and preferred shares of the Applicant, are held by Fonds de solidarité des travailleurs du Québec (F.T.Q.).

25. The Ontario CTO and the Quebec CTO remain in effect.

26. The Applicant requests the full revocation of the Ontario CTO and has requested the full revocation the Quebec CTO from the AMF.

27. The Applicant has no intention currently to seek financing by way of a public or private placement in a jurisdiction of Canada.

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

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

30. Except as noted in paragraph 15, the Applicant is up-to-date with its continuous disclosure obligations and has paid all outstanding participation fees, filing fees and late fees associated with those obligations.

31. The Applicant will issue a press release and file a material change report in connection with the revocation of the Ontario CTO.

32. The Applicant has filed an application pursuant to Policy Statement 11-203 *Respecting the Process for Exemptive Relief Applications in Multiple Jurisdictions* to cease to be a reporting issuer in all jurisdictions in which it is currently a reporting issuer.

33. Upon the Applicant being deemed to have ceased to be a reporting issuer under the securities legislation of all provinces, the Applicant will no longer be a reporting issuer in any jurisdiction in Canada.

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

AND UPON the Director being satisfied that the Issuer has remedied its defaults in respect of the filing requirements under the Act;

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

IT IS ORDERED, pursuant to section 144 of the Act, that the Ontario CTO be and is hereby fully revoked.

DATED at Toronto this 21st day of April, 2010.

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

2.2.2 IBK Capital Corp. and William F. White – ss. 127, 127.1

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

AND

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

ORDER
(Sections 127 and 127.1)

WHEREAS on November 12, 2009, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") accompanied by a Statement of Allegations dated November 12, 2009;

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

AND WHEREAS Staff and counsel for the Respondents attended a confidential pre-hearing conference on April 20, 2010;

AND WHEREAS Staff and counsel for the Respondents advised the Commission that they consent to the hearing on the merits in this matter being set down for the week of October 25, 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 hearing on the merits of this matter is scheduled to commence on October 25, 2010 at 10 a.m. and to continue on October 26, 27, 28 and 29, 2010.

DATED at Toronto this 22nd day of April, 2010

"James D. Carnwath"

2.2.3 Coventree Inc. et al. – s. 127

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

AND

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

ORDER
(Section 127)

WHEREAS the Ontario Securities Commission ("the Commission") issued a Notice of Hearing dated December 7, 2009;

AND WHEREAS on January 14, 2010, Staff and counsel for the parties appeared before the Commission and consented to the scheduling of a pre-hearing conference on February 10, 2010;

AND WHEREAS the pre-hearing conferences were held on February 10, 2010, March 3, 2010 and April 20, 2010;

IT IS ORDERED that the matter is adjourned to a hearing panel on April 23, 2010 at 2 p.m. to address issues concerning the scheduling of this matter.

Dated at Toronto, this 22nd day of April, 2010.

"Patrick J. LeSage"

2.2.4 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 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;

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 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 and the Commission ordered, pursuant to subsection 127(8) of the Act, that the Temporary Order be extended until April 30, 2010 and that the matter return before the Commission on April 21, 2010 at 10:00 a.m.;

AND WHEREAS the Commission held a hearing on April 21, 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 a decision is rendered following a hearing on the merits in relation to the matters raised in the Notice of Hearing issued on February 12, 2010 and the accompanying Statement of Allegations.

DATED at Toronto this 21st day of April, 2010

"James E. A. Turner"

2.2.5 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;

AND WHEREAS the Commission held a hearing on February 25, 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 be extended until April 30, 2010 and that the matter return before the Commission on April 21, 2010 at 10:00 a.m.;

AND WHEREAS the Commission held a hearing on April 21, 2010 to consider the extension of the Temporary Order, where counsel for Staff and counsel for the Respondents appeared and counsel for the Respondents advised the Commission that the Respondents do not oppose the extension of the Temporary Order until a decision is rendered following a hearing on the merits;

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 a decision is rendered following a hearing on the merits in relation to the matters raised in the Notice of Hearing issued on February 12, 2010 and the accompanying Statement of Allegations.

Dated at Toronto this 21st day of April, 2010

"James E. A. Turner"

2.2.6 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 on February 25, 2010, the Commission ordered that a confidential pre-hearing conference take place on April 21, 2010;

AND WHEREAS Staff, counsel for Tulsiani Investments Inc. and Sunil Tulsiani, and counsel for Ravinder Tulsiani attended at a confidential pre-hearing conference on April 21, 2010, no one appearing on behalf of Maple Leaf Investment Fund Corp. or Joe Henry Chau, although notified of the pre-hearing conference;

AND WHEREAS Staff and counsel for Ravinder Tulsiani advised the Commission that they consented to the hearing on the merits in this matter being set down for the week of September 7, 2010 and counsel for Tulsiani Investments Inc. and Sunil Tulsiani advised the Commission that they did not oppose this request;

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

IT IS ORDERED that the hearing of this matter on the merits is scheduled to commence on September 7, 2010 at 10 a.m. and to continue on September 8, 9 and 10, 2010.

Dated at Toronto this 21st day of April, 2010

"James E. A. Turner"

2.2.7 Ciccone Group et al. – ss. 127(1), 127(5)

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

AN

IN THE MATTER OF
CICCONE GROUP, MEDRA CORPORATION, 990509 ONTARIO INC., TADD FINANCIAL INC., CACHET WEALTH MANAGEMENT INC., VINCE CICCONE, DARRYL BRUBACHER, ANDREW J. MARTIN., STEVE HANEY, KLAUDIUSZ MALINOWSKI AND BEN GIANGROSSO

TEMPORARY ORDER
Sections 127(1) & 127(5)

WHEREAS it appears to the Ontario Securities Commission (the "Commission") that:

1. 990509 Ontario Inc. ("990509") is a corporation registered in the Province of Ontario;

2. Medra Corporation ("Medra") is a corporation with a business address in the Province of Ontario;

3. Ciccone Group ("Ciccone Group") is a group of companies with a business address in the Province of Ontario;

4. Cachet Wealth Management Inc. ("Cachet") is a corporation registered in the Province of Ontario;

5. Tadd Financial Inc. ("Tadd") is a corporation registered in the Province of Ontario;

6. 990509, Medra, Ciccone Group, Cachet and Tadd (together, the "Corporate Respondents") are not registered with the Commission in any capacity;

7. 990509 and Medra are not reporting issuers;

8. Vince Ciccone ("Ciccone") is the sole director of 990509;

9. Klaudiusz Malinowski ("Malinowski") is the sole director of Cachet and has identified himself as an agent working for Ciccone;

10. Darryl Brubacher ("Brubacher") is a director of Tadd and has solicited residents of the Province of Ontario to invest in promissory note of 990509 and also private placement of Medra;

11. Andrew J. Martin ("Martin") is a director of Tadd and works with Ciccone and has solicited residents of the Province of Ontario to invest in private placement of Medra;

12. Steve Haney ("Haney") has solicited residents of the Province of Ontario to invest in private placement of Medra;

13. Ben Giangrosso ("Giangrosso") is both a partner and a director of sales with Ciccone and has solicited residents of the Province of Ontario to invest in Medra;

14. Ciccone, Brubacher, Martin, Haney, Malinowski and Giangrosso (together, the "Individual Respondents") are not registered with the Commission in any capacity;

15. the Individual Respondents have been soliciting investors to provide funds to Medra and 990509 for investment;

16. Ontario investors have, in fact, provided funds to Medra for the purchase of private placement shares and to 990509 for the purchase of promissory notes;

17. both the Corporate and Individual Respondents have participated in the distribution of securities in Medra and 990509 for which no preliminary prospectus or prospectus has been filed and no receipt has been issued by the Director and for which no exemptions from the prospectus requirements apply;

18. Staff of the Commission are conducting an investigation into the activities of the Individual Respondents, 990509, Medra, Tadd, Cachet and Ciccone Group;

19. The Commission is of the opinion that the time required to conclude a hearing could be prejudicial to the public interest as the sales of securities continue; and

20. The Commission is of the opinion that it is in the public interest to make this order;

AND WHEREAS By Commission Order made September 8, 2009, pursuant to subsection 3.5(3) of the Act, each of W. David Wilson, James E. A. Turner, David L. Knight, Carol S. Perry, Patrick J. LeSage, James D. Carnwath and Mary G. Condon, acting alone, is authorized to make orders under section 127 of the Act.

IT IS ORDERED pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Act that all trading in any securities by Ciccone Group, 990509, Medra, Cachet, Tadd or their agents or employees shall cease;

IT IS FURTHER ORDERED pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Act that all trading in the securities of 990509 and Medra shall cease;

IT IS FURTHER ORDERED pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Act that all trading in any securities by Ciccone, Malinowski, Brubacher, Haney, Martin and Giangrosso shall cease;

IT IS FURTHER ORDERED pursuant to clause 3 of subsection 127(1) and subsection 127(5) of the Act that the exemptions contained in Ontario securities law do not apply to Ciccone Group, Medra, Cachet and Tadd or their agents or employees;

IT IS FURTHER ORDERED pursuant to clause 3 of subsection 127(1) and subsection 127(5) of the Act that the exemptions contained in Ontario securities law do not apply to Ciccone, Malinowski, Brubacher, Haney, Martin, Allarde and Giangrosso; and

IT IS FURTHER ORDERED pursuant to subsection 127(6) of the Act that this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission.

Dated at Toronto this 21st day of April, 2010

"David Wilson"

2.2.8 Research Affiliates, LLC – s. 147

Headnote

Exemption pursuant to section 147 of the Securities Act (Ontario) – Exemption from the requirement in section 139 of Regulation 1015 made pursuant to the Securities Act (Ontario) that the Applicant deliver its audited annual financial statements to the Commission by no later than 90 days following the fiscal year end.

Statute Cited

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

Regulation Cited

R.R.O. 1990, Regulation 1015, am. to O. Reg. 500/06, s. 139.

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

AND

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

AND

IN THE MATTER OF
RESEARCH AFFILIATES, LLC

ORDER
(Section 147 of the Act)

UPON the application (the **Application**) of Research Affiliates, LLC (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for an order, pursuant to section 147 of the Act, for an exemption from the requirement in section 139 of the Regulation that the Applicant deliver its annual audited financial statements to the Commission no later than 90 days following the end of its financial year (the **Filing Requirement**), provided that the Applicant files its annual financial statements with the Commission within 140 days after the end of its 2008 financial year;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a limited liability company organized under the laws of the state of California, in the United States. The head office of the Applicant is located in Newport Beach, California, United States.

2. The Applicant is registered with the United States Securities and Exchange Commission as an investment adviser. In the United States, the Applicant is in the business of advising customers through discretionary authority.

3. The Applicant is registered with the Commission as a non-Canadian adviser in the categories of investment counsel and portfolio manager. In Canada, the Applicant is in the business of advising customers through discretionary authority.

4. The Applicant is a non-resident of Canada, and does not maintain a business office anywhere in Canada from which it provides advice or maintains financial records.

5. The Applicant does not currently have any advisory clients in Ontario, and has not had any since obtaining its registration.

6. The Applicant is the sole member of the general partner of nine hedge funds (the **Hedge Funds**). Under United States generally accepted accounting principles (**US GAAP**), as the general partner, the Applicant is deemed to have control of the Hedge Funds. US GAAP requires the Applicant to consolidate the financial statements of the general partner and the Hedge Funds into the Applicant's financial statements.

7. To accomplish the consolidation of the financial statements of the Hedge Funds into the Applicant's financial statements, the independent certified public accountants of the Applicant must first complete an audit of the financial statements for each of the Hedge Funds.

8. In 2008, the Applicant missed the deadline to file its 2007 financial statements no later than 90 days following the end of its financial year (the **2007 Filing Deadline**). As a result terms and conditions were applied to the Applicant's registration. Since missing the 2007 Filing Deadline, the Applicant has undertaken a number of steps to rectify the problem that led to its failure to meet the Filing Requirement, including, among other things, an overhaul of its auditing and accounting systems. This involved the retention of new auditors for all of the Applicant's affiliated entities including the Hedge Funds, its management company and its parent company (collectively, the **Affiliated Entities**), and the implementation of a new accounting software system. The Applicant has committed approximately one million United States dollars to ensure it meets the Filing Requirement.

9. As a result of the amount of time invested to overhaul its accounting process in order to meet the Filing Deadline, the Applicant's auditors finds it unduly onerous to consolidate the Applicant's

audited financial statements for the period ended December 31, 2008 (the **2008 Financial Statements**) in time to meet the Filing Requirement.

10. The events that are the cause of this delay were disclosed to the Commission on March, 3, 2009.

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

IT IS ORDERED pursuant to section 147 of the Act that the provisions of section 139 of the Regulation shall not apply to the Applicant provided that the Applicant file its 2008 Financial Statements with the Commission no later than 140 days after the end of its financial year.

May 5, 2009.

"Suresh Thakrar"
Commissioner
Ontario Securities Commission

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

2.2.9 Coventree Inc. et al. – s. 127

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

AND

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

ORDER
(Section 127)

WHEREAS the Ontario Securities Commission ("the Commission") issued a Notice of Hearing dated December 7, 2009;

AND WHEREAS on January 14, 2010, Staff and counsel for the parties appeared before the Commission and consented to the scheduling of a pre-hearing conference on February 10, 2010;

AND WHEREAS the pre-hearing conferences were held on February 10, 2010, March 3, 2010 and April 20, 2010;

AND WHEREAS the April 20, 2010 pre-hearing conference was adjourned to a hearing panel on April 23, 2010 at 2 p.m. to address issues concerning the scheduling of this matter;

IT IS ORDERED that the hearing on the merits shall commence on May 12, 2010 at 10:00 a.m. at the offices of the Commission, 20 Queen Street West, 17th floor, Toronto.

Dated at Toronto, this 23rd day of April, 2010.

"James E. A. Turner"

"Mary Condon"

"Paulette Kennedy"

2.2.10 QuantFX Asset Management Inc. et al. – ss. 127(7), 127(8)

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

AND

IN THE MATTER OF
QUANTFX ASSET MANAGEMENT INC.,
VADIM TSATSKIN, LUCIEN SHTROMVASER AND
ROSTISLAV ZEMLINSKY

ORDER
(Subsections 127(7) and 127(8))

WHEREAS on April 9, 2010, the Ontario Securities Commission (the "Commission") issued a temporary order pursuant to sections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") ordering the following (the "Temporary Order"):

(i) that QuantFX Asset Management Inc. ("QuantFX"), Vadim Tsatskin ("Tsatskin"), Lucien Shtromvaser ("Shtromvaser") and Rostislav Zemlinsky ("Zemlinksy"), collectively the "Respondents", cease trading in all securities; and

(ii) that any exemptions contained in Ontario securities law do not apply to the Respondents;

AND WHEREAS, on April 9, 2010, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS on April 13, 2010, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on April 23, 2010 at 12 noon (the "Notice of Hearing");

AND WHEREAS on April 23, 2010, a Hearing was held before the Commission where counsel for Staff of the Commission ("Staff") attended but counsel for the Respondents did not attend;

AND WHEREAS on April 23, 2010, the Commission was satisfied that Staff had properly served the Respondents with copies of the Temporary Order, the Notice of Hearing, and the Evidence Brief of Staff with respect to this Hearing;

AND WHEREAS on April 23, 2010, Staff provided the Commission with correspondence from counsel for the Respondents, as evidenced by the Affidavit of Eden Williams, sworn on April 23, 2010, and filed with the Commission, wherein the Respondents consented to the adjournment of the extension of the Temporary Order as proposed by counsel for Staff;

AND WHEREAS on April 23, 2010, the Commission considered the evidence and submissions before it and the Commission was of the opinion that, in the absence of a continuing cease-trade order, the length of time required to conclude a hearing could be prejudicial to the public interest; and, it was in the public interest to extend the Temporary Order;

IT IS HEREBY ORDERED, pursuant to subsections 127 (7) and (8) of the Act that the Temporary Order is extended to October 14, 2010; and,

IT IS FURTHER ORDERED that the Hearing is adjourned to October 13, 2010, at 10:30 a.m.

DATED at Toronto this 23rd day of April, 2010.

"Carol S. Perry"

2.2.11 Agoracom Investor Relations Corp. et al.

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

AND

IN THE MATTER OF
AGORACOM INVESTOR RELATIONS CORP.,
AGORA INTERNATIONAL ENTERPRISES CORP.,
GEORGE TSIOLIS AND APOSTOLIS KONDAKOS
(a.k.a. PAUL KONDAKOS)

ORDER

WHEREAS on April 1, 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 April 26, 2010;

AND WHEREAS the Respondents were served with the Notice of Hearing and Statement of Allegations dated April 1, 2010 on April 1, 2010;

AND WHEREAS at a hearing on April 26, 2010, counsel for Staff and counsel for the Respondents consented to the scheduling of a confidential pre-hearing conference on July 7, 2010 at 10:00 a.m.;

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

IT IS ORDERED that a confidential pre-hearing conference shall take place on July 7, 2010 at 10:00 a.m.

Dated at Toronto this 26th day of April, 2010

"James E. A. Turner"

2.2.12 Chartcandle Investments Corporation et al. – ss. 127, 127.1

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

AND

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

ORDER
(sections 127 and 127.1)

WHEREAS on February 17, 2010, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the "Act"), accompanied by Staff's Statement of Allegations, in relation to the Respondents, Chartcandle Investments Corporation ("Chartcandle Corp."), CCI Financial, LLC ("CCI Financial"), Chartcandle Inc., PSST Global Corporation ("PSST Global"), Stephen Michael Chesnowitz ("Chesnowitz") and Charles Pauly ("Pauly");

AND WHEREAS the Respondent Pauly entered into a Settlement Agreement with Staff of the Commission ("Staff") dated April 26, 2010 (the "Settlement Agreement") in which Pauly agreed to a settlement of the proceedings commenced by the Notice of Hearing dated February 17, 2010, subject to the approval of the Commission;

AND WHEREAS the Respondent Pauly acknowledges that the facts set out in Part III of the Settlement Agreement constituted conduct contrary to Ontario securities law and the public interest;

AND UPON reviewing the Settlement Agreement and Staff's Statement of Allegations, and upon hearing submissions from counsel for Staff and from Pauly;

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 Settlement Agreement is approved;

(2) Pauly shall cease trading in all securities for a period of 10 years, except for trading in securities for the account of his registered retirement savings plans (as defined in the *Income Tax Act* (Canada)) in which he and/or his spouse have sole legal and beneficial ownership, provided that:

(i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer;

(ii) he does not own legally or beneficially (in the aggregate, together with his spouse) more than one percent of the outstanding securities of the class or series of the class in question;

(iii) he carries out any permitted trading through a registered dealer (which dealer must be given a copy of this order) and through accounts opened in his name only; and

(iv) he shall provide Staff with the particulars of the accounts (before any trading in the accounts under this order occurs) including the name of the registered dealer through which the trading will occur and the account numbers, and he shall instruct the registered dealer to provide copies of all trade confirmation notices with respect to the accounts directly to Staff at the same time that such notices are provided to him;

(3) Pauly shall cease acquisitions of all securities for a period of 10 years, except for the acquisition of securities for the account of his registered retirement savings plans (as defined in the *Income Tax Act* (Canada)) in which he and/or his spouse have sole legal and beneficial ownership, provided that:

(i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer;

(ii) he does not own legally or beneficially (in the aggregate, together with his spouse) more than one percent of the outstanding securities of the class or series of the class in question;

(iii) he carries out any permitted trading through a registered dealer (which dealer must be given a copy of this order) and through accounts opened in his name only; and

(iv) he shall provide Staff with the particulars of the accounts (before any trading in the accounts under this order occurs) including the name of the registered dealer through which the trading will occur and the account numbers, and he shall instruct the registered dealer to provide copies of all trade confirmation notices with respect to the accounts directly to Staff at the same time that such notices are provided to him;

(4) Pauly shall be reprimanded;

(5) any exemptions in Ontario securities law do not apply to Pauly for a period of 10 years;

(6) Pauly is prohibited from becoming an officer or director of an issuer permanently;

(7) Pauly is prohibited from becoming an officer or director of a registrant permanently;

(8) Pauly is prohibited from becoming an officer or director of an investment fund manager permanently;

(9) Pauly is prohibited from becoming a registrant, investment fund manager, or promoter permanently; and

(10) Pauly shall disgorge to the Commission $60,000 obtained as a result of his non- compliance with Ontario securities law for allocation to or for the benefit of third parties.

DATED at Toronto this 26th day of April, 2010.

“James Turner”

“Paulette L. Kennedy”

2.2.13 Hillcorp International Services et al.

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

AND

IN THE MATTER OF
HILLCORP INTERNATIONAL SERVICES,
HILLCORP WEALTH MANAGEMENT,
SUNCORP HOLDINGS, 1621852 ONTARIO LIMITED,
STEVEN JOHN HILL, DARYL RENNEBERG AND
DANNY DE MELO

ORDER

WHEREAS on July 21, 2009 the Ontario Securities Commission (the "Commission") issued a temporary cease trade order against the Respondents in this matter (the "Temporary Order"), including Daryl Renneberg ("Renneberg");

AND WHEREAS Renneberg entered into a Settlement Agreement with Staff of the Commission ("Staff") dated April 23, 2010 (the "Settlement Agreement"), a copy of which is attached as Schedule "A" to this Order, in which he agreed to a settlement of the proceeding commenced by the Temporary Order, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement, and upon hearing submissions from counsel for Staff and for Renneberg;

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 Settlement Agreement is approved;

2. Renneberg is reprimanded; and

3. trading in any securities by Renneberg shall cease for a period of 2 years commencing on the date of this Order, with the exception that Renneberg may trade in certain securities for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada)), provided that:

    i. the securities consist only of securities that are listed and posted for trading on the Toronto Stock Exchange or the New York Stock Exchange (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer; and

    ii. Renneberg must trade only through a registered dealer and through accounts opened in his name only and must immediately close any trading accounts that were not opened in his name only.

Dated at Toronto this 27th day of April, 2010

"James E. A. Turner"

"Sinan O. Akdeniz"

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Investment Industry Regulatory Organization of Canada v. Julius Caesar Phillip Vitug

IN THE MATTER OF
AN APPLICATION FOR A HEARING AND REVIEW
OF A DECISION OF THE ONTARIO DISTRICT COUNCIL OF THE
INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA
PURSUANT TO SECTIONS 8 AND 21.7 OF THE
SECURITIES ACT, R.S.O. 1990, c. S.5, AS AMENDED

AND

IN THE MATTER OF
DISCIPLINE PROCEEDINGS PURSUANT TO DEALER MEMBER RULE 20 OF THE
INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

BETWEEN

STAFF OF THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

AND

JULIUS CAESAR PHILLIP VITUG

REASONS AND DECISION

Hearing:	July 20, 2009		
Decision:	April 23, 2010		
Panel:	Mary G. Condon	–	Commissioner (Chair of the Panel)
	Paulette L. Kennedy	–	Commissioner
Counsel:	Alistair Crawley Jocelyn Loosemore	–	for Julius Caesar Phillip Vitug
	Natalija Popovic Tamara Brooks	–	for Staff of the Investment Industry Regulatory Organization of Canada
	Jonathon T. Feasby	–	for Staff of the Ontario Securities Commission

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REASONS AND DECISION

I. BACKGROUND

A. Introduction

[1] On July 20, 2009, a hearing was held before the Ontario Securities Commission (the "Commission") to consider an application dated May 1, 2009 (the "Application") brought by Julius Caesar Phillip Vitug (the "Applicant") for a hearing and review of the decision of a hearing panel of the Ontario District Council (the "District Council") of the Investment Industry Regulatory Organization of Canada ("IIROC") dated March 31, 2009 (the "Decision"). These are our Reasons and Decision relating to the Application.

[2] This proceeding is a hearing and review of the Decision and not an appeal. Although there have been changes to IIROC's adjudicative process which eliminated its internal appeal process, the Commission's jurisdiction remains unchanged. This application for a hearing and review is heard pursuant to sections 8 and 21.7 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act").

[3] In its Decision, the District Council found that the Applicant engaged in conduct unbecoming or detrimental to the public interest because of an undisclosed financial interest in client accounts and undisclosed financial dealings in those accounts, in violation of IIROC By-law 29.1.

[4] The Applicant is seeking an order setting aside the Decision and dismissing the proceeding against him on the grounds that the District Council made serious and pervasive errors in its Decision. We discuss below the alleged errors by the District Council set out in the Application.

B. The Application

[5] The Applicant argues that the District Council made several serious findings against him that are entirely unsupported by the evidence. The Applicant submits that the allegations set out in the notice of hearing issued by IIROC were not proven under the applicable standard of proof. He alleges that the Decision contains other significant problems that are indicative of an attempt to overlook or compensate for the deficiencies in the case brought against him. These allegations are set out in detail below at paragraph 14.

[6] IIROC submits that the Decision is fair and reasonable, having sufficient explanation, transparency and intelligibility. According to IIROC, the District Council carefully considered the evidence and gave appropriate weight to it in light of all the circumstances.

[7] IIROC submits that the Commission should defer to the factual determinations of a recognized self–regulatory organization ("SRO") such as IIROC because these determinations are made within its area of specialized competence. It contends that the circumstances of this Decision do not warrant interference by the Commission.

[8] Accordingly, we have to consider the scope of review of an IIROC decision by the Commission and whether this Decision of the District Council requires our intervention.

C. The District Council Hearing and Decision

[9] IIROC, formerly the Investment Dealers Association (the "IDA"), made allegations in a Notice of Hearing dated September 3, 2008 that the Applicant engaged in business conduct or practice that was unbecoming or detrimental to the public interest contrary to IDA By-law 29.1 (the "Notice of Hearing"). The Notice of Hearing alleged that he had an "undisclosed financial interest and undisclosed financial dealings in accounts, including accounts held at another member firm, of two of his clients". These clients are the Applicant's aunt ("EB") and father–in–law ("DT").

[10] The matter was heard on February 23, 25 and 26, 2009 before the District Council. IIROC Staff called one witness, an IIROC investigator who referred to documents and five exhibits introduced into the record by IIROC Staff. The Applicant called no witnesses, but filed an affidavit of DT and two exhibits comprising documents that had been provided to the Applicant through the disclosure process.

[11] Written closing arguments were submitted following the IIROC hearing. The District Council declined the Applicant's request to make oral submissions. The reasons and decision on the merits were dated March 31, 2009 and were released on April 8, 2009.

[12] In its Decision, the District Council found the Applicant liable in respect of the following charge, alleged in the Notice of Hearing at page 2:

> In or about April 2003 to August 2005 the Respondent engaged in business conduct or practice which is unbecoming or detrimental to the public interest in that he had an undisclosed financial interest and undisclosed financial dealings in accounts, including accounts held at another member firm, of two of his clients, in violation of IDA By-law 29.1.

[13] The District Council also dismissed a preliminary motion for a stay of proceedings in which the Applicant alleged an abuse of process. The District Council found that the Applicant had not satisfied it that a stay was warranted in this case. A request in the alternative that certain transcripts of interviews of the Applicant be excluded was also denied. This issue is discussed in more detail below at paragraphs 71–75.

II. ERRORS ALLEGED BY THE APPLICANT

[14] The Applicant submits that the District Council made the following errors that should be addressed in this hearing and review:

(a) The District Council failed to deliver reasons that adequately explain how it arrived at its Decision;

(b) The District Council made material findings against the Applicant on issues that were not properly pleaded in the Notice of Hearing and were not part of the "charge" that the Applicant had to respond to;

(c) The District Council made numerous errors in its treatment of the evidence including,

  i. making an adverse finding of credibility against the Applicant based on a manifestly inadequate evidentiary record;

  ii. relying on the erroneous adverse finding of credibility to make important factual determinations that were adverse to the Applicant;

  iii. mischaracterizing or disregarding evidence that was contrary to findings made by the District Council, including unchallenged affidavit evidence; and

  iv. making findings of fact that were entirely unsupported by the evidentiary record;

(d) In making its findings of fact, including the findings that fall within the categories of erroneous findings outlined above, the District Council failed to apply the required standard of proof; and

(e) The District Council erred in admitting into the record the interview transcripts of the Applicant that a prior decision of the District Council had determined could not be relied on (the "Impugned Interview Transcripts"). This error was compounded by the failure to deliver adequate reasons for the Decision. Notwithstanding the statement in the Decision at paragraph 42 that they "did not need to rely on the evidence from the respondent in the transcripts in question", it is clear that the District Council was influenced by the evidence in the Impugned Interview Transcripts and that it affected their decision.

III. THE ISSUES

[15] In considering the Application, we address the following issues:

1. What is the Commission's jurisdiction to intervene in this matter?

2. What is the appropriate standard of review under section 21.7 of the Act?

3. Does this Application satisfy any of the grounds upon which the Commission may intervene in a decision?

4. If there are grounds to intervene in the Decision, what is the appropriate remedy in the circumstances?

IV. SUBMISSIONS OF THE PARTIES

A. The Applicant

[16] The Applicant submits that the District Council's Decision contains serious and pervasive errors which call for a hearing and review by the Commission.

[17] According to the Applicant, the majority of the facts were not in issue at the hearing before the District Council. His concern is that speculative inferences were drawn from the facts by the District Council. The Applicant does not deny his financial dealings with EB and DT, but objects to any inferences of wrongdoing drawn from these dealings. He characterizes the substance of the allegations as an issue of firm compliance, rather than an issue to be addressed by IIROC under By-law 29.1.

[18] The Applicant argues that the District Council failed to deliver proper reasons in its Decision which set out and reflect consideration of the main relevant factors. Instead, he contends that the Decision is mostly expressed in terms of bald findings and conclusions. Where the District Council made reference to the evidence underlying these particular findings, the Applicant submits that errors in the treatment of the evidence are apparent.

[19] The Applicant submits that the District Council accepted IIROC Staff's invitation to go beyond the charge of having an undisclosed interest in client accounts to find that the Applicant engaged in serious intentional conduct, including acting deceitfully, concealing matters from his member firm and evading scrutiny. He submits that these findings should not have been made since they were not specifically alleged in the Notice of Hearing. He alleges that the District Council denied him his right to reasonable notice by making findings of culpability on matters that were not pleaded in the Notice of Hearing, which he contends is a breach of natural justice and procedural fairness.

[20] The Applicant also claims that he did not receive timely disclosure of material that IIROC Staff relied on regarding industry standards and policies.

[21] He submits that, given the seriousness of the consequences he is facing, the District Council should have undertaken a thorough review of the evidence upon which it relied and the inferences it drew to conclude that the Applicant engaged in business conduct or practice that is unbecoming or detrimental to the public interest. The Applicant submits that the material findings against him cannot be supported by the evidentiary record.

[22] The Applicant submits that the District Council's finding at paragraph 95 of the Decision that he had "little regard for the truth" is an adverse finding of credibility against him that permeated the Decision and affected the interpretation of the evidence. The Applicant submits that the District Council clearly misapprehended the evidence and improperly made its own handwriting assessment regarding signatures of EB.

[23] Further, the Applicant contends that this adverse credibility finding led to other material findings against him, such as disbelieving his evidence on the existence of a loan.

[24] The Applicant alleges that the District Council mischaracterized and disregarded parts of DT's affidavit regarding his account at Standard Securities Capital Corporation ("SSCC"), finding that the Applicant effectively managed the account. He submits that since it was unchallenged affidavit evidence, there was no basis for the rejection of this evidence on issues that could have been addressed through cross–examination by IIROC Staff or questions from the panel.

[25] In addition to the above, the Applicant also contends that the District Council made significant findings that were unsupported by the evidence before it. These findings concern DT's account, findings that the Applicant acted intentionally and deceitfully for his own benefit and findings that his conduct created a conflict of interest. The Applicant submits that the finding of a conflict of interest was a new allegation not covered in the Notice of Hearing.

[26] Although he does not deny that the District Council correctly identified the standard of proof as being one of clear and convincing evidence, the Applicant submits that there should have also been reference to how findings of fact meet the standard of proof. He alleges that a meaningful articulation of how the factual findings were made in accordance with the required standard of proof is absent from the Decision.

[27] The District Council admitted into evidence the transcripts of two interviews that a prior District Council decision had determined could not be relied upon to support a charge of a breach of By-law 29.1. Although the Decision states that evidence from the transcripts was not relied on, the Applicant submits that the District Council was influenced by those transcripts in its analysis. It is the Applicant's position that the District Council erred in admitting these transcripts into evidence.

B. IIROC

[28] IIROC submits that the Application is without merit and that Commission should defer to the District Council's discretionary decisions and to the factual determinations central to its specialized competence. IIROC submits that the Decision provided reasons that were sufficiently detailed to demonstrate that the applicable legal principles and the relevant evidence were properly considered.

[29] IIROC contends that the District Council's reasons for denying the stay for abuse of process show that it weighed the appropriate administrative law principles. On the issue of the District Council's refusal to exclude transcripts from evidence, IIROC submits that the District Council clearly indicated that it did not rely on the transcript evidence when making its decision, basing its findings on other evidence. It submits that it is reasonable to conclude that the District Council reasonably considered the relevant issues when it refused to grant a stay.

[30] Contrary to the Applicant's submissions, IIROC contends that the Notice of Hearing was sufficiently particularized to provide the Applicant with natural justice and procedural fairness. IIROC submits that the Notice of Hearing clearly identified the factual allegations and the evidence in support of them, giving the Applicant notice of the case that was being put against him and affording him the opportunity to make full answer and defence.

[31] IIROC submits that not only did the District Council clearly and correctly state the standard of proof as being founded on clear and convincing proof based on cogent evidence, but they also applied this standard correctly. IIROC refers to the analysis of the evidence which applies the standard of proof described earlier in the Decision. It submits that it is reasonable to conclude that the District Council considered the enumerated evidence to have met the required standard.

[32] IIROC also contends that there was no breach of natural justice or procedural fairness from a lack of timely disclosure. It submits that there is no evidence that the Applicant suffered any prejudice from the timing of disclosure of material outlining industry standards and policies, and that counsel for the Applicant did not object or request an adjournment for this reason at the IIROC hearing.

[33] IIROC submits that it is clear from the Decision that the District Council established the underlying elements of the charge of conduct unbecoming in an organized and logical manner. It contends that the evidence considered by the District Council demonstrates that the Applicant's conduct went beyond a member firm compliance issue and amounted to a breach of By-law 29.1.

[34] It is IIROC's position that the conflict of interest that resulted from the Applicant's conduct is the consequence or corollary of his actions, and not a separate allegation.

[35] IIROC refers to comments made by the District Council and contends that they arrived at the Decision after considering all the evidence in its totality. IIROC notes that there is no requirement that every piece of evidence considered by the District Council be identified in the Decision, but that it was sufficient for it to highlight the most compelling evidence, particularly as the facts were not in dispute in this case.

[36] IIROC disagrees with the Applicant's assertion that the District Council made a determination regarding the Applicant's credibility when it did not believe his assertions regarding loan arrangements. IIROC contends that the District Council's finding regarding the loan arrangement was not based on any finding of credibility and that it could conclude that the Applicant had a financial interest in EB's account, regardless of whether or not there was a loan.

[37] IIROC submits that the District Council enumerated its findings indicating that the Applicant benefitted personally while concealing information. This behaviour constituted blameworthy conduct that amounts to conduct unbecoming under By-law 29.1.

[38] IIROC claims that the Decision was based upon a review of all of the evidence before the District Council and was reasonable as a whole. It contends that the Decision was sufficient to inform the Applicant of why the issues were decided against him and to enable him to bring an appeal.

C. Staff

[39] Staff filed a factum to provide assistance to the Commission regarding the appropriate scope of review of a decision of the District Council.

[40] Staff takes no position on the facts of the case nor on whether the District Council's Decision meets any of the required grounds for review.

V. ANALYSIS OF THE ISSUES

A. The Law

1. Jurisdiction to Intervene

[41] The Commission has the discretion to set aside the Decision of the District Council and to dismiss the proceeding against the Applicant. Section 21.7 of the Act empowers the Commission to hold a hearing and review of a direction, decision, order or ruling of an SRO such as IIROC. It states:

> **21.7 (1) Review of decisions** – The Executive Director or a person or company directly affected by, or by the administration of, a direction, decision, order or ruling made under a By-law, rule, regulation, policy, procedure, interpretation or practice of a recognized stock exchange, recognized self–regulatory organization, recognized quotation and trade reporting system or recognized clearing agency may apply to the Commission for a hearing and review of the direction, decision, order or ruling.
>
> **(2) Procedure** – Section 8 applies to the hearing and review of the direction, decision, order or ruling in the same manner as it applies to a hearing and review of a decision of the Director.

[42] Subsection 8(3) of the Act provides that, upon a hearing and review, the Commission may confirm the decision or make such other decision as it considers proper. It states:

> **8(3) Power on review** – Upon a hearing and review, the Commission may by order confirm the decision under review or make such other decision as the Commission considers proper.

2. Standard of Review and Grounds for Intervention

[43] In a section 21.7 hearing and review, the Commission exercises a form of original jurisdiction akin to a trial de novo. It does not serve a more limited appellate function:

> … The hearing and review is treated much like a trial *de novo* where the panel may admit new evidence as well as review the earlier proceedings and the applicant does not have the onus of showing that the District Council was in error in making the decision that is the subject of the application. See *Security Trading Inc. and the Toronto Stock Exchange* (1994), 17 O.S.C.B. 6097 at 6105 and *Re Security Trading Inc.*, [1995] T.S.E.D.D. No.2; *Picard and Fleming – Brokers*, November (1953), O.S.C.B. 14; *BioCapital Biotechnology and Healthcare Fund and BioCapital Mutual Fund Management Inc.* (2001), 24 O.S.C.B. 2659 at 2662.
>
> In this regard, a hearing and review may be considered broader in scope than an appeal, which is usually limited to determining whether there has been an error in law or a rule of natural justice has been contravened. See *Re C. Cole & Co Ltd., Coles Book Stores Ltd. and Cole's Sporting Goods Ltd.*, [1965] 1 O.R. 331; affirmed [1965] 2 O.R. 243 (C.A).
>
> (*Investment Dealers Assn. of Canada v. Boulieris* (2004), 27 O.S.C.B. 1597 (aff'd [2005] O.J. No. 1984 (Div. Ct.)) ("*Boulieris*") at paras. 29-30.)

[44] Although the scope of a hearing and review may be broad, previous cases have established that there is a high threshold to meet in demonstrating that a decision of an SRO should be overturned. (*Re Shambleau* (2002), 25 O.S.C.B. 1850, at 1852 ("*Shambleau*") aff'd *Shambleau v. Ontario (Securities Commission)* (2003), 26 O.S.C.B. 1629 (Ont. Div. Ct.); and *Hudbay Minerals Inc.* (2009), 32 O.S.C.B. 3733 ("*Hudbay*")).

[45] Deference to a decision made by an SRO will be afforded when that SRO is interpreting and applying its own by-laws because of its specialized expertise (*Shambleau*, *supra*). In particular, deference will be owed to factual determinations made by an SRO. The Commission recognizes that the SROs are uniquely positioned to hear the facts and decide a case based on their expertise.

[46] The Commission will not generally substitute its own view of the evidence for that taken by the hearing panel on the basis that it might have come to a different conclusion. In *Hudbay*, a review of a decision of the Toronto Stock Exchange, the Panel noted:

> The Commission's authority under section 21.7 of the Act should not be used as a means to second-guess reasonable decisions made by the TSX. The Commission will not substitute its own

> view for that of the TSX simply because the Commission might have reached a different conclusion in the circumstances.
>
> (*Hudbay*, *supra* at para. 103.)

[47] We agree with Staff's submissions on the law and reiterate the principle that a Commission panel "will not substitute its own view of the evidence for that taken by an SRO just because the Commission might have reached a different conclusion" (*Boulieris*, *supra* at para. 32; *Investment Dealers Assn. of Canada v. Kasman* (2009), 32 O.S.C.B. 5729 ("*Kasman*") at para. 45). The Commission recently affirmed that it will employ a restrained approach when intervening in decisions of SROs, notwithstanding its broad powers of review:

> … Although the statute provides the Commission with broad powers of review, the Commission has repeatedly emphasized the "restrained approach" urged upon us by Staff and RS. Such restraint is desirable to ensure that SROs have adequate control and direction over their own processes and procedures, and that they are not unduly hampered by interruptions caused by parties seeking a "second opinion" in the midst of an ongoing SRO regulatory proceeding.
>
> (*Re Berry* (2008), 31 O.S.C.B. 5441 at para. 62.)

[48] Nonetheless, there are circumstances in which the Commission will intervene in an SRO decision. The test for determining whether the Commission should intervene is set out in *Canada Malting Co.* (1986), 9 O.S.C.B. 3565 ("*Canada Malting*"), where the Commission established that it will only interfere with the decision of an SRO on the following grounds:

1. the SRO has proceeded on an incorrect principle;
2. the SRO has erred in law;
3. the SRO has overlooked some material evidence;
4. new and compelling evidence is presented to the Commission that was not presented to the SRO; or
5. the SRO's perception of the public interest conflicts with that of Commission.

[49] This test has been endorsed in subsequent Commission decisions, including *Boulieris*, *supra* at para. 31, *Hudbay*, *supra* at para. 105 and *Kasman*, *supra* at para. 44. In *Hudbay* at paragraph 114, when discussing when the Commission might intervene in a decision of the TSX, the Panel described the burden on an applicant as follows:

> We recognize, however, that if the Commission is too interventionist in reviewing decisions made by an exchange, that would introduce an unacceptable degree of uncertainty in our regulatory regime and in capital markets. In *Canada Malting*, the Commission stated:
>
> > The TSE supported the Applicants in their request for standing. However, it went on to note the difficulty that would be created for listed companies if the TSE could be second–guessed by the OSC on the initiative of a company's shareholders every time a notice for filing is accepted under By-law 19.06 [the predecessor of section 604 of the TSX Manual].
> >
> > If the right of appeal meant that the OSC were to review every decision of the TSE on the merits, then companies issuing securities would be faced with the possibility of subsequently being forced to unwind the transaction or face delisting or trading sanctions on the basis that the Commission had decided to substitute its discretion for that of the TSE under By-law 19.06. In our view, this would introduce an unacceptable degree of uncertainty into the capital markets.
> >
> > (*Canada Malting*, *supra* at 3588 and 3589.)
>
> We agree with the caution reflected in that statement. Only in very rare circumstances should the Commission substitute its decision for that of the TSX. Subject to the discussion below, before the Commission intervenes in a decision of the TSX pursuant to section 21.7 of the Act, it should ensure that the applicant has met the heavy burden of demonstrating that its case fits squarely within at least one of the five grounds for intervention identified in *Canada Malting*.

[50] The Applicant's submissions allege several errors on the part of the District Council but does not directly address how these errors relate to the five grounds set out in *Canada Malting*. Nevertheless, we have considered whether any of these alleged errors on the part of the District Council constitutes a relevant ground for interfering with that Decision.

[51] Recognizing that we have jurisdiction to intervene in this case, we now turn to the issues raised by the Applicant.

B. Application of the Law

[52] The Applicant alleges that three of the grounds for intervention from *Canada Malting* have been met. He submits that IIROC proceeded on incorrect principles, erred in law and overlooked material evidence in reaching its Decision. There is no allegation that new and compelling evidence is available, nor that IIROC's perception of the public interest conflicts with that of the Commission.

1. Did the District Council proceed on an incorrect principle?

[53] The first ground for review set out in *Canada Malting* is whether the SRO proceeded on an incorrect principle. The test for whether an SRO proceeded on an incorrect principle is a narrow one. The SRO must have incorrectly interpreted a specific principle that it relied upon in its analysis.

[54] Since *Canada Malting*, no clear distinction has been made between "proceeding on an incorrect principle" and erring in law. Although different interpretations are possible concerning what constitutes "proceeding on an incorrect principle", the Kasman decision provides some guidance on this point.

[55] In *Kasman*, the Panel had to determine the issue of whether the IDA Panel had misapplied sentencing principles to the facts before them. The Panel discussed the relevant principles regarding sentencing that were at issue in that proceeding:

> IDA Staff also relies on the following statement from *Re Mills*, [2001] I.D.A.C.D. No. 7 ("*Re Mills*"), at paragraph 6:
>
> > Industry expectations and understandings are particularly relevant to general deterrence. If a penalty is less than industry understandings would lead its members to expect for the conduct under consideration, it may undermine the goals of the Association's disciplinary process; similarly, excessive penalties may reduce respect for the process and concomitantly diminish its deterrent effect. Thus the responsibility of the District Council in a penalty hearing is to determine a penalty appropriate to the conduct and respondent before it, reflecting that its primary purpose is prevention, rather than punishment.
>
> These principles have been incorporated in the IDA Sanctions Guidelines (the "Guidelines"). The Guidelines set out a list, which is "illustrative, not exhaustive", of "key considerations when determining sanctions": (i) harm to clients, employer and/or the securities market; (ii) blameworthiness; (iii) degree of participation; (iv) extent to which the respondent was enriched by the misconduct; (v) prior disciplinary record; (vi) acceptance of responsibilities, acknowledgement of misconduct and remorse; (vii) credit for co–operation; (viii) voluntary rehabilitative efforts; (ix) reliance on the expertise of others; (x) planning and organization; (xi) multiple incidents of misconduct over an extended period of time; (xii) vulnerability of victim; (xiii) failure to co–operate with the investigation; and (xiv) significant economic loss to the client and/or member firm.
>
> (*Kasman*, *supra* at paras. 51–52.)

[56] None of the alleged errors in this case relate to sentencing principles. Further, none of the parties pointed us to other examples of what would constitute an "incorrect principle", so as to guide us in our review. When considering the alleged errors by the District Council set out in the Application, we conclude that none of the alleged errors fall under the first ground of review set out in *Canada Malting*, that is, proceeding on an incorrect principle. Rather, most of the alleged errors appear to us to be better considered under "error in law".

2. Did the District Council err in law?

Adequacy of Reasons in the Decision

[57] The Applicant submits that the District Council failed to deliver reasons that adequately explain how it arrived at its decision.

[58] The Applicant alleges that the failure of the District Council to deliver proper reasons in its Decision denied him a fair hearing. He submits that the absence of reasons was a refusal by the District Council to address his answer and defence to the charge.

[59] IIROC submits that the District Council provided reasons that were sufficiently detailed to demonstrate that the applicable legal principles and the relevant evidence were properly considered (*Lawson v. Lawson*, [2006] O.J. No. 3179 (C.A.) at para. 9). Its position is that the Commission should not interfere with a Decision such as this where the reasons as a whole are reasonable.

[60] The Applicant draws our attention to a decision of the British Columbia Securities Commission which describes the importance of reasons in decisions:

> The decisions of a hearing panel can have serious consequences. Respondents can be suspended or even barred from the industry. Substantial fines can be levied. In this case … the findings of wrongdoing alone that were made can be expected to have negatively affected the careers of the respondents.
>
> It is also important that the industry understand the standards that are expected of it, and this it cannot do if the reasons for a hearing panel's decision are unclear.
>
> For these reasons, respondents in an Exchange disciplinary hearing are entitled to receive reasons from the hearing panel that explain adequately how it arrived at its decision. What constitutes adequate reasons for a decision will vary with the circumstances. In a case in which the evidence is straightforward or not contested, the explanation need not be elaborate. In a case such as this, however, where the evidence is complex and includes opinion evidence that is rejected by the panel, it is in the public interest that the panel provide reasons that explain its decision.
>
> (*Re Mathers* (1999), 7 B.C.S.C.W.S. 64 at 10.)

[61] In this case, the consequences for the Applicant are similarly serious. This is not, however, a case where the evidence was overly complex or highly contested by the parties, despite the Applicant's submissions that the adequacy of the evidence was hotly contested. We note that the hearing took place over three days. Staff of IIROC submitted a compendium of seven volumes of documents and additional documents in evidence, and produced one witness, a member of IIROC's investigation team, Mr. Michael Arthur, who testified as to the documents and his investigations. The Applicant did not testify or produce witnesses.

[62] The Decision addressed the underlying elements of the allegation of conduct unbecoming and provided adequate reasons for its conclusion. The District Council did not misapprehend the law regarding the requirement to give reasons. We see no need to interfere with the District Council's Decision on this basis.

Procedural Fairness: Breach of Natural Justice

[63] The Applicant also submits that the District Council made material findings against the Applicant on issues that were not properly pleaded in the Notice of Hearing and were not part of the "charge" that the Applicant had to respond to.

[64] At the IIROC hearing, the Applicant argued that the Notice of Hearing did not adequately describe the charge against him, resulting in a breach of natural justice.

[65] The Applicant alleges that the Notice of Hearing failed to articulate any specific regulatory standards that had been breached since the allegations of having an undisclosed financial interest and financial dealings with clients are not referred to anywhere in the IIROC By-laws as being problematic for registered representatives. He submits that the charge of a breach of By-law 29.1 must accompany charges on some other grounds and cannot stand on its own, as in the Decision. The Applicant contends that the failure to particularize any IIROC Dealer Member Rule in the Notice of Hearing constitutes a breach of natural justice and procedural fairness since he was not given proper notice of the case he had to meet in important respects.

[66] In its decision on the request for a stay, the District Council found that the Notice of Hearing had sufficient particulars for the Applicant to be able to respond to the allegations against him:

> None of the mistakes of staff could be viewed as prejudicial to the respondent's right to a fair hearing or his ability to give full answer and defence to the allegation in the matter before us.
>
> Nor would allowing the current proceeding to proceed in any way bring the administration of justice into ill repute.

> A stay for abuse of process is an extraordinary remedy granted solely in the most exceptional circumstances in the clearest of cases where otherwise the administration of justice would be put in ill repute.
>
> Our case is not one of them.
>
> (IIROC District Council Decision at paras. 50-53.)

[67] It is clear that the Applicant was aware of the allegation of having an undisclosed financial interest in the accounts of EB and DT from his Response to the Notice of Hearing, which states at paragraph 15:

> Vitug pleads that to the extent that he had financial dealings with EB and DT, his aunt and father-in-law respectively, he was not aware of any requirement to disclose them to his member firm employer. Vitug states that the personal transactions with his aunt or father-in-law were entirely visible to his member firm employer as funds were either transferred out from or received into his bank account at his member firm employer.

[68] We find no evidence that the District Council erred in law when it concluded that a breach of By-law 29.1 may be alleged in the absence of additional, more specific allegations. The District Council correctly perceived the principles of natural justice and procedural fairness when it found that the Applicant's right to a fair hearing was not prejudiced on the basis of lack of notice.

[69] The Applicant also claimed that IIROC failed to disclose material it relied on regarding industry standards and policies in a timely fashion, which was equally a breach of natural justice.

[70] With respect to the adequacy of disclosure of documents relating to industry standards and policies, we do not find that the District Council erred in law. As a registrant and an industry participant with extensive experience, the Applicant must be presumed to have knowledge of industry conflict of interest rules and standards of practice.

Procedural Fairness: Abuse of Process

[71] The Applicant submits that:

> The [District Council] erred in admitting into the record the interview transcripts of the Applicant that a prior decision of the Ontario District Council had determined could not be relied on ("the Impugned Interview Transcripts"). This error was compounded by the failure to deliver adequate reasons for the Decision. Notwithstanding the statement in the Decision that they "did not need to rely on the evidence from the respondent in the transcripts in question", it is clear that the [District Council] was influenced by the evidence in the impugned transcripts and that it affected their decision.
>
> (Statement of Fact and Law of the Applicant dated July 2, 2009 at para. 22(e).)

[72] The Applicant had requested that transcripts of his interviews conducted by IIROC investigative staff be excluded from evidence in the event that a stay was not granted. It was determined at the first proceeding that these transcripts could not be relied upon to support a charge under By-law 29.1 on the basis that the interviews were conducted in breach of the requirement of proper notice. The District Council denied the Applicant's request to exclude the transcripts from evidence in its Decision.

[73] The District Council's oral ruling on the admissibility of the transcripts shows that it considered the ruling of the previous panel on the issue. The Chair stated:

> … our decision is that we are not prepared to exclude the transcript evidence. But we wish to point out that when it comes to assessing how much weight should be given to the transcript evidence, we will take into consideration the views of the earlier panels …
>
> (IIROC Hearing Transcript, February 23, 2009, 191:19–192:4.)

[74] Later, in the Decision at paragraph 42, the District Council clearly states that reliance on this transcript evidence was not necessary for its findings, which were based on the consideration of other evidence:

> … we did not need to rely on the evidence from the respondent in the transcripts in question in finding that the respondent did have financial interests and financial dealings in EB's and DT's

> accounts at SSCC. There was clear and convincing proof based on other cogent evidence that led us to our decision.

[75] We conclude that the District Council did not err in law when it ruled on the admissibility of the transcript evidence and the weight to be given to it. In any case, the District Council clearly stated that the transcript evidence did not form the basis of subsequent findings about the Applicant's financial interests. We also note that paragraphs 85-89 of the District Council's Decision, which we refer to in our Reasons and Decision at paragraph 89, demonstrate that the District Council considered adequate material evidence in coming to its conclusion. We find that the Applicant's claims with respect to abuse of process have not been made out.

Standard of Proof

[76] The Applicant also submits that in making its findings of fact, including the findings that fall within the categories of erroneous findings outlined above, the District Council failed to apply the required standard of proof.

[77] The Supreme Court of Canada recently confirmed that there is only one standard of proof in a civil cases, and that is proof on a balance of probabilities. Evidence must be sufficiently clear, convincing and cogent to satisfy this requirement (*F.H. v. McDougall*, [2008] 3 S.C.R. 41 at paras. 45-49). The civil standard of proof applicable in an administrative hearing required that the District Council find clear and convincing proof based on cogent evidence *(Law Society of Upper Canada v. Neinstein*, [2007] O.J. No. 958 (Div. Ct.) at para. 55). The District Council is clear in its Decision that this standard was applied.

[78] The Applicant contends that the District Council stated that it applied this standard, but failed to refer in its Decision to how its findings of fact meet the standard. He submits that merely stating the correct standard is insufficient without an explanation of how the evidence met this standard. IIROC submits that there is no reason to conclude that the District Council did not consider the evidence to have met the correctly articulated standard.

[79] We are in agreement with IIROC on this point. The Decision outlines evidence in support of its finding against the applicant, and specifically refers to the standard of proof when it declines to make a finding that the Applicant was the beneficial owner of DT's account:

> It is not clear that the respondent was the beneficial owner of DT's SSCC account, because there was no clear and convincing proof that the respondent would have received any profits from the account.
>
> (IIROC District Council Decision at paras. 55-56.)

[80] The District Council was correct in its articulation of the standard of proof and we find that it proceeded to consider the evidence before it, based upon this standard.

[81] In summary, we find that the District Council considered the correct legal principles when it ruled on the admissibility of the transcripts, correctly considered principles of natural justice and procedural fairness and applied the correct standard of proof. Although one may argue with its application of the standards, it is not the role of the Commission to substitute its own view of the evidence in a situation where the District Council did not err in law (Kasman, supra at paras. 45, 84 and Boulieris, supra at para. 32).

Burden of Proof

[82] The Applicant alleges that the District Council made findings that were unsupported by the evidentiary record. In its Decision, the District Council correctly stated the burden of proof to be met as being a balance of probabilities. The Applicant submits that given the seriousness of the allegations against him, the District Council should have made a thorough review of the evidence it relied on in its Decision.

[83] The District Council's correct characterization of the burden of proof and its assertion that it decided the matter on the evidence before it is sufficient to satisfy us that it made findings against the Applicant in accordance with the appropriate burden of proof.

[84] In our view, there is no reason to second-guess the District Council's determinations regarding the probative nature of the evidence before them. It made no error in law regarding the correct application of the burden of proof.

3. Did the District Council overlook material evidence?

[85] The Applicant also submits that based on the limited reasons contained in the Decision and from the evidentiary record, it is apparent that the Hearing Panel made numerous errors in its treatment of the evidence.

[86] The District Council appears to have considered the whole of the body of evidence before it in deciding that the Applicant's conduct constituted conduct unbecoming or detrimental to the public interest. The Applicant makes specific allegations that material evidence was overlooked or misapprehended by the District Council. We address these claims and provide reasons for dismissing them below.

Involvement in EB's SSCC Account

[87] According to the Applicant, the District Council misapprehended evidence and made questionable assumptions when it found that he assisted EB in opening her SSCC account. Contrary to the District Council's finding, the Applicant submits that he merely witnessed the opening of the account, and did not assist in opening it.

[88] Whether he assisted with or merely witnessed the opening of the SSCC account, the Applicant was nevertheless aware of the information contained in the SSCC New Account Application Form. There was sufficient evidence before the District Council for it to conclude that the Applicant was acting in a manner that he ought not to regarding the opening of the SSCC account.

[89] Whether or not we would have interpreted the evidence in the same manner as the District Council, the decision record shows that it considered the material evidence when coming to the conclusion that the Applicant had an improper financial interest in EB's SSCC account:

> From March 9, 2004 to April 20, 2004, EB's account sold and purchased Spectrum shares in a series of transactions in proceeds of approximately $700,000 USD.
>
> There is no evidence that EB benefited from the proceeds of these transactions.
>
> The proceeds from these sales formed the basis for numerous subsequent payments made to the respondent from EB.
>
> The respondent received the benefit of those monies into his TD Bank account.
>
> Through a series of 13 separate transactions, in excess of $337,000 (Canadian) and $125,000 (U.S.), (for an approximate total in excess of $500,000 (Canadian)) flowed from EB's accounts to the respondent.
>
> (IIROC District Council Decision at paras. 85-89.)

Credibility and the Existence of a Loan

[90] The Applicant alleges that the District Council made an improper finding of credibility against him when it found that he had "little regard for the truth", while IIROC contends that there was no finding of credibility at all.

[91] Since the Applicant was not a witness at the hearing and the District Council did not have the opportunity to observe his answers to any questions, the Applicant submits that the District Council was not in a position to make a finding of credibility. The Applicant further alleges that the District Council used this negative finding of credibility against the Applicant throughout the Decision. He alleges it was used to disbelieve his evidence that there was a loan between himself and AD and to find that he acted deceitfully, that he concealed his involvement in the accounts and that he evaded his member firm's scrutiny.

[92] IIROC contends that there was no finding of credibility, and that the District Council's findings were based on the Applicant's conduct and the documentary evidence before it.

[93] We agree with the submissions of IIROC. The District Council found that it did not believe the Applicant's assertions regarding loan arrangements with AD, but this did not amount to a finding of credibility. This is similar to the situation in *Boulieris*, where the Divisional Court had the following to say:

> Moreover, the Commission reached that decision without making findings of credibility, as alleged by the Appellant. He did not testify before the District Council, and it made no findings with respect to his credibility. Nor did the Commission make a finding about his credibility; rather, it characterized his conduct and drew inferences about the nature of his role from the evidence as a whole, much of which was documentary.
>
> (*Boulieris*, *supra* at para. 37.)

[94] The District Council decided that there was insufficient evidence to find there was a loan, considering all the evidence:

> Considering all the facts, we did not believe the respondent's assertion that there was a loan from him to AD and that payments through EB's SSCC account to him were repayments of that loan. The respondent was the beneficial owner of EB's SSCC account and had a financial interest in it.
>
> (IIROC District Council Decision at para. 96.)

[95] We agree with IIROC's submission that this finding was not based on a prior finding of credibility. The Decision states that this finding was made considering all the facts, which include, but are not limited to, the Applicant's assertion.

[96] In any event, the District Council's conclusion regarding the loan was not essential to its finding that the Applicant had a financial interest in EB's account. The District Council made a finding of fact that the Applicant's conduct amounted to a financial interest in EB's SSCC account, regardless of the status of the loan arrangement:

> However, even if there were loans that were being repaid, as alleged, and the respondent were not the beneficial owner of the account, the respondent would still have had a financial interest in EB's SSCC account: namely an interest in the Spectrum shares and the proceeds of the sale while they were in EB's SSCC account, pending payout to him.
>
> (IIROC District Council Decision at para. 97.)

[97] The District Council noted that if there was in fact a loan, this would give rise to serious conflict of interest concerns that go beyond merely the registrant:

> Furthermore, significant loans and gifts to or from family members involving a registrant, were they can be connected with securities transactions of family members, can give rise to serious conflicts of interest affecting not only the registrant and his firm, but also other member firms and their clients.
>
> (IIROC District Council Decision at para. 135.)

[98] The District Council made its finding regarding the Applicant's financial interest in the SSCC account without overlooking or misapprehending material evidence. On a review of the evidence, the District Council reasonably found that the Applicant had an improper financial interest in EB's SSCC account.

[99] We acknowledge that there was some ambiguity regarding the existence of the loan. However, the District Council made no error in its consideration of the material evidence. We therefore see no reason to intervene in the Decision of the District Council on the ground that material evidence was overlooked in making the findings discussed above.

Alleged Unsupportable Findings

[100] The Applicant alleges that the District Council made findings that are unsupported by the evidence before it. He challenges findings regarding DT's account, the intentional and deceitful nature of his own conduct and the existence of a conflict of interest. The Applicant also submits that the District Council mischaracterized the unchallenged affidavit evidence of DT and should not have rejected its evidence on issues that could have been addressed through cross-examination.

[101] IIROC submits that the District Council found that the Applicant was in a conflict of interest because he had undisclosed financial interest and undisclosed financial dealings in the accounts of DT and EB. This conflict of interest led the District Council to find that the Applicant was deceitful. IIROC notes that a finding that the Applicant acted intentionally was not a necessary element of the allegations in this case, but was simply a finding by the District Council.

[102] In coming to its conclusions on the conflict of interest and the Applicant's conduct, the District Council considered the evidence before it and made its decisions accordingly. We see no reason to intervene in the District Council's findings in this respect. It weighed the material evidence and came to the conclusion that the Applicant's actions amounted to conduct unbecoming:

> The respondent's dealings in both the EB and DT accounts resulted in a conflict of interest with his other brokerage clients. These are all facts pertinent to the terms of the respondent's employment and registration that were required to be disclosed to his member firm.
>
> (IIROC District Council Decision at para. 141.)

[103] The finding that the Applicant "effectively managed DT's SSCC account" is not an indication that the District Council overlooked the evidence of DT's affidavit, even though the conclusion is contrary to statements made in the affidavit. The District Council made a finding, based on the evidence, that the Applicant had an undisclosed financial interest and undisclosed financial dealings in DT's account:

> It is not clear that the respondent was the beneficial owner of DT's SSCC account, because there was no clear and convincing proof that the respondent would have received any profits from the account.
>
> However, he provided the assets for the account (the $108,000). He chose the investment. He decided when and how the investment should be realized. It was understood that he would suffer any loss on the investment (the "loan" would be repaid only from the investment).
>
> Accordingly, the respondent, at a minimum as a creditor, had an undisclosed financial interest and undisclosed financial dealings in the account.
>
> (IIROC District Council Decision at paras. 138-140.)

[104] The Applicant lists other evidence with respect to the Applicant's knowledge of his clients' activities that he alleges the District Council overlooked in reaching its conclusion regarding conduct unbecoming. Simply because findings are inconsistent with some evidence is not an indication that that evidence was overlooked. It appears that the District Council considered the whole of the evidence in coming to its conclusions with respect to the allegation of conduct unbecoming or detrimental to the public interest.

[105] While the Applicant takes issue with the District Council's interpretation of certain evidence, it is not clear that material evidence was overlooked. That the Applicant, or even the Commission, may have come to a different conclusion based on the evidence is not a sufficient reason to intervene in a Decision where the material evidence was duly weighed by the hearing body of an SRO.

[106] We find that although the Applicant objects to the Decision on these particular findings, the District Council made no error in its apprehension of material evidence with respect to the allegation of conduct unbecoming or detrimental to the public interest. It considered the evidence before it and reached its Decision accordingly. Since we find that the District Council did not overlook any material evidence, we are not in a position to intervene with the Decision where findings were grounded in the evidence.

VI. CONCLUSION

[107] Although we may not have made the same findings of fact as the District Council in all instances, we see no reason to interfere with its reasonable Decision. The Applicant did not meet the burden of demonstrating that the Commission has grounds to intervene in the Decision as set out in *Canada Malting*. Despite the Applicant's submissions that the District Council made serious and pervasive errors in its Decision, we do not find that the District Council proceeded on an incorrect principle, erred in law or overlooked material evidence. After considering the totality of the evidence, the District Council's findings were supported by an analysis of the evidence before it. We find that the District Council's Decision is reasonable and does not require intervention by the Commission.

[108] Accordingly, we defer to the District Council's Decision. The Application is hereby dismissed.

Dated at Toronto this 23rd day of April, 2010.

"Mary G. Condon"
Mary G. Condon

"Paulette L. Kennedy"
Paulette L. Kennedy

3.1.2 Chartcandle Investments Corporation et al.

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

AND

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

**SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION
AND CHARLES PAULY**

PART I – INTRODUCTION

1. The Ontario Securities Commission (the "Commission") issued a Notice of Hearing dated April 8, 2010 to announce that it will hold a hearing to consider whether pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), it is in the public interest for the Commission to approve this Settlement Agreement and to make an order in respect of the Respondent, Charles Pauly ("Pauly").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") agree to recommend a settlement of the proceedings commenced by Notice of Hearing and Statement of Allegations dated February 17, 2010 ("the Proceeding") against Pauly according to the terms and conditions set out in Part V of this Settlement Agreement ("Settlement Agreement"). Pauly agrees to the making of an Order in the form attached as Schedule "A" based on the facts set out below.

3. For the purposes of this proceeding and any other regulatory proceeding, Pauly agrees with the facts as set out in Part III of this Settlement Agreement.

PART III – AGREED FACTS

I. Background

4. The allegations in this proceeding involve the solicitation of residents of the United States of America and of Ontario, for the purpose of investing money to be managed by Stephen Michael Chesnowitz ("Chesnowitz") through the Chartcandle Inc. Investment Hedge Fund (the "Chartcandle Fund"). The conduct of the Respondents spanned the period from December 1, 2004 to December 31, 2006 (the "Material Time").

A. The Corporate Respondents

5. Chartcandle Investments Corporation ("Chartcandle Corp.") was incorporated in Alberta on December 8, 2004 and then continued in Ontario as of December 15, 2005. During the Material Time, the place of business for Chartcandle was Petersburg, Ontario.

6. CCI Financial, LLC ("CCI Financial") was incorporated in Nevada, United States of America on August 24, 2005. During the Material Time, the place of business for CCI Financial was Petersburg, Ontario.

7. Chartcandle Inc. ("Chartcandle Inc.") was incorporated in Nevada, United States of America on August 3, 2005. Chartcandle Inc. was held out as the manager, managing partner or general partner of CCI Financial. During the Material Time the place of business for Chartcandle Inc. was Petersburg, Ontario.

8. PSST Global Corporation ("PSST Global") was incorporated in Ontario on September 2, 2005. During the Material Time, the registered address and place of business for PSST Global was Kitchener, Ontario.

9. None of the corporate Respondents have ever been registered with the Commission in any capacity.

B. The Individual Respondents

10. During the Material Time Chesnowitz resided in Petersburg, Ontario. Chesnowitz was a director of Chartcandle Corp., PSST Global and sole director of Chartcandle Inc. Chesnowitz held himself out as a director of CCI Financial and caused a resolution to be passed authorizing himself to conduct trades and banking on behalf of CCI Financial. Chesnowitz has never been registered with the Commission in any capacity.

11. During the Material Time, Chesnowitz was the directing and controlling mind behind all of the corporate Respondents.

12. Pauly resides in Clinton, Ontario. Pauly has never been registered with the Commission in any capacity.

C. Related Individual

13. John Williams ("Williams") was an investment advisor operating in Maryland, United States of America, and solicited investors to raise funds to be invested and managed by Chesnowitz.

III. Trading/Advising with Investor Funds

14. Chesnowitz met Williams in 2005 and they subsequently developed a business relationship whereby Williams solicited U.S. residents to invest funds to be managed by Chesnowitz through Chartcandle Fund.

15. Chesnowitz solicited a small number of Ontario residents directly to invest in the Chartcandle Fund and have their investments managed by Chesnowitz. Chesnowitz purported to sell partnership interests and/or debt instruments to various corporate Respondents in order to facilitate investment in the Chartcandle Fund.

16. Chesnowitz held himself out to Williams and to potential investors as an experienced trader with an established trading system that produced consistent returns over long periods of time. Further, Chesnowitz represented that he had been mentored by several prominent traders. These representations were not true.

17. Chesnowitz was the Trader and President of the Chartcandle Fund and was the only individual responsible for directing all trading in the Chartcandle Fund.

18. Investor funds were transferred to bank accounts under the control of Chesnowitz in several ways:

    i. investors transferred funds to Wells Fargo bank accounts opened in the name of Chartcandle Corp. and CCI Financial in the United States (the "Wells Fargo Accounts");

    ii. investors transferred funds to one of several Canadian bank accounts located at the Bank of Montreal or TD Canada Trust opened in the name of Chartcandle Corp. (the "Canadian Accounts"); and

    iii. investor funds were forwarded from Millennium Trust LLC to Chesnowitz for the purpose of investing on behalf of the various U.S. investors.

19. Chesnowitz transferred, directly or indirectly, investor funds from:

    i. the Wells Fargo Accounts;

    ii. the Canadian Accounts; and

    iii. the funds sent from Millennium Trust, LLC to Chesnowitz to brokerage accounts controlled by Chesnowitz.

20. During the Material Time Chesnowitz engaged in trading on behalf of investors without any trading strategy.

21. As a result of Chesnowitz's trading activity, significant losses were incurred in a very short period of time. During the Material Time approximately $1.4 million was lost through trading by Chesnowitz including $1.2 million in a 24 hour period on or about May 22, 2006.

22. On July 31, 2006 approximately $950,000 was frozen in a brokerage account controlled by Chesnowitz as a result of unrelated bankruptcy proceedings in the United States. Subsequently, approximately $300,000 was returned to Chartcandle Corp. through the bankruptcy proceedings. However, these funds were not used to reimburse investor losses.

23. During the Material Time, Chesnowitz received, directly or indirectly, approximately $4 million from fifty-three investors for the purpose of investment in the Chartcandle Fund.

IV. Fraudulent Conduct

24. Investors were provided access to www.mychartcandle.com (the "Website") as a means to follow their investments and review their account statements. The Website was created at the direction of Chesnowitz and this was the only method of reporting provided to investors.

25. Pauly inputted the data into a database used to update the Website with investment return percentages provided to him by Chesnowitz. The Website was updated on a regular basis at the direction of Chesnowitz. Despite heavy trading losses incurred by Chesnowitz during the Material Time, he directed Pauly to post false and misleading returns on the Website that did not reflect actual trading results.

26. Pauly knew that Chesnowitz had incurred trading losses during the Material Time and accordingly, that the returns he was posting on the Website were false and misleading to investors.

27. Pauly communicated with investors providing passwords and technical support to facilitate investors' access to the Website. Pauly and Chesnowitz were aware that investors were relying on the Website and its contents to follow their investments. During the Material Time Chesnowitz provided some investors directly, or indirectly through Williams, with a purported monthly return on their investment using capital from other investors.

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

29. On March 2, 2009, Pauly attended the offices of the Commission and participated in an examination conducted by Staff. At the commencement of the examination, Pauly affirmed to tell the truth. Pauly has reviewed the entire transcript of his March 2, 2009 examination and the exhibits attached and confirms the truth of their contents.

PART IV – CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND THE PUBLIC INTEREST

30. By engaging in the conduct as described above in Part III, the Respondent Pauly traded in securities without registration in respect of which there is no exemption available, contrary to section 25(1)(a) of the Act.

31. During the Material Time, the Respondent Pauly engaged or participated in acts, practices or courses of conduct relating to securities that Pauly knew or reasonably ought to have known perpetrated a fraud on persons, contrary to section 126.1(b) of the Act.

32. The Respondent Pauly's conduct was contrary to Ontario securities law and contrary to the public interest and harmful to the integrity of the capital markets of Ontario.

PART V – TERMS OF SETTLEMENT

33. The Respondent Pauly agrees to the terms of settlement listed below.

34. The Commission will make an Order pursuant to section 127(1) of the Act that:

a) the settlement agreement is approved;

b) Pauly shall cease trading in all securities for a period of 10 years, except for trading in securities for the account of his registered retirement savings plans (as defined in the *Income Tax Act* (Canada)) in which he and/or his spouse have sole legal and beneficial ownership, provided that:

(i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer;

(ii) he does not own legally or beneficially (in the aggregate, together with his spouse) more than one percent of the outstanding securities of the class or series of the class in question;

(iii) he carries out any permitted trading through a registered dealer (which dealer must be given a copy of this order) and through accounts opened in his name only; and

(iv) he shall provide Staff with the particulars of the accounts (before any trading in the accounts under this order occurs) including the name of the registered dealer through which the trading will occur and the account numbers, and he shall instruct the registered dealer to provide copies of all trade confirmation notices with respect to the accounts directly to Staff at the same time that such notices are provided to him;

c) Pauly shall cease acquisitions of all securities for a period of 10 years, except for acquisitions of securities for the account of his registered retirement savings plans (as defined in the *Income Tax Act* (Canada)) in which he and/or his spouse have sole legal and beneficial ownership, provided that:

(i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer;

(ii) he does not own legally or beneficially (in the aggregate, together with his spouse) more than one percent of the outstanding securities of the class or series of the class in question;

(iii) he carries out any permitted trading through a registered dealer (which dealer must be given a copy of this order) and through accounts opened in his name only; and

(iv) he shall provide Staff with the particulars of the accounts (before any trading in the accounts under this order occurs) including the name of the registered dealer through which the trading will occur and the account numbers, and he shall instruct the registered dealer to provide copies of all trade confirmation notices with respect to the accounts directly to Staff at the same time that such notices are provided to him;

d) Pauly shall be reprimanded;

e) any exemptions in Ontario securities law do not apply to Pauly for a period of 10 years;

f) Pauly is prohibited from becoming an officer or director of an issuer permanently;

g) Pauly is prohibited from becoming an officer or director of a registrant permanently;

h) Pauly is prohibited from becoming an officer or director of an investment fund manager permanently;

i) Pauly is prohibited from becoming a registrant, investment fund manager, or promoter permanently; and

j) Pauly shall disgorge to the Commission $60,000 obtained as a result of his non-compliance with Ontario securities law for allocation to or for the benefit of third parties.

35. Pauly agrees to cooperate fully with Staff in the event he is required to testify as a witness to any subsequent hearing related to the within proceeding.

PART VI – STAFF COMMITMENT

36. If the Commission approves this Settlement Agreement and Pauly fails to comply with any terms of this Settlement Agreement, Staff may bring proceedings under Ontario securities law against Pauly. These proceedings may be based on, but are not limited to, the facts set out in Part III of this Settlement Agreement as well as any breach of this Settlement Agreement.

37. If the Commission approves this Settlement Agreement, Staff will not continue any proceedings under Ontario securities law against Pauly.

PART VII – PROCEDURE FOR APPROVAL OF SETTLEMENT

38. The parties will seek approval of this Settlement Agreement at an *in camera* hearing, with submissions to the Commission on April 26, 2010 or on another date agreed to by Staff and Pauly according to the procedures set out in this Settlement Agreement and the Commission's *Rules of Procedure*.

39. Staff and Pauly agree that this Settlement Agreement will form all of the agreed facts that will be submitted at the settlement hearing on Pauly's conduct, unless the parties agree that additional facts should be submitted at the settlement hearing.

40. If the Commission approves this Settlement Agreement, Pauly agrees to waive all rights to a full hearing, judicial review or appeal of this matter under the Act.

41. If the Commission approves this Settlement Agreement, neither party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the hearing.

42. Whether or not the Commission approves this Settlement Agreement, Pauly will not use, in any proceeding, this Settlement Agreement or the negotiation or process of approval of this agreement as the basis for any attack of the Commission's jurisdiction, alleged bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

PART VIII – DISCLOSURE OF SETTLEMENT AGREEMENT

43. If the Commission does not approve this Settlement Agreement or does not make the order attached as Schedule "A" to this Settlement Agreement:

    i this Settlement Agreement, and all discussions and negotiations between Staff and Pauly before the settlement hearing takes place, will be without prejudice to Staff and Pauly;

    ii Staff and Pauly will be entitled to all available proceedings, remedies and challenges including proceedings to a hearing of the allegations contained within the statement of allegations. Any proceedings, remedies, and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this agreement.

44. Both parties will keep the terms of this Settlement Agreement confidential until the Commission approves the Settlement Agreement. At that time the parties will no longer have to maintain confidentiality. If the Commission does not approve the Settlement Agreement both parties must continue to keep the terms of the Settlement Agreement confidential unless they agree in writing not to do so, or if required by law.

PART IX – EXECUTION OF SETTLEMENT AGREEMENT

45. The parties may sign separate copies of this agreement. Together, these signed copies will form a binding agreement.

46. A fax copy of any signature will be treated as an original signature.

DATED at Toronto, the 26th day of April, 2010.

"Charles Pauly"
Charles Pauly

"S. Horgan"
Witness

DATED at Toronto, the 26th day of April, 2010.

Staff of the Ontario Securities Commission

"T. Atkinson"
Director, Enforcement Branch

SCHEDULE "A"

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

AND

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

ORDER
(sections 127 and 127.1)

WHEREAS on February 17, 2010, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the "Act"), accompanied by Staff's Statement of Allegations, in relation to the Respondents, Chartcandle Investments Corporation ("Chartcandle Corp."), CCI Financial, LLC ("CCI Financial"), Chartcandle Inc., PSST Global Corporation ("PSST Global"), Stephen Michael Chesnowitz ("Chesnowitz") and Charles Pauly ("Pauly");

AND WHEREAS the Respondent Pauly entered into a Settlement Agreement dated April 26 , 2010 (the "Settlement Agreement") in which Pauly agreed to a settlement of the proceedings commenced by the Notice of Hearing dated February 17, 2010, subject to the approval of the Commission;

AND WHEREAS the Respondent Pauly acknowledges that the facts set out in Part III of the Settlement Agreement constituted conduct contrary to Ontario securities law and the public interest;

AND UPON reviewing the Settlement Agreement and Staff's Statement of Allegations, and upon hearing submissions from counsel for Staff and from Pauly;

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 Settlement Agreement is approved;

(2) Pauly shall cease trading in all securities for a period of 10 years, except for trading in securities for the account of his registered retirement savings plans (as defined in the *Income Tax Act* (Canada)) in which he and/or his spouse have sole legal and beneficial ownership, provided that:

   (i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer;

   (ii) he does not own legally or beneficially (in the aggregate, together with his spouse) more than one percent of the outstanding securities of the class or series of the class in question;

   (iii) he carries out any permitted trading through a registered dealer (which dealer must be given a copy of this order) and through accounts opened in his name only; and

   (iv) he shall provide Staff with the particulars of the accounts (before any trading in the accounts under this order occurs) including the name of the registered dealer through which the trading will occur and the account numbers, and he shall instruct the registered dealer to provide copies of all trade confirmation notices with respect to the accounts directly to Staff at the same time that such notices are provided to him;

(3) Pauly shall cease acquisitions of all securities for a period of 10 years, except for the acquisition of securities for the account of his registered retirement savings plans (as defined in the Income Tax Act (Canada)) in which he and/or his spouse have sole legal and beneficial ownership, provided that:

(i) the securities traded are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange or NASDAQ (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer;

(ii) he does not own legally or beneficially (in the aggregate, together with his spouse) more than one percent of the outstanding securities of the class or series of the class in question;

(iii) he carries out any permitted trading through a registered dealer (which dealer must be given a copy of this order) and through accounts opened in his name only; and

(iv) he shall provide Staff with the particulars of the accounts (before any trading in the accounts under this order occurs) including the name of the registered dealer through which the trading will occur and the account numbers, and he shall instruct the registered dealer to provide copies of all trade confirmation notices with respect to the accounts directly to Staff at the same time that such notices are provided to him;

(4) Pauly shall be reprimanded;

(5) any exemptions in Ontario securities law do not apply to Pauly for a period of 10 years;

(6) Pauly is prohibited from becoming an officer or director of an issuer permanently;

(7) Pauly is prohibited from becoming an officer or director of a registrant permanently;

(8) Pauly is prohibited from becoming an officer or director of an investment fund manager permanently;

(9) Pauly is prohibited from becoming a registrant, investment fund manager, or promoter permanently; and

(10) Pauly shall disgorge to the Commission $60,000 obtained as a result of his non- compliance with Ontario securities law for allocation to or for the benefit of third parties.

DATED AT TORONTO the day of April, 2010.

_____ _____

3.1.3 Hillcorp International Services et al.

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

AND

**IN THE MATTER OF
HILLCORP INTERNATIONAL SERVICES,
HILLCORP WEALTH MANAGEMENT,
SUNCORP HOLDINGS, 1621852 ONTARIO LIMITED,
STEVEN JOHN HILL, DARYL RENNEBERG AND
DANNY DE MELO**

**SETTLEMENT AGREEMENT
OF DARYL RENNEBERG**

PART I – INTRODUCTION

1. The Ontario Securities Commission (the "Commission") will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to section 127 of the **Securities Act**, R.S.O. 1990, c. S.5, as amended (the "Act"), it is in the public interest for the Commission to make certain orders in respect of Daryl Renneberg ("Renneberg").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") agree to recommend settlement of the proceeding commenced by Notice of Hearing dated July 21, 2009 (the "Proceeding") against Renneberg according to the terms and conditions set out in Part VI of this Settlement Agreement. Renneberg agrees to the making of an order in the form attached as Schedule "A", based on the facts set out below.

PART III – AGREED FACTS

3. For this proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, Renneberg agrees with the facts as set out in Part III of this Settlement Agreement.

4. 1621852 Ontario Limited ("162 Limited") is a corporation registered in the Province of Ontario. Hillcorp International Services ("Hillcorp") is a business name that was registered to 162 Limited in February of 2005. Neither 162 Limited nor Hillcorp are registered with the Commission in any capacity.

5. Renneberg is an individual who, at the material time, resided in the province of Ontario. He is not, and has never been, registered with the Commission in any capacity. He is not registered as an officer or director of 162 Limited.

6. Hillcorp International operates a website located at www.hillcorpinternationalservices.com (the "Hillcorp Website"). Until July of 2009, this website contained promotional material relating to Hillcorp. In July of 2009, the website was modified and now contains only Hillcorp's address, telephone number and e-mail contact information.

7. The Hillcorp Website states that Hillcorp's business address is 161 Bay Street, 27th Floor, Toronto. The tenant of this office address is a Regus Business Centre, which is a business providing temporary office services to a number of firms, including Hillcorp. The records of the Regus Business Centre list Renneberg as a representative of Hillcorp.

8. The Hillcorp Website described Hillcorp as a "major, privately held investment firm" which places funds in the petroleum, mining, real estate development and financial services sectors, without specifying the particular businesses invested in. It stated that Hillcorp "created opportunities for growth and wealth" , and offered "preferred investment status", "tried and true investment returns" and "quality advice".

9. In a letter posted on the website, Hillcorp undertook to "diligently and professionally manage" any funds invested with it. The Hillcorp Website contained tables titled "Investment Proforma" which appeared to set out rates of return ranging from 1.5% to 7.0% monthly depending on the sums initially invested. Finally, it provided a document titled "Client Investment Application" which could be printed, completed and returned to Hillcorp. The e-mail address provided for contact with Hillcorp was info@hillcorpinternationalservices.com.

10. In March of 2009, Staff contacted this e-mail address posing as a prospective investor. Staff's e-mail was answered by Renneberg, who introduced himself as a "representative" of Hillcorp, and promised a 12% annual return on any funds

invested with Hillcorp. He invited further queries from the prospective investor, and included his cellphone number in the initial message.

11. A series of e-mail communications with Renneberg followed which referenced potential investments in oil and mining projects, offered a 2% per month rate of return on any funds invested, and represented that Hillcorp had "close connections" in the petroleum industry which would be of benefit to investors.

12. The prospective investor was instructed to download the "Client Investment Application" from the Hillcorp Website, complete it, and send it electronically to Renneberg's e-mail address. Renneberg wrote that wire transfer information would then be provided to permit the prospective investor's funds to be transmitted to Hillcorp. No further steps were taken by Staff to respond to this message. The final e-mail communication from Renneberg was received on May 8, 2009.

13. In addition, on at least one occasion in February of 2009, Renneberg made at least one presentation to a meeting of existing Hillcorp investors. In the course of this presentation, Renneberg introduced himself as a representative of Hillcorp and stated that Hillcorp was having temporary difficulties in making promised payments to investors, but stated that Hillcorp would soon be able to resume making payments.

PART IV – CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND THE PUBLIC INTEREST

14. By engaging in the conduct described above, Renneberg has breached Ontario securities law by contravening sections 25, 38(2) and 53 of the Act and has acted contrary to the public interest.

PART V – RESPONDENT'S POSITION

15. Renneberg requests that the settlement hearing panel consider the following mitigating circumstances:

16. Renneberg is currently 26 years old. Renneberg represents that he was only employed by Hillcorp on a part-time basis to deal with administrative matters, and had no management or control of Hillcorp's affairs.

17. Renneberg represents that he had no experience in the securities or financial services industry prior to taking a position at Hillcorp. He represents that he never visited Hillcorp's Toronto office and at all times performed his duties from his residence in London, Ontario.

18. Renneberg represents that he left his employment with Hillcorp in 2009. He currently resides in Humboldt, Saskatchewan. He represents that he currently resides with his parents and has a very limited income.

PART VI – TERMS OF SETTLEMENT

19. Renneberg agrees to the terms of settlement listed below.

20. The Commission will make an order pursuant to section 127(1) of the Act that:

    (a) the settlement agreement be approved;

    (b) Renneberg be reprimanded; and

    (c) trading in any securities by Renneberg cease for a period of 2 years commencing on the date of the Commission's order, with the exception that Renneberg may trade in certain securities for the account of his registered retirement savings plan (as defined in the Income Tax Act (Canada)), provided that:

        i. the securities consist only of securities that are listed and posted for trading on the Toronto Stock Exchange or the New York Stock Exchange (or their successor exchanges) or are issued by a mutual fund which is a reporting issuer; and

        ii. Renneberg must trade only through a registered dealer and through accounts opened in his name only and must immediately close any trading accounts that were not opened in his name only.

21. Renneberg undertakes to consent to a regulatory Order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the prohibitions set out in sub-paragraphs 20 (b) and (c) above. These prohibitions may be modified to reflect the provisions of the relevant provincial or territorial securities law.

PART VII – STAFF COMMITMENT

22. If the Commission approves this Settlement Agreement, Staff will not commence any proceeding under Ontario securities law in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 23 below.

23. If the Commission approves this Settlement Agreement and Renneberg fails to comply with any of the terms of the Settlement Agreement, Staff may bring proceedings under Ontario securities law against Renneberg. These proceedings may be based on, but are not limited to, the facts set out in Part III of this Settlement Agreement as well as the breach of the Settlement Agreement.

PART VIII – PROCEDURE FOR APPROVAL OF SETTLEMENT

24. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission according to the procedures set out in this Settlement Agreement and the Commission's Rules of Practice.

25. Staff and Renneberg agree that this Settlement Agreement will form all of the agreed facts that will be submitted at the settlement hearing on Renneberg's conduct, unless the parties agree that additional facts should be submitted at the settlement hearing.

26. If the Commission approves this Settlement Agreement, Renneberg agrees to waive all rights to a full hearing, judicial review or appeal of this matter under the Act.

27. If the Commission approves this Settlement Agreement, neither party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the settlement hearing.

28. Whether or not the Commission approves this Settlement Agreement, Renneberg will not use, in any proceeding, this Settlement Agreement or the negotiation or process of approval of this agreement as the basis for any attack on the Commission's jurisdiction, alleged bias, alleged unfairness, or any other remedies or challenges that may otherwise be available.

PART IX – DISCLOSURE OF SETTLEMENT AGREEMENT

29. If the Commission does not approve this Settlement Agreement or does not make the order attached as Schedule "A" to this Settlement Agreement:

    i. this Settlement Agreement and all discussions and negotiations between Staff and Renneberg before the settlement hearing takes place will be without prejudice to Staff and Renneberg; and

    ii. Staff and Renneberg will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations contained in the Statement of Allegations. Any proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this agreement.

30. Both parties will keep the terms of the Settlement Agreement confidential until the Commission approves the Settlement Agreement. At that time, the parties will no longer have to maintain confidentiality. If the Commission does not approve the Settlement Agreement, both parties must continue to keep the terms of the Settlement Agreement confidential, unless they agree in writing not to do so or if required by law.

PART X – EXECUTION OF SETTLEMENT AGREEMENT

31. The parties may sign separate copies of this agreement. Together, these signed copies will form a binding agreement.

32. A fax copy of any signature will be treated as an original signature.

Dated this 23rd day of April, 2010.

"Daryl Renneberg"
Daryl Renneberg

"Corey Renneberg"
Witness

"Tom Atkinson"
Director, Enforcement Branch

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
Copper Mesa Mining Corporation	23 Apr 10	05 May 10		
Shermag Inc.	20 Nov 09	02 Dec 09	02 Dec 09	21 Apr 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
Phonetime Inc.	15 Apr 10	27 Apr 10	27 Apr 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		
Axiotron Corp.	12 Feb 10	24 Feb 10	24 Feb 10		
RoaDor Industries Ltd.	----	24 Feb 10	24 Feb 10		
Genesis Worldwide Inc.	06 April 10	19 Apr 10	19 Apr 10		
Homeland Energy Group Ltd.	06 April 10	19 Apr 10	19 Apr 10		
Virgin Metal Inc.	07 April 10	20 Apr 10	20 Apr 10		
Redline Communications Group Inc.	07 April 10	19 Apr 10	19 Apr 10		
Synergex Corporation	08 Apr 10	20 Apr 10	20 Apr 10		
Phonetime Inc.	15 Apr 10	27 Apr 10	27 Apr 10		

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Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesScource (see www.carswell.com).

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
03/16/2010	48	Adroit Resources Inc. - Units	403,800.00	N/A
07/02/2007 to 12/03/2007	2	AFC North American Fund (Cayman Islands) L.P. - Units	11,750,000.00	111,565.90
01/01/2008 to 12/01/2008	3	AFC North American Fund (Cayman Islands) L.P. - Units	16,483,082.74	146,977.19
01/01/2009 to 07/01/2009	6	AFC North American Fund (Cayman Islands) L.P. - Units	18,729,215.27	160,922.46
03/25/2010	41	Alana Potash Corp. - Units	5,777,000.00	14,442,500.00
03/23/2010	2	Alderon Resource Corp. - Flow-Through Shares	5,000,000.50	90,910.00
03/19/2010	37	Amex Exploration Inc. - Units	1,084,500.00	4,336,000.00
03/26/2010	61	Arrowhead Water Products Ltd. - Units	900,000.00	36,000,000.00
03/18/2010	25	Atacama Pacific Gold Corporation - Units	5,378,475.00	7,739,728.00
03/24/2010	1	Axela Inc. - Debentures	225,450.00	N/A
03/26/2010	15	Caledonian Royalty Corporation - Units	2,171,600.00	217,160.00
03/26/2010	31	Canadian Horizons Blended Mortgage Investment Corporation - Preferred Shares	437,845.00	437,845.00
03/26/2010	49	Canadian Horizons First Mortgage Investment Corporation - Preferred Shares	854,438.00	854,438.00
03/31/2010	46	Canamex Silver Corp. - Units	500,000.00	10,000,000.00
03/26/2010	70	CareVest Blended Mortgage Investment Corporation - Preferred Shares	2,729,674.00	2,729,674.00
03/26/2010	25	CareVest First Mortgage Investment Corporation - Preferred Shares	649,812.00	649,812.00
03/31/2010	3	Chinook Roads Partnership - Bonds	137,735,876.14	N/A
03/18/2010 to 03/19/2010	6	Cleanfield Alternative Energy Inc. - Units	297,560.00	0.00
03/25/2010	35	Cuco Resources Limited - Common Shares	15,282,000.00	5,000,000.00
03/31/2010	3	DB Mortgage Investment Corporation #1 - Common Shares	4,599,688.00	4,684.00
08/09/2007	2	Diamond Estates Wines & Spirits Ltd. - Common Shares	250,000.00	83,333.40
06/06/2007	1	Diamond Estates Wines & Spirits Ltd. - Common Shares	50,000.00	16,667.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
09/12/2008	4	Diamond Estates Wines & Spirits Ltd. - Common Shares	55,000.00	18,333.32
11/20/2008	1	Diamond Estates Wines & Spirits Ltd. - Common Shares	15,200.00	4,000.00
06/02/2009 to 06/05/2009	2	Diamond Estates Wines & Spirits Ltd. - Common Shares	310,000.00	77,500.00
09/30/2009	1	Diamond Estates Wines & Spirits Ltd. - Common Shares	2,200,000.00	550,000.00
12/05/2009	2	Diamond Estates Wines & Spirits Ltd. - Common Shares	90,000.00	22,500.00
01/18/2010	1	Diamond Estates Wines & Spirits Ltd. - Common Shares	100,000.00	25,000.00
03/19/2010 to 03/26/2010	34	Duncastle Gold Corp. - Flow-Through Shares	769,204.00	N/A
03/18/2010 to 03/25/2010	13	Eagle Landing Capital Inc. - Common Shares	233,562.00	N/A
03/15/2010	1	Ellerslie GT-SDM Limited Partnership - Loans	25,000.00	N/A
03/24/2010	1	Explor Resources Inc. - Common Shares	126,000.00	200,000.00
03/23/2010	1	Fidelex Exploration Inc. - Common Shares	32,200.00	200,000.00
04/01/2010	7	First Leaside Wealth Management Inc. - Preferred Shares	438,933.00	438,933.00
03/16/2010 to 03/25/2010	5	Forests Pacific BioChemicals Corporation - Preferred Shares	95,000.00	119,999.00
03/23/2010	130	FT Capital Fund 4 - Units	2,163,000.00	4,326.00
03/26/2010	73	FT Capital Fund 6 - Units	1,175,500.00	2,351.00
03/26/2010	1	Fuel Transfer Technologies Inc. - Preferred Shares	25,000.00	6,250.00
03/17/2010	24	Galore Resources Inc. - Units	1,150,000.05	7,666,667.00
03/24/2010	6	Gastem Inc. - Units	5,750,000.10	N/A
03/29/2010	1	GNC Acquisition Holdings Inc. - Common Shares	92,273.38	14,470.00
03/22/2010	46	Hathor Exploration Limited - Flow-Through Shares	15,000,000.00	6,250,000.00
03/23/2010 to 03/29/2010	18	IGW Real Estate Investment Trust - Trust Units	468,213.80	467,947.92
03/30/2010 to 04/06/2010	17	IGW Real Estate Investment Trust - Trust Units	406,285.15	406,063.02
03/24/2010	4	International Montoro Resources Inc. - Units	125,460.00	2,094,000.00
02/01/2010	1	Investeco Private Equity Fund III, L.P - Limited Partnership Units	501,709.59	500.00
03/25/2010	17	Investicare Seniors Housing Corp. - Units	493,750.00	N/A
03/23/2010 to 03/26/2010	153	Kallisto Energy Corp. - Common Shares	7,498,959.60	12,498.27

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
03/31/2010	1	Kingwest Avenue Portfolio - Units	500.00	18.22
03/31/2010	1	Kingwest Canadian Equity Portfolio - Units	250,000.00	23,053.59
03/19/2010	1	Kodiak Exploration Limited - Common Shares	15,000.00	37,500.00
03/30/2010	175	Linn Energy LLC - Notes	1,326,000,000.00	N/A
04/01/2010	16	McConachie Development Investment Corporation - Units	403,180.00	40,318.00
03/19/2010	43	McConachie Development Investment Corporation - Units	701,180.00	70,118.00
04/09/2010	24	McConachie Development Investment Corporation - Units	479,130.00	47,913.00
04/09/2010	4	McConachie Development Limited Partnership - Units	588,000.00	58,800.00
03/30/2010	1	Merrill Lynch International & Co. C.V. - Warrants	10,000,000.00	281.00
03/18/2010	87	Miranda Gold Corp. - Units	3,696,219.80	5,686,492.00
03/29/2010	1	Newcastle Minerals Ltd. - Common Shares	230,000.00	2,000,000.00
04/01/2010	31	NexJ Systems Inc. - Units	19,974,746.75	N/A
03/01/2010	2	North American Capital Inc. - Preferred Shares	70,000.00	2.00
03/01/2010	9	North American Financial Group Inc. - Debt	384,500.00	9.00
03/16/2010	19	Penn West Petroleum Ltd. - Notes	300,000,000.00	N/A
03/26/2010	1	Pier 21 Global Value Pool - Units	650,000.00	64,322.36
03/18/2010	35	Quetzel Energy Ltd. - Units	8,234,240.00	58,816,000.00
03/18/2010	5	Redbourne Realty Fund II Inc. - Common Shares	33,415,939.00	33,415.94
03/19/2010 to 03/25/2010	37	Rodinia Oil Corp. - Units	4,167,408.75	5,556,545.00
03/16/2010 to 03/18/2010	4	Sigorian Capital Holding Inc. - Common Shares	515,000.00	N/A
03/29/2010	1	Sigorian Capital Holding Inc. - Common Shares	60,000.00	40,000.00
03/24/2010	8	Silverado Gold Mines Ltd. - Common Shares	116,198.68	32,376,337.00
03/25/2010	38	TransAmerican Energy Inc. - Units	500,000.00	10,000,000.00
11/02/2009	1	Trez Capital Corporation - Mortgage	250,000.00	250,000.00
04/01/2010	42	Walton AZ Mystic Vista Investment Corporation - Common Shares	506,160.00	50,616.00
03/19/2010	42	Walton AZ Mystic Vista Investment Corporation - Common Shares	798,900.00	79,890.00
04/09/2010	10	Walton AZ Mystic Vista Investment Corporation - Common Shares	195,770.00	19,577.00
04/01/2010	10	Walton AZ Mystic Vista Limited Partnership -	722,286.03	70,743.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
		Limited Partnership Units		
04/09/2010	4	Walton AZ Mystic Vista Limited Partnership - Limited Partnership Units	679,367.33	67,431.00
04/01/2010	34	Walton AZ Verona Investment Corporation - Common Shares	608,460.00	60,846.00
03/19/2010	52	Walton AZ Verona Investment Corporation - Common Shares	649,770.00	64,977.00
04/09/2010	36	Walton AZ Verona Investment Corporation - Common Shares	582,940.00	58,294.00
04/01/2010	2	Walton AZ Verona Limited Partnership - Limited Partnership Units	628,517.39	61,559.00
04/13/2010	73	Walton GA Arcade Meadows 2 Investment Corporation - Common Shares	1,454,810.00	145,481.00
04/01/2010	55	Walton Southern U.S. Land Investment Corporation - Common Shares	908,620.00	90,862.00
04/09/2010	67	Walton Southern U.S. Land Investment Corporation - Common Shares	1,359,650.00	135,965.00
04/01/2010	9	Walton Southern U.S. Land LP - Limited Partnership Units	1,629,893.77	159,637.00
04/09/2010	8	Walton Southern U.S. Land LP - Units	1,636,018.80	162,384.00
04/01/2010	25	Walton TX Austin Land Investment Corporation - Common Shares	729,260.00	72,926.00
03/19/2010	38	Walton TX Austin Land Investment Corporation - Common Shares	628,640.00	62,864.00
03/19/2010	3	Walton TX Austin Land Limited Partnership - Units	755,148.05	71,612.00
02/16/2010	24	WG Limited - Common Shares	7,951,176.30	22,721,214.00
03/24/2010	1	XPV Water Fund Limited Partnership - Limited Partnership Units	1,026,700.00	1,000,000.00
03/22/2010	16	Yangaroo Inc. - Units	668,000.00	668.00
03/16/2010	92	Yangarra Resources Ltd. - Common Shares	6,000,000.00	80,000,000.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
AltaCanada Energy Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 23, 2010
Offering Price and Description:
$7,500,951.00 - Offering of Rights to Subscribe for Common Shares at a purchase price of $0.07 per Common Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1567168

Issuer Name:
AltaFund Investment Corp.
Altamira Corporate Bond Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Simplified Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 22, 2010
Offering Price and Description:
Advisor, Investor, F and O Series
Underwriter(s) or Distributor(s):
National Bank Securities Inc.
Promoter(s):
National Bank Securities Inc.,
Project #1566714

Issuer Name:
Angle Energy Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
$40,810,000.00 5,300,000 Common Shares Price: $7.70 per Common Share
Underwriter(s) or Distributor(s):
FirstEnergy Capital Corp.
Cormark Securities Inc.
Dundee Securities Corporation
BMO Nesbitt Burns Inc.
Peters & Co. Limited
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1566808

Issuer Name:
Avion Gold Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 26, 2010
NP 11-202 Receipt dated April 26, 2010
Offering Price and Description:
$25,080,000.00 - 41,800,000 Common Shares Price: $0.60 per Offered Share
Underwriter(s) or Distributor(s):
Canaccord Financial Ltd.
Cormark Securities Inc.
GMP Securities L.P.
Macquarie Capital Markets Canada Ltd.
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1568434

Issuer Name:
Bennett Environmental Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
$25,000,002.00 - 8,196,722 Units Price: $3.05 per Unit
Underwriter(s) or Distributor(s):
Jennings Capital Inc.
Cormark Securities Inc.
Promoter(s):
-
Project #1566518

Issuer Name:
BlackPearl Resources Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 23, 2010
NP 11-202 Receipt dated April 23, 2010
Offering Price and Description:
$26,100,000.00 - 9,000,000 Common Shares Price: $2.90 per Share
Underwriter(s) or Distributor(s):
FirstEnergy Capital Corp.
GMP Securities L.P.
RBC Dominion Securities Inc.
Canaccord Financial Ltd.
Macquarie Capital Markets Canada Ltd.
Peters & Co. Limited
TD Securities Inc.
Promoter(s):
-
Project #1567872

Issuer Name:
Canacol Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
$50,000,250.00 - 66,667,000 Common Shares Price: $0.75 per Common Share
Underwriter(s) or Distributor(s):
Canaccord Financial Ltd.
FirstEnergy Capital Corp.
Cormark Securities Inc.
Mackie Research Capital Corporation
Promoter(s):
Charle Gamba, Brian Hearst, Michael Hibberd & David Winter
Project #1566938

Issuer Name:
First National Financial Income Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 22, 2010
NP 11-202 Receipt dated April 22, 2010
Offering Price and Description:
Up to $ * - * % Series 1 Senior Secured Debentures due * , 2015 Price: $ * per Debenture
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Promoter(s):
-
Project #1567163

Issuer Name:
Just Energy Income Fund (formerly Energy Savings Income Fund)
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 20, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
$330,000,000.00 - 6.0% Convertible Extendible Unsecured Subordinated Debentures Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
GMP Securities L.P.
CIBC World Markets Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Promoter(s):
-
Project #1566408

Issuer Name:
Marengo Mining Limited
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 22, 2010
Offering Price and Description:
$ * - * Units Price: $ * per Unit
Underwriter(s) or Distributor(s):
Paradigm Capital Inc.
Fraser Mackenzie Limited
Promoter(s):
-
Project #1567016

Issuer Name:
NiMin Energy Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Thomas Weisel Partners Canada Inc.
Promoter(s):
Clarence Cottman III
Project #1566638

Issuer Name:
NiMin Energy Corp.
Principal Regulator - Alberta
Type and Date:
Amended and Restated Preliminary Short Form Prospectus dated April 22, 2010
NP 11-202 Receipt dated April 22, 2010
Offering Price and Description:
$10,000,000.00 - 8,000,000 Common Shares Price: $1.25 per Share
Underwriter(s) or Distributor(s):
Thomas Weisel Partners Canada Inc.
Promoter(s):
Clarence Cottman III
Project #1566638

Issuer Name:
O'Leary Advantaged Global Corporate Bond Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Long Form Prospectus dated April 23, 2010
NP 11-202 Receipt dated April 27, 2010
Offering Price and Description:
$* (*) Maximum $12.00 per Unit Price: $12.00 per Unit
Minimum Purchase: 100 Units
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Canaccord Financial Ltd.
National Bank Financial Inc.
HSBC Securities (Canada) Inc.
Macquarie Capital Markets Canada Ltd.
Raymond James Ltd.
Wellington West Capital Markets Inc.
Dundee Securities Corporation
GMP Securities L.P.
Desjardins Securities Inc.
Manulife Securities Incorporated
MGI Securities Inc.
Mackie Research Capital Corporation
Promoter(s):
O'Leary Funds Management LP
Project #1568442

Issuer Name:
Ridgewood Canadian Investment Grade Bond Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated April 23, 2010
NP 11-202 Receipt dated April 23, 2010
Offering Price and Description:
$ 50,000,0000.00 - * Units Price: $ * per Unit
Underwriter(s) or Distributor(s):
TD Securities Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
GMP Securities L.P.
National Bank Financial Inc.
Scotia Capital Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd,
Canaccord Financial Ltd.
Dundee Securities Corporation
Macquarie Capital Markets Canada Ltd.
Manulife Securities Incorporated
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1567879

Issuer Name:
TAG Oil Ltd
Principal Regulator - British Columbia
Type and Date:
Amended and Restated Preliminary Short Form Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
$17,420,000.00 - 6,700,000 Units Price: $2.60 per Unit
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Cormark Securities Inc.
Promoter(s):
-
Project #1565955

Issuer Name:
Vena Resources Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 22, 2010
Offering Price and Description:
$30 Million:
Common Shares
Warrants
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1567210

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Issuer Name:
AGF Canada Class (Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities)
(Class of AGF All World Tax Advantage Group Limited)
AGF Canada Fund (Series S Securities)
AGF Canadian All Cap Equity Fund (Mutual Fund Series, Series F and Series O Securities)
AGF Canadian Growth Equity Fund Limited (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Canadian Growth Equity Fund (Series S Securities)
AGF Canadian Large Cap Dividend Class (Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Canadian Large Cap Dividend Fund (Mutual Fund Series, Series D, Series F, Series O, Series T, Series V and Classic Series Securities)
AGF Canadian Small Cap Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Canadian Stock Class (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Canadian Stock Fund (Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities)
AGF Canadian Value Fund (Mutual Fund Series, Series D, Series F, Series G, Series H and Series O Securities)
AGF Dividend Income Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF AggressiveTM Global Stock Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Aggressive TM U.S. Growth Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF American Growth Class (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF American Growth Fund (Series S Securities)
AGF Asian Growth Class (Mutual Fund Series, Series D, Series F and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Asian Growth Fund (Series S Securities)
AGF China Focus Class (Mutual Fund Series, Series D, Series F and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Emerging Markets Class (Mutual Fund Series, Series D, Series F, Series G, Series H and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Emerging Markets Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF European Equity Class (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF European Equity Fund (Series S Securities)
AGF Global Dividend Fund (Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities)

AGF Global Equity Class (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Global Equity Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Global Value Class (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Global Value Fund (Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities)
AGF International Stock Class (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Japan Class (Mutual Fund Series, Series D, Series F and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Japan Fund (Series S Securities)
AGF U.S. Risk Managed Class (Mutual Fund Series, Series D, Series F and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF U.S. Risk Managed Fund (Series S Securities)
AGF Canadian Resources Fund Limited (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Canadian Resources Fund (Series S Securities)
AGF Global Real Estate Equity Class (Mutual Fund Series, Series D, Series F and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Global Real Estate Equity Fund (Series S Securities)
AGF Global Resources Class (Mutual Fund Series, Series D, Series F and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Global Resources Fund (Series S Securities)
AGF Precious Metals Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Canadian Asset Allocation Fund (formerly, AGF Canadian Balanced Fund) (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities)
AGF Monthly High Income Fund (Mutual Fund Series, Series D, Series F, Series O and Series T Securities)
AGF Pure Canadian Balanced Fund (Mutual Fund Series, Series F, Series O, Series T and Series V Securities)
AGF Traditional Balanced Fund, (formerly, AGF Canadian Balanced Value Fund) (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities)
AGF Traditional Income Fund (Mutual Fund Series, Series F, Series O and Series T Securities)
AGF World Balanced Fund (Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities)
AGF Canadian Bond Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Canadian High Yield Bond Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Canadian Money Market Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Dollar Cost Averaging Fund (Mutual Fund Series and Series D Securities)
AGF Inflation Plus Bond Fund, (formerly, AGF Canadian Conservative Inflation Managed Income Fund) (Mutual Fund Series, Series D, Series F, Series G, Series H and Series O Securities)
AGF Global Aggregate Bond Fund (Mutual Fund Series, Series F and Series O Securities)
AGF Global Government Bond Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Global High Yield Bond Fund (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Short-Term Income Class (Mutual Fund Series, Series D, Series F and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF U.S. Dollar Money Market Account (Mutual Fund Series Securities)
AGF Elements Conservative Portfolio (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Elements Balanced Portfolio (Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities)
AGF Elements Growth Portfolio (Mutual Fund Series, Series D, Series F, Series O, Series T and Series V Securities)
AGF Elements Global Portfolio (Mutual Fund Series, Series D, Series F and Series O Securities)
AGF Elements Yield Portfolio (Mutual Fund Series, Series F, Series G, Series H and Series O Securities)
AGF Elements Conservative Portfolio Class (Mutual Fund Series, Series D, Series F, Series G, Series H and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Elements Balanced Portfolio Class (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Elements Growth Portfolio Class (Mutual Fund Series, Series D, Series F, Series G, Series H, Series O, Series T and Series V Securities) (Class of AGF All World Tax Advantage Group Limited)
AGF Elements Global Portfolio Class (Mutual Fund Series, Series D, Series F, Series G, Series H and Series O Securities) (Class of AGF All World Tax Advantage Group Limited)
Principal Regulator - Ontario

Type and Date:
Final Simplified Prospectuses dated April 19, 2010
NP 11-202 Receipt dated April 20, 2010

Offering Price and Description:
Mutual Fund Series, Series D, Series F, Series G, Series H, Series O,
Series S, Series T, Series V and Classic Series Securities

Underwriter(s) or Distributor(s):
AGF Funds Inc.
Promoter(s):
-

Project #1548453

Issuer Name:
BMO Canadian Tactical ETF Class
(BMO Guardian Canadian Tactical ETF Class Advisor Series,
BMO Guardian Canadian Tactical ETF Class Series I and
BMO Guardian Canadian Tactical ETF Class Series F)
BMO Global Tactical ETF Class
(BMO Guardian Global Tactical ETF Class Advisor Series,
BMO Guardian Global Tactical ETF Class Series I and
BMO Guardian Global Tactical ETF Class Series F)
BMO Security ETF Portfolio
(BMO Guardian Security ETF Portfolio Advisor Series,
BMO Guardian Security ETF Portfolio Series I and
BMO Guardian Security ETF Portfolio Series F)
BMO Balanced ETF Portfolio
(BMO Guardian Balanced ETF Portfolio Advisor Series,
BMO Guardian Balanced ETF Portfolio Series I and
BMO Guardian Balanced ETF Portfolio Series F)
BMO Growth ETF Portfolio
(BMO Guardian Growth ETF Portfolio Advisor Series,
BMO Guardian Growth ETF Portfolio Series I and
BMO Guardian Growth ETF Portfolio Series F)
BMO Aggressive Growth ETF Portfolio
(BMO Guardian Aggressive Growth ETF Portfolio Advisor Series,
BMO Guardian Aggressive Growth ETF Portfolio Series I and
BMO Guardian Aggressive Growth ETF Portfolio Series F
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated April 21, 2010
NP 11-202 Receipt dated April 23, 2010
Offering Price and Description:
Advisor Series, ETF Class Series I, ETF Class Series F @ Net Asset Value
Underwriter(s) or Distributor(s):
BMO Investments Inc.
Promoter(s):
BMO Investments Inc.
Project #1542034

Issuer Name:
BMO Canadian Money Market Fund (formerly BMO AIR MILES Money Market Fund) (Series A and I)
BMO Money Market Fund (Series A and I)
BMO Premium Money Market Fund (Series A and I)
BMO T-Bill Fund (Series A, I and BMO Guardian T-Bill Fund Series F)
BMO Bond Fund (Series A, I and BMO Guardian Bond Fund Series F)
BMO Diversified Income Fund (Series A and I)
BMO Global High Yield Bond Fund (Series A and I)
BMO Global Monthly Income Fund (Series A and I)
BMO Monthly Income Fund (Series A, I and BMO Guardian Monthly Income Fund Series F)
BMO Mortgage and Short-Term Income Fund (Series A and I)
BMO U.S. High Yield Bond Fund (Series A, I and BMO Guardian U.S. High Yield Bond Fund Series F)
BMO World Bond Fund (Series A, I and BMO Guardian World Bond Fund Series F)
BMO Asset Allocation Fund (Series A and I)
BMO Dividend Fund (Series A, I and BMO Guardian Dividend Fund Series F)
BMO Equity Fund (Series A, I and BMO Guardian Equity Fund Series F)
BMO Equity Index Fund (Series A and I)
BMO European Fund (Series A, I and BMO Guardian European Fund Series F)
BMO Global Infrastructure Fund (formerly BMO Income Trust Fund) (Series A and I)
BMO International Index Fund (Series A and I)
BMO Japanese Fund (Series A and I)
BMO North American Dividend Fund (Series A and I)
BMO U.S. Equity Fund (Series A, I and BMO Guardian U.S. Equity Fund Series F)
BMO U.S. Equity Index Fund (Series A and I)
BMO U.S. Growth Fund (Series A and I)
BMO Emerging Markets Fund (Series A, I and BMO Guardian Emerging Markets Fund Series F)
BMO Global Science & Technology Fund (Series A and I)
BMO Precious Metals Fund (Series A and I)
BMO Resource Fund (Series A and I)
BMO Special Equity Fund (Series A and I)
BMO U.S. Special Equity Fund (Series A and I)
BMO U.S. Dollar Equity Index Fund (Series A and I)
BMO U.S. Dollar Money Market Fund (Series A and I)
BMO U.S. Dollar Monthly Income Fund (Series A and I)
BMO Canadian Equity Class (Series A and I)*
BMO Canadian Tactical ETF Class (Series A and I)*
BMO Dividend Class (Series A and I)*
BMO Global Dividend Class (Series A and I)*
BMO Global Energy Class (Series A and I)*
BMO Global Equity Class (Series A and I)*
BMO Global Tactical ETF Class (Series A and I)*
BMO Greater China Class (Series A and I)*
BMO International Value Class (Series A and I)*
BMO Short-Term Income Class (Series A and I)*
BMO Sustainable Climate Class (Series A and I)*
BMO Sustainable Opportunities Class (Series A and I)*
BMO SelectClass Security Portfolio (Series A, I and T6)*
BMO SelectClass Balanced Portfolio (Series A, I and T6)*

BMO SelectClass Growth Portfolio (Series A, I and T6)*
BMO SelectClass Aggressive Growth Portfolio (Series A, I and T6)*
*(each a class of BMO Global Tax Advantage Funds Inc.)
BMO LifeStage Plus 2015 Fund (Series A)
BMO LifeStage Plus 2017 Fund (Series A)
BMO LifeStage Plus 2020 Fund (Series A)
BMO LifeStage Plus 2022 Fund (Series A)
BMO LifeStage Plus 2025 Fund (Series A)
BMO LifeStage Plus 2026 Fund (Series A)
BMO LifeStage Plus 2030 Fund (Series A)
BMO FundSelect Security Portfolio (Series A and I)
BMO FundSelect Balanced Portfolio (Series A and I)
BMO FundSelect Growth Portfolio (Series A and I)
BMO FundSelect Aggressive Growth Portfolio (Series A and I)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated April 21, 2010
NP 11-202 Receipt dated April 23, 2010
Offering Price and Description:
Series A, F, I and T6 Securities @ Net Asset Value
Underwriter(s) or Distributor(s):
BMO Investments Inc.
Promoter(s):
BMO Investments Inc.
Project #1542027

Issuer Name:
BNP Paribas Global Equity Exposure Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated April 22, 2010 to the Simplified Prospectus and Annual Information Form dated March 8, 2010
NP 11-202 Receipt dated April 26, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fortis Investment Management Canada Ltd.
Promoter(s):
Fortis Investment Management Canada Ltd.
Project #1526876

Issuer Name:
CARDS II Trust
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated April 26, 2010
NP 11-202 Receipt dated April 26, 2010
Offering Price and Description:
Up to $11,000,000,000.00 Credit Card Receivables Backed Notes
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Promoter(s):
Canadian Imperial Bank of Commerce
Project #1565263

Issuer Name:
Dauntless Capital Corp.
Principal Regulator - British Columbia
Type and Date:
Final CPC Prospectus dated April 23, 2010
NP 11-202 Receipt dated April 26, 2010
Offering Price and Description:
$272,000.00 - 2,720,000 COMMON SHARES Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Jordon Capital Markets Inc.
Promoter(s):
William Sheriff
John Legg
Project #1563560

Issuer Name:
Exchange Income Corporation
Principal Regulator - Manitoba
Type and Date:
Final Short Form Prospectus dated April 23, 2010
NP 11-202 Receipt dated April 23, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
TD Securities Inc.
Wellington West Capital Inc.
Raymond James Ltd.
Promoter(s):
-
Project #1565013

Issuer Name:
Exemplar Canadian Focus Portfolio
Exemplar Diversified Portfolio
Exemplar Global Opportunities Portfolio
Exemplar Leaders Portfolio
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated April 23, 2010
NP 11-202 Receipt dated April 26, 2010
Offering Price and Description:
Series A Shares, Series F Shares and Series I Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
Blumont Capital Corporation
Project #1550444

Issuer Name:
First Trust Global Capital Strength Portfolio
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 22, 2010
Offering Price and Description:
Series A and Series F Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
First Defined Portfolio Management Co.
Project #1547899

Issuer Name:
Galliard Resources Corp.
Principal Regulator - British Columbia
Type and Date:
Final Long Form Prospectus dated April 23, 2010
NP 11-202 Receipt dated April 23, 2010
Offering Price and Description:
$400,000.00 - 2,000,000 Common Shares at a price of $0.20 per Common Share
Underwriter(s) or Distributor(s):
Jordan Capital Markets Inc.
Promoter(s):
Robert Bick
Project #1543022

Issuer Name:
IBI Income Fund
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
$20,000,000.00 - 5.75% Convertible Unsecured Subordinated Debentures Price $1,000 per Debenture Price
Underwriter(s) or Distributor(s):
TD Securities Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Macquarie Capital Markets Canada Ltd.
Canaccord Financial Ltd.
Raymond James Ltd.
Desjardins Securities Inc.
Laurentian Bank Securities Inc.
Genuity Capital Markets
Promoter(s):
IBI Group Investment Partnership
Project #1563893

Issuer Name:
Largo Resources Ltd.
Type and Date:
Final Short Form Prospectus dated April 23, 2010
Receipted on April 26, 2010
Offering Price and Description:
$8,000,000.00 - 36,363,637 Common Shares and 18,181,818 Common Share Purchase Warrants on Exercise of 36,363,637 Special Warrants Price: $0.22 per Special Warrant
Underwriter(s) or Distributor(s):
Byron Securities Limited
Clarus Securities Inc.
Promoter(s):
-
Project #1559569

Issuer Name:
Mitel Networks Corporation
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated April 20, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
US$147,368,424.00 - 10,526,316 Common Shares PRICE US$14.00 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:
PERSEUS MINING LIMITED
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated April 27, 2010
NP 11-202 Receipt dated April 27, 2010
Offering Price and Description:
C$79,200,000.00 - 44,000,000 Ordinary Shares Price: C$1.80 per Ordinary Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Clarus Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Dundee Securities Corporation
Promoter(s):
-
Project #1564549

Issuer Name:
Resverlogix Corp.
Principal Regulator - Alberta
Type and Date:
Final Shelf Prospectus dated April 21, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
$125,000,000.00:
Common Shares
Preferred Shares
Debt Securities
Warrants
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1553556

Issuer Name:
Sulliden Gold Corporation Ltd.
Principal Regulator - Quebec
Type and Date:
Final Short Form Prospectus dated April 26, 2010
NP 11-202 Receipt dated April 26, 2010
Offering Price and Description:

Underwriter(s) or Distributor(s):
Wellington West Capital Markets Inc.
Cormark Securities Inc.
BMO Nesbitt Burns Inc.
GMP Securities L.P.
Macquarie Capital Markets Canada Ltd.
Fraser Mackenzie Limited
Promoter(s):
-
Project #1564947

Issuer Name:
TD Emerald Canadian Short Term Investment Fund
TD Emerald Canadian Bond Index Fund
TD Emerald Global Government Bond Index Fund
TD Emerald Balanced Fund
TD Emerald Canadian Equity Index Fund
TD Emerald U.S. Market Index Fund
TD Emerald International Equity Index Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated April 21, 2010
NP 11-202 Receipt dated April 22, 2010
Offering Price and Description:
Class A and Class B Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1544299

Issuer Name:
TD Emerald Canadian Treasury Management Fund
TD Emerald Canadian Treasury Management – Government of Canada Fund
TD Emerald U.S. Dollar Treasury Management Fund (Institutional Class units)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated April 21, 2010
NP 11-202 Receipt dated April 22, 2010
Offering Price and Description:
Institutional Class Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1544300

Issuer Name:
TIS Preservation & Growth Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated April 19, 2010
NP 11-202 Receipt dated April 21, 2010
Offering Price and Description:
Class A Units and Class F Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1544591

Issuer Name:
Triumph Ventures Corp.
Principal Regulator - Ontario
Type and Date:
Final CPC Prospectus dated April 26, 2010
NP 11-202 Receipt dated April 27, 2010
Offering Price and Description:
Minimum Offering: $200,000.00 or 1,000,000 Common Shares; Maximum Offering: $1,000,000.00 or 5,000,000 Common Shares Price: $0.20 per Common Share
Underwriter(s) or Distributor(s):
Portfolio Strategies Securities Inc.
Promoter(s):
Glen Watson
Project #1546684

Issuer Name:
Zapata Energy Corporation
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated April 27, 2010
NP 11-202 Receipt dated April 27, 2010
Offering Price and Description:
$50,004,000.00 - 6,945,000 Common Shares Price: $7.20 per Common Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
FirstEnergy Capital Corp.
Macquarie Capital Markets Canada Ltd.
GMP Securities L.P.
CIBC World Markets Inc.
Cormark Securities Inc.
Peters & Co. Limited
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1566237

Issuer Name:
Canada Dominion Resources 2010 II Limited Partnership
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Long Form Prospectus dated March 2, 2010
Withdrawn on April 27, 2010
Offering Price and Description:
$100,000,000.00 (maximum) 4,000,000 Limited Partnership Units Price per Unit: $25.00
Minimum Subscription: $5,000 (200 Units)
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Promoter(s):
Canada Dominion Resources 2010 II Corporation
Goodman & Company, Investment Counsel Ltd.
Project #1541528

Issuer Name:
CMP 2010 II Resource Limited Partnership
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Long Form Prospectus dated March 2, 2010
Withdrawn on April 27, 2010
Offering Price and Description:
$100,000,000 (maximum)
100,000 Limited Partnership Units
Price per Unit: $1,000
Minimum Subscription: $5,000 (Five Units)
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
Promoter(s):
CMP 2010 II Corporation
Goodman & Company, Investment Counsel Ltd.
Project #1541412

Issuer Name:
EnerVest Primary Income Fund
Principal Jurisdiction - Alberta
Type and Date:
Preliminary Long Form Prospectus dated March 29, 2010
Withdrawn on April 26, 2010
Offering Price and Description:
Maximum: $ * - * Combined Units Price: $12.00 per Combined Unit Minimum Purchase: 100 Combined Units
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Canaccord Financial Ltd.
Dundee Securities Corporation
GMP Securities L.P.
HSBC Securities (Canada) Inc.
Macquarie Capital Markets Canada Ltd.
Raymond James Ltd.
Wellington West Capital Markets Inc.
Desjardins Securities Inc.
Manulife Securities Incorporated.
Promoter(s):
EnerVest Diversified Management Inc.
Project #1553909

Issuer Name:
- CORRECTED -
AIC Advantage II Corporate Class
AIC American Focused Corporate Class
AIC Canadian Balanced Corporate Class
AIC Canadian Focused Corporate Class
AIC Diversified Canada Corporate Class
AIC Global Focused Corporate Class
AIC Global Real Estate Corporate Class
AIC Money Market Corporate Class
AIC Total Yield Corporate Class
AIC Value Corporate Class
Brookfield Redding Global Infrastructure Corporate Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated April 1, 2010
NP 11-202 Receipt dated April 5, 2010
Offering Price and Description:
Mutual Fund Shares and Series F Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
Elliott & Page Limited
Project #1534851

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Change in Registration Category	Blackheath Fund Management Inc.	From: Commodity Trading Manager To: Commodity Trading Manager, Exempt Market Dealer, and Investment Fund Manager	April 21, 2010
New Registration	HanOcci Capital Partners Inc.	Exempt Market Dealer, Portfolio Manager, and Investment Fund Manager	April 23, 2010
Voluntary Surrender of Registration	Inhance Investment Management Inc.	Exempt Market Dealer & Portfolio Manager	April 22, 2010

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Chapter 13

SROs, Marketplaces and Clearing Agencies

13.3 Clearing Agencies

13.3.1 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures – CDS Network Managed Services Implementation – Notice of Effective Date

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

CDS NETWORK MANAGED SERVICES IMPLEMENTATION

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE CDS PROCEDURE AMENDMENT

Background

CDS is transitioning to a new network service provider, Bell Canada. As part of this transition, the network service offerings will be changed.

a. The Network Services Application Form will be revised.

b. The current dialup service will no longer be offered and will be replaced with an SSL VPN service. New procedures for the SSL VPN service will be provided.

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

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

Description of Proposed Amendments

The proposed amendments describe the new Participant forms, removing the dial-up documentation and adding the new SSL VPN procedures. Changes will be required to:

Participating in CDS Services (Release 6.2)

Ch 2: Using CDS systems (update)
- s 2.1 Dialing to CDS systems (update)
- s 2.1.1 Setting up access to CDS systems using the MTS Allstream dial-up (removed)
- s 2.1.2 Connecting to CDS using the MTS Allstream dial-up (update)
- s 2.1.3 Selecting personal identification numbers (removed)
- s.2.2 Setting up passwords (updated)

Ch 7: Registering and withdrawing from CDS services
- s 7.26 TCP/IP Network Connectivity service (update)

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

These amendments were reviewed and approved by the SDRC on March 18, 2010

B. REASONS FOR TECHNICAL CLASSIFICATION

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

C. EFFECTIVE DATE OF THE CDS PROCEDURE AMENDMENT

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

D. QUESTIONS

Questions regarding this notice may be directed to:

Helen Karela
Project Manager, IT Services
The Canadian Depository For Securities Limited
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416-365-8649
Fax: 416-367-25755
Email: hkarela@cds.ca

13.3.2 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures – Housekeeping Items – Notice of Effective Date

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

TECHNICAL AMENDMENTS TO CDS PROCEDURES

HOUSEKEEPING ITEMS

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE CDS PROCEDURE AMENDMENT

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

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

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

Description of Proposed Amendments

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

- Post CDSX849 and CDSX850 in "forms online" (existing NSCC-developed forms that were not posted previously)
- On CDSX806, add banking contact information, remove CDSX designated banker information and make minor housekeeping updates
- On CDSX601, remove Halifax regional office and add C2 region service
- On CDSX377, include new deposit and withdrawal message numbers
- On CDSX220, add missing field labels.

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

These amendments were reviewed and approved by the SDRC on March 18, 2010.

B. REASONS FOR TECHNICAL CLASSIFICATION

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

C. EFFECTIVE DATE OF THE CDS PROCEDURE AMENDMENT

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as amended on November 1, 2006, and Annexe A ("Protocole d'examen et d'approbation des Règles de Services de Dépot et de Compensation CDS Inc. par l'Autorité des marchés financiers") of AMF Decision 2006-PDG-0180, made effective on November 1, 2006, CDS has determined that the proposed amendments will become effective on **May 3, 2010**.

D. QUESTIONS

Questions regarding this notice may be directed to:

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

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

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Chapter 25

Other Information

25.1 Exemptions

25.1.1 BetaPro Management Inc. et al. – s. 19.1 of NI 41-101 General Prospectus Requirements

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemption from section 2.3(1) of National Instrument 41-101 General Prospectus Requirements to permit filing of a final prospectus more than 90 days after the date of receipt for the preliminary prospectus.

Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, s. 2.3(1).

April 7, 2010

BetaPro Management Inc.

Attention: Michael R. Holder, General Counsel

Dear Sir:

Re: BetaPro Management Inc. (the Manager)

Horizons BetaPro NYMEX Long Natural Gas/Short Oil Spread ETF and Horizons BetaPro NYMEX Long Oil/Short Natural Gas Spread ETF (the ETFs)

Exemptive Relief Application under Section 19.1 of National Instrument 41-101 *General Prospectus Requirements* (NI 41-101)
Application No. 2010/0196, SEDAR Project No. 1516465

By letter dated March 15, 2010 (the Application), the Manager applied on behalf of the ETFs to the Director of the Ontario Securities Commission (the Director) pursuant to section 19.1 of NI 41-101 for relief from the operation of subsection 2.3(1) of NI 41-101, which prohibits an issuer from filing a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

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

Yours very truly,

"Rhonda Goldberg"
Manager, Investment Funds Branch

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