

The Ontario Securities Commission

OSC Bulletin

May 21, 2010

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

The Ontario Securities Commission

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

MAY 21, 2010

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

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

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

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Mary G. Condon	—	MGC
Margot C. Howard	—	MCH
Kevin J. Kelly	—	KJK
Paulette L. Kennedy	—	PLK
David L. Knight, FCA	—	DLK
Patrick J. LeSage	—	PJL
Carol S. Perry	—	CSP
Charles Wesley Moore (Wes) Scott	—	CWMS

SCHEDULED OSC HEARINGS

May 26, 2010		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
8:30 a.m.		

s. 127

M. Vaillancourt in attendance for Staff

Panel: DLK/MCH

May 26, 2010		Coventree Inc., Geoffrey Cornish and Dean Tai
1:00 p.m.		

s. 127

J. Waechter in attendance for Staff

Panel: JEAT/MGC/PLK

May 27 – June 4;		
June 14-15;		
June 28-29,		
2010		

10:00 a.m.		
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May 31 – June 4,		Lyndz Pharmaceuticals Inc., James Marketing Ltd., Michael Eatch and Rickey McKenzie
2010		

10:00 a.m.		
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s. 127(1) and (5)

J. Feasby in attendance for Staff

Panel: PJL/SA

June 2, 2010		M P Global Financial Ltd., and Joe Feng Deng
10:00 a.m.		

s. 127(1)

M. Britton in attendance for Staff

Panel: DLK/MCH

June 3, 2010		Richvale Resource Corp., Marvin Winick, Howard Blumenfeld, Pasquale Schiavone, and Shafi Khan
10:00 a.m.		

s. 127(7) and 127(8)

H. Craig in attendance for Staff

Panel: DLK

June 3, 2010 11:30 a.m.	Nelson Financial Group Ltd., Nelson Investment Group Ltd., Marc D. Boutet, Stephanie Lockman Sobol, Paul Manuel Torres, H.W. Peter Knoll s. 127 P. Foy in attendance for Staff Panel: DLK	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 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: PJJ/CSP	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: TBA
June 7, 2010 10:00 a.m.	Sextant Capital Management Inc., Sextant Capital GP Inc., Otto Spork, Robert Levack and Natalie Spork s. 127 T. Center in attendance for Staff Panel: JDC/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 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 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 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 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

Notices / News Releases

June 30, 2010 9:30 a.m.	Abel Da Silva s. 127 M. Boswell in attendance for Staff Panel: TBA	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
July 8-9, 2010 10:00 a.m.	Shane Suman and Monie Rahman s. 127 and 127(1) C. Price in attendance for Staff Panel: JEAT/PLK	September 13, 2010 9:00 a.m.	Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjiants Select American Transfer Co., Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., Nutrone 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
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 10-13, 2010 10:00 a.m.	Robert Joseph Vanier (a.k.a. Carl Joseph Gagnon) s. 127 S. Horgan in attendance for Staff Panel: JEAT/PLK	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
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 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	Ameron Oil and Gas Ltd. and MX-IV, Ltd.	October 25-29, 2010	IBK Capital Corp. and William F. White
10:00 a.m.	s. 127 M. Boswell in attendance for Staff Panel: MGC	10:00 a.m.	s. 127 M. Vaillancourt in attendance for Staff Panel: TBA
October 13, 2010	QuantFX Asset Management Inc., Vadim Tsatskin, Lucien Shtromvaser and Rostislav Zemlinsky	November 15, 2010	Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)
10:30 a.m.	s. 127 H. Craig in attendance for Staff Panel: TBA	10:00 a.m.	s. 127 and 127.1 D. Ferris in attendance for Staff Panel: TBA
October 18 – November 5, 2010	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	March 7, 2011	Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton
10:00 a.m.	s. 127 and 127.1 H. Craig in attendance for Staff Panel: TBA	10:00 a.m.	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
October 21, 2010	Ciccione Group, Medra Corporation, 990509 Ontario Inc., Tadd Financial Inc., Cachet Wealth Management Inc., Vince Ciccione, Darryl Brubacher, Andrew J. Martin., Steve Haney, Klaudiusz Malinowski and Ben Giangrosso		Frank Dunn, Douglas Beatty, Michael Gollogly s. 127 K. Daniels in attendance for Staff Panel: TBA
10:00 a.m.	s. 127 P. Foy in attendance for Staff Panel: TBA	TBA	

TBA	<p>Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric</p> <p>s. 127 and 127(1)</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Gregory Galanis</p> <p>s. 127</p> <p>P. Foy in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony</p> <p>s. 127 and 127.1</p> <p>J. Feasby in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Biovail Corporation, Eugene N. Melnyk, Brian H. Crombie, John R. Miszuk and Kenneth G. Howling</p> <p>s. 127(1) and 127.1</p> <p>J. Superina, A. Clark in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Gold-Quest International, Health and Harmony, Iain Buchanan and Lisa Buchanan</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Global Partners Capital, Asia Pacific Energy Inc., 1666475 Ontario Inc. operating as "Asian Pacific Energy", Alex Pidgeon, Kit Ching Pan also known as Christine Pan, Hau Wai Cheung, also known as Peter Cheung, Tony Cheung, Mike Davidson, or Peter McDonald, Gurdip Singh Gahunia also known as Michael Gahunia or Shawn Miller, Basis Marcellinius Toussaint also known as Peter Beckford, and Rafique Jiwani also known as Ralph Jay</p> <p>s. 127</p> <p>M. Boswell in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson</p> <p>s. 127(1) and 127(5)</p> <p>M. Boswell in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun</p> <p>s. 127</p> <p>C. Price in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Lehman Cohort Global Group Inc., Anton Schnedl, Richard Unzer, Alexander Grundmann and Henry Hehlsinger</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: JEAT/CSP/SA</p>

TBA	<p>Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance</p> <p>s. 127</p> <p>C. Johnson in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited</p> <p>s. 127</p> <p>M. Britton/J.Feasby in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>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</p> <p>s. 127 and 127.1</p> <p>Y. Chisholm in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Anthony Ianno and Saverio Manzo</p> <p>s. 127 and 127.1</p> <p>A. Clark in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Nest Acquisitions and Mergers, IMG International Inc., Caroline Myriam Frayssignes, David Pelcowitz, Michael Smith, and Robert Patrick Zuk</p> <p>s. 37, 127 and 127.1</p> <p>C. Price in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Peter Robinson and Platinum International Investments Inc.</p> <p>s. 127</p> <p>M. Boswell in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Chartcandle Investments Corporation, CCI Financial, LLC, Chartcandle Inc., PSST Global Corporation, Stephen Michael Chesnowitz and Charles Pauly</p> <p>s. 127 and 127.1</p> <p>S. Horgan in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Uranium308 Resources Inc., Michael Friedman, George Schwartz, Peter Robinson, and Shafi Khan</p> <p>s. 127</p> <p>M. Boswell in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Innovative Gifting Inc., Terence Lushington, Z2A Corp., and Christine Hewitt</p> <p>s. 127</p> <p>M. Boswell in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Maple Leaf Investment Fund Corp., Joe Henry Chau (aka: Henry Joe Chau, Shung Kai Chow and Henry Shung Kai Chow),</p> <p>s. 127</p> <p>M. Vaillancourt/T. Center in attendance for Staff</p> <p>Panel: TBA</p>

TBA	Tulsiani Investments Inc. and Sunil Tulsiani s. 127 M. Vaillancourt/T. Center in attendance for Staff Panel: TBA	TBA	Albert Leslie James, Ezra Douse and Dominion Investments Club Inc. s. 127 and 127.1 H. Daley 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	<u>ADJOURNED SINE DIE</u> Global Privacy Management Trust and Robert Cranston S. B. McLaughlin Livent Inc., Garth H. Drabinsky, Myron I. Gottlieb, Gordon Eckstein, Robert Topol	
TBA	Gold-Quest International, 1725587 Ontario Inc. carrying on business as Health and Harmony, Harmony Club Inc., Donald Iain Buchanan, Lisa Buchanan and Sandra Gale s. 127 H. Craig in attendance for Staff Panel: TBA	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 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	
TBA	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: TBA	Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boulton and Peter Y. Atkinson	
TBA	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: TBA		

1.2 Notices of Hearing

1.2.1 Sextant Capital Management Inc. 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
SEXTANT CAPITAL MANAGEMENT INC.,
SEXTANT CAPITAL GP INC., OTTO SPORK,
KONSTANTINOS EKONOMIDIS,
ROBERT LEVACK AND NATALIE SPORK

NOTICE OF HEARING
(Section 127 and Section 127.1)

WHEREAS on the 8th day of December, 2008, the Ontario Securities Commission (the "Commission") ordered:

1. pursuant to clause 1 of section 127(1) and section 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), Sextant Capital Management Inc.'s ("SCMI") registration as investment counsel, portfolio manager and limited market dealer is subject to the terms and conditions that its advising and dealing activities may be applied exclusively to and in respect of the Sextant Strategic Opportunities Hedge Fund L.P. ("Sextant Fund") and not to or in respect of any other entities;
2. pursuant to clause 2 of section 127(1) and section 127(5) of the Act, trading in securities of and by the Respondents shall cease with the sole exception that SCMI may place sell orders in respect of the securities and futures contracts held on deposit on behalf of the Sextant Fund in accounts at Newedge Canada Inc. ("Newedge"); and
3. pursuant to clause 3 of section 127(1) and section 127(5) of the Act, any exemptions contained in Ontario securities law do not apply to the Respondents;

(the "Temporary Order");

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

AND WHEREAS on September 15, 2009, the Commission extended the Temporary Order to the

conclusion of the hearing on the merits, pursuant to section 127(7) of the Act;

TAKE NOTICE that the Commission will hold a hearing pursuant to sections 127 and 127.1 of the Act at its offices at 20 Queen Street West, 17th Floor Hearing Room commencing on June 7, 2010 at 10:00 a.m. or as soon thereafter as the hearing can be held,

TO CONSIDER whether, in the Commission's opinion, it is in the public interest for the Commission to make an order that:

- (a) the registration of the Respondents under Ontario securities law be suspended or restricted for such period as is specified by the Commission, or terminated, or that terms and conditions be imposed on the registration or recognition of the Respondents, pursuant to paragraph 1 of section 127(1);
- (b) trading in any securities of or by the Respondents cease permanently or for such period as is specified by the Commission, pursuant to paragraph 2 of section 127(1);
- (c) that the acquisition of securities by the Respondents is prohibited permanently or for such period as is specified by the Commission, pursuant to paragraph 2.1 of section 127(1);
- (d) any exemptions contained in Ontario securities law do not apply to the Respondents permanently or for such period as is specified by the Commission, pursuant to paragraph 3 of section 127(1);
- (e) SCMI and Sextant Capital GP Inc. (the "Corporate Respondents") submit to a review of their practices and procedures and institute such changes as may be ordered by the Commission, pursuant to paragraph 4 of section 127(1);
- (f) the Respondents provide, not provide or amend any document specified by the Commission to shareholders of or other investors in the Corporate Respondents or to such other persons as specified by the Commission, pursuant to paragraph 5 of section 127(1);
- (g) the Respondents be reprimanded, pursuant to paragraph 6 of section 127(1);
- (h) Otto Spork, Konstantinos Ekonomidis, Robert Levack and/or Natalie Spork (collectively, the "Individual Respon-

dents”) resign as directors and/or officers of any or all of the Corporate Respondents, pursuant to paragraph 7 of section 127(1);

- (i) the Individual Respondents resign as directors and/or officers of any issuer or registrant or investment fund manager, pursuant to paragraphs 7, 8.1 and 8.3 of section 127(1);
- (j) the Individual Respondents are prohibited from becoming or acting as director or officer of any issuer or registrant or investment fund manager, pursuant to paragraphs 8, 8.2 and 8.4 of section 127(1);
- (k) the Individual Respondents are prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter, pursuant to paragraph 8.5 of section 127(1);
- (l) that each Respondent pay an administrative penalty of not more than \$1 million for each failure by that Respondent to comply with Ontario securities law, pursuant to paragraph 9 of section 127(1);
- (m) the Respondents disgorge to the Commission any amounts obtained as a result of non-compliance with Ontario securities law, pursuant to paragraph 10 of section 127(1); and
- (n) the Respondents be ordered to pay the costs of the investigation and hearing, pursuant to section 127.1; and
- (o) such further orders as the Commission considers appropriate.

BY REASON OF the allegations set out in the Amended Statement of Allegations dated April 1, 2010 and such further additional allegations as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this 12th day of May, 2010.

“John Stevenson”
Secretary to the Commission

1.4.1 Sextant Capital Management Inc. et al.

**FOR IMMEDIATE RELEASE
May 13, 2010**

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

AND

**IN THE MATTER OF
SEXTANT CAPITAL MANAGEMENT INC.,
SEXTANT CAPITAL GP INC., OTTO SPORK,
KONSTANTINOS EKONOMIDIS,
ROBERT LEVACK AND NATALIE SPORK**

TORONTO – The Office of the Secretary issued a Notice of Hearing setting the matter down to be heard on June 7, 2010 at 10:00 a.m. or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Notice of Hearing dated May 12, 2010 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:

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

Theresa Ebden
Senior Communications Specialist
416-593-8307

Robert Merrick
Senior Communications Specialist
416-593-2315

For investor inquiries:

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

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

**FOR IMMEDIATE RELEASE
May 17, 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 Stay Motion held on May 5, 2010.

A copy of the Reasons and Decision on a Stay Motion dated May 14, 2010 and Order dated May 14, 2010 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

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

2.1.1 Dioro Exploration NL – 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.

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.

Ontario Statutes

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

“Blaine Young”
Associate Director, Corporate Finance
Alberta Securities Commission

May 12, 2010

Lawson Lundell LLP
1600 Cathedral Place
925 West Georgia Street
Vancouver, BC V6C 3L2

Attention: John T.C. Christian

Dear Sir:

Re: Dioro Exploration NL (the Applicant) – Application for a decision under the securities legislation of Alberta, Manitoba, Ontario and Nova Scotia (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

2.1.2 North West Company Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted from the requirement to include prospectus level disclosure and financial statements in an information circular for certain entities participating in an arrangement – the information circular will be sent to the reporting issuer trust's unitholders in connection with a proposed internal reorganization pursuant to which its business operations will be conducted through a corporate entity – the arrangement does not contemplate the acquisition of any additional interest in any operating assets or the disposition of any of the reporting issuer trust's existing interests in operating assets.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1.
Form 51-102F5 Information Circular, Item 14.2.

April 19, 2010

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

AND

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

AND

**IN THE MATTER OF
NORTH WEST COMPANY FUND
(the Filer)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application (the Application) from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting the Filer from the requirement to include, under National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102), and more specifically under Item 14.2 of Form 51-102F5 *Information Circular* (Form 51-102F5), in the information circular (the Information Circular) to be sent to unitholders of the Filer (Unitholders) in connection with the Filer's proposed conversion from an income trust to a corporation by way of a plan of arrangement under the *Canada Business Corporations Act* (Proposed Arrangement) of Prospectus-Level Disclosure and the Prospectus Financial Statements in respect of the NWC Entities (including, for greater

certainty, the Amalgamating Entities (as predecessor entities of New NWC)) (as such terms are defined below), in accordance with Item 32 of Form 41-101F1 *Information Required in a Prospectus* (Form 41-101F1) (the Exemption Sought).

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

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

Interpretation

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

Representations

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

The Filer

1. The Filer is an unincorporated, open-ended mutual fund trust governed by the laws of the Province of Manitoba. The Filer was established pursuant to a declaration of trust dated January 31, 1997, as amended and restated on March 2, 1997, June 4, 1998, February 25, 2003, June 9, 2005, June 1, 2007 and June 11, 2009.
2. The Filer's head office is located at Gibraltar House, 77 Main Street, Winnipeg, Manitoba R3C 2R1.
3. The Filer is a reporting issuer (or the equivalent thereof) in each of the Jurisdictions and, to its knowledge, is currently not in default of any applicable requirements under the securities legislation thereunder.
4. The Filer is authorized to issue an unlimited number of trust units (Units) and an unlimited number of special units (Special Units). As at March 25, 2010, the Filer had 48,378,000 Units and no Special Units issued and outstanding.

5. The Units are listed and posted for trading on the Toronto Stock Exchange (the TSX) under the trading symbol "NWF.UN".

6. The Filer has filed a "current AIF" and "current annual financial statements" (as such terms are defined in National Instrument 44-101 – *Short Form Prospectus Distributions*) for the financial year ended January 31, 2009.

The NWC Trust

7. The NWC Trust (NWC Trust) is an unincorporated, open-ended trust established under the laws of the Province of Manitoba pursuant to a declaration of trust dated February 15, 2006. NWC Trust's head office is located at Gibraltar House, 77 Main Street, Winnipeg, Manitoba R3C 2R1.

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

9. NWC Trust is authorized to issue an unlimited number of trust units. NWC Trust currently has 10 trust units issued and outstanding, all of which are held by the Filer.

10. NWC Trust's fiscal year-end is January 31.

NWC GP Inc.

11. NWC GP Inc. (NWC GP) is a corporation incorporated under the laws of Canada. NWC GP's head office is located at Gibraltar House, 77 Main Street, Winnipeg, Manitoba R3C 2R1.

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

13. NWC GP is authorized to issue an unlimited number of common shares. NWC GP currently has one common share issued and outstanding, all of which are held by the Filer.

14. NWC GP's fiscal year-end is January 31.

The North West Company LP

15. The North West Company LP (NWC LP) is a limited partnership formed under the laws of Canada and is governed by the third amended and restated limited partnership agreement of NWC LP dated June 16, 2009. NWC LP's head office is located at Gibraltar House, 77 Main Street, Winnipeg, Manitoba R3C 2R1.

16. NWC LP is not a reporting issuer (or the equivalent thereof) in any jurisdiction and none of

its securities are listed or posted for trading on any stock exchange or other market.

17. NWC LP is authorized to issue an unlimited number of Class A limited partnership units (Class A LP Units) and Class B limited partnership units (Class B LP Units). NWC LP currently has issued and outstanding 6,313,002 Class A LP Units which are held by the Filer (52.5%), NWC Trust (47.5%) and NWC GP (0.00002%), and 47,357 Class B LP Units which are held by the Filer.

18. NWC LP's fiscal year-end is January 31.

The North West Company Inc.

19. The North West Company Inc. (NWC) is a corporation amalgamated under the laws of Canada. NWC's head office is located at Gibraltar House, 77 Main Street, Winnipeg, Manitoba R3C 2R1.

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

21. NWC is authorized to issue an unlimited number of common shares (NWC Shares). NWC currently has 1,000 NWC Shares issued and outstanding, all of which are held by the Filer.

22. NWC's fiscal year-end is January 31.

2891973 Manitoba Ltd.

23. 2891973 Manitoba Ltd. (289) is a corporation incorporated under the laws of the Province of Manitoba. 289's head office is located at Gibraltar House, 77 Main Street, Winnipeg, Manitoba R3C 2R1.

24. 289 is not a reporting issuer (or the equivalent thereof) in any jurisdiction and none of its securities are listed or posted for trading on any stock exchange or other market.

25. 289 is authorized to issue an unlimited number of common shares. 289 currently has 100 Class A common voting shares issued and outstanding, all of which are held by NWC LP.

26. 289's fiscal year-end is January 31.

4698844 Manitoba Ltd.

27. 4698844 Manitoba Ltd. (469) is a corporation incorporated under the laws of the Province of Manitoba. 469's head office is located at Gibraltar House, 77 Main Street, Winnipeg, Manitoba R3C 2R1.

28. 469 is not a reporting issuer (or the equivalent thereof) in any jurisdiction and none of its securities are listed or posted for trading on any stock exchange or other market.

29. 469 is authorized to issue an unlimited number of common shares. 469 currently has 100 common voting shares issued and outstanding, all of which are held by NWC LP.

30. 469's fiscal year-end is January 31.

Buffalo Pharmacy Ltd.

31. Buffalo Pharmacy Ltd. (Buffalo) is a corporation incorporated under the laws of the Province of Saskatchewan. Buffalo's head office is located at Gibraltar House, 77 Main Street, Winnipeg, Manitoba R3C 2R1.

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

33. Buffalo is authorized to issue an unlimited number of common shares. Buffalo currently has 51 Class A common voting shares, 49 Class B common non-voting shares and 49 Class E preferred voting shares issued and outstanding, all of which are held by NWC LP.

34. Buffalo's fiscal year-end is January 31.

NWC Entities

35. For the purposes of this application, NWC Trust, NWC GP, NWC LP, NWC, 289, 469 and Buffalo are, collectively, referred to herein as the "NWC Entities".

The Proposed Arrangement

36. Pursuant to the Proposed Arrangement, the Filer would convert from an income trust to a corporation pursuant to which Unitholders would receive, through a series of steps, one common share of a corporation (New NWC) to be formed pursuant to an amalgamation of NWC, 289, 469 and Buffalo (the Amalgamating NWC Entities) as part of the Proposed Arrangement in exchange for each Unit held on the effective date of the Proposed Arrangement (resulting in the Unitholders becoming shareholders of New NWC). Upon completion of the Proposed Arrangement, New NWC will carry on the existing businesses of the Filer and its subsidiaries under a substantially similar name and it is intended that New NWC will be a reporting issuer (or the equivalent thereof) in all of the provinces of Canada and that the common shares of New NWC will, subject to approval by the TSX, be listed and posted for trading on the TSX.

37. As part of the Proposed Arrangement, it is contemplated that, among other things: (a) NWC LP will issue a promissory note to the Fund, and will consolidate all of its issued and outstanding limited partnership units into a single class of limited partnership units of NWC LP; (b) NWC LP will transfer all of the shares of each of 289, 469 and Buffalo held by NWC LP to NWC; (c) the Units held by Unitholders will be transferred to NWC in exchange for NWC Shares on one-for-one basis; (d) all of the assets of NWC Trust (which will include, without limitation, Class A LP Units of NWC LP) will be transferred to the Filer, the Filer will assume all of the liabilities of NWC Trust and NWC Trust will be dissolved; (e) all of the assets of the Filer (which will include, without limitation, Class A LP Units and Class B LP Units of NWC LP, all of the trust units of NWC Trust and all of the shares in the capital of NWC GP) will be transferred to NWC, NWC will assume all of the liabilities of the Filer and the Filer will be dissolved; and (f) the Amalgamating NWC Entities will be amalgamated to form New NWC which will then own, directly or indirectly, all of the existing assets and have assumed all of the existing liabilities of the Filer, effectively resulting in the internal reorganization of the Filer's trust structure into a corporate structure.

38. Assuming the Proposed Arrangement is approved by Unitholders and the applicable court approvals obtained, the Filer anticipates completing the Proposed Arrangement on or about December 31, 2010. There are compelling tax, accounting and commercial reasons for completing the Proposed Arrangement on that date.

The Information Circular

39. Implementation of the Proposed Arrangement will require the prior approval of the Unitholders and applicable court orders. In order to obtain Unitholder approval of the Proposed Arrangement, the Filer will be required to prepare and deliver the Information Circular to all Unitholders following its receipt of the applicable interim court order and to hold a meeting of Unitholders. The Filer anticipates holding an annual and special meeting of Unitholders in early-June 2010 and mailing the Information Circular to Unitholders in mid-April 2010, subject to receipt of the Information Circular Requested Relief. The Filer anticipates that the court hearing to obtain the interim order for the Proposed Arrangement will occur in mid-April 2010.

40. The Proposed Arrangement will constitute a "restructuring transaction" in respect of the Filer for the purposes of NI 51-102 and therefore would require compliance with Item 14.2 of Form 51-102F5.

41. Pursuant to Item 14.2 of Form 51-102F5 mandated by Part 9 of NI 51-102, because the Proposed Arrangement will constitute a restructuring transaction, the Filer will be required to include in the Information Circular, among other things, information sufficient to enable a reasonable Unitholder to form a reasoned judgment concerning the nature and effect of the Proposed Arrangement and the expected resulting entity or entities (being New NWC), and the disclosure (including financial statement disclosure) prescribed under securities legislation and described in the form of prospectus that each applicable entity would be eligible to use immediately prior to the sending and filing of the Information Circular.
42. Pursuant to the Proposed Arrangement, securities of each NWC Entity will be changed, exchanged issued or distributed, New NWC will become the successor reporting issuer resulting from the Proposed Arrangement and following the Proposed Arrangement, Unitholders will have an interest in each of the NWC Entities and New NWC (as opposed to the Filer). Consequently, absent the granting of the Information Circular Requested Relief, the Filer would be required under section 14.2 of 51-102F5 to include in the Information Circular the disclosure (including financial statement disclosure) for each NWC Entity and New NWC prescribed under securities legislation and described in the form of prospectus that each such entity would be eligible to use immediately prior to the sending and filing of the Information Circular.
43. The appropriate prospectus form for each NWC Entity and New NWC is Form 41-101F1 – *Information Required in a Prospectus* (Form 41-101F1). Therefore, the Information Circular must contain the disclosure (including financial statement disclosure) in respect of each NWC Entity and New NWC prescribed by Form 41-101F1 (Prospectus-Level Disclosure).
44. As New NWC will not be in existence on the date of the Information Circular, subsection 32.1(a) of Form 41-101F1 requires that the financial statements for each of the Amalgamating NWC Entities be included as they will be the predecessor entities that will form part of the basis of the business of New NWC.
45. Pursuant to Item 32 of Form 41-101F1, the Filer would be required to include in the Information Circular the following annual financial statements for each of the NWC Entities, including, for greater certainty, the Amalgamating NWC Entities (as predecessor entities of New NWC):
- (a) audited statements of income, retained earnings and cash flows for each of the
- three most recently completed financial years; and
- (b) audited balance sheet as at the end of the two most recently completed financial years,
- ended more than 90 days before the date of the Information Circular (collectively, the Prospectus Annual Financial Statements).
46. Additionally, pursuant to Item 32 of Form 41-101F1, the Filer would be required to include in the Information Circular the following interim financial statements for each of the NWC Entities, including, for greater certainty, the Amalgamating NWC Entities (as predecessor entities of New NWC):
- (a) unaudited comparative statement of income, retained earnings and statement of cash flows; and
 - (b) unaudited balance sheet as at end of interim period and as at the end of the immediately preceding financial year,
- ended more than 45 days before the date of the Information Circular (collectively, the Prospectus Interim Financial Statements, and together with the Prospectus Annual Financial Statements, the Prospectus Financial Statements).
47. The Filer anticipates that the date of the Information Circular will be a date in mid-April 2010. Accordingly, the Prospectus Annual Financial Statements of each NWC Entity, including, for greater certainty, the Amalgamating NWC Entities (as predecessor entities of New NWC) required to be included in the Information Circular will be its audited statements of income, retained earnings and cash flows for the years ended January 31, 2009, 2008 and 2007 and its audited balance sheet as at January 31, 2009 and 2008, and the Prospectus Interim Financial Statements of each of the NWC Entities required to be included in the Information Circular will be its unaudited statement of income and retained earnings and cash flows for the period ending October 31, 2009 and its unaudited balance sheet as at October 31, 2009 and balance sheet as at January 31, 2008.
48. The Proposed Arrangement will not result in a change in beneficial ownership of the assets and liabilities of the Filer and New NWC will continue to carry on the business of the Filer and the NWC Entities following completion of the Proposed Arrangement. The Proposed Arrangement will be an internal reorganization and the Unitholders will, following completion of the Proposed Arrangement, be the shareholders of the continuing entity, which will be New NWC. Accordingly, no

acquisition will occur as a result of the Proposed Arrangement and therefore the significant acquisition financial statement disclosure requirements contained in the Form 41-101F1 are inapplicable.

49. The Proposed Arrangement will be accounted for on a continuity of interest basis and, accordingly, following the Proposed Arrangement, the comparative consolidated financial statements for New NWC prior to the Proposed Arrangement will reflect the financial position, results of operation of cash flows as if New NWC had always carried on the business formerly carried on by the Filer.
50. With the exception of Prospectus-Level Disclosure and the Prospectus Financial Statements for each NWC Entity (including, for greater certainty, the Amalgamating NWC Entities (as predecessor entities to New NWC)), the Information Circular will contain prospectus-level disclosure in accordance with Item 14.2 of 51-102F5, including a detailed description of the Proposed Arrangement and the disclosure (including financial statements) for the Filer prescribed by Form 44-101F1 – *Short Form Prospectus* and the disclosure (other than the Prospectus Financial Statements) for New NWC prescribed by Form 41-101F1, qualitative disclosure of the differences between the taxation of a trust and the taxation of a corporation, a qualitative comparison of the existing distribution policy of the Fund and the expected dividend policy of New NWC following the completion of the Proposed Arrangement, and will contain sufficient information to enable a reasonable securityholder to form a reasoned judgement concerning the nature and effect of the Proposed Arrangement.

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 this decision.

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

Furthermore, the decision of the Decision Makers under the Legislation is that the application of the Filer and this decision will 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 principal regulator that there is no longer any need for the application and this decision to remain confidential; and (iii) the date that is 90 days after the date of this decision.

“Chris Besko”
Legal Counsel, Deputy-Director
The Manitoba Securities Commission

2.1.3 Allon Therapeutics Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions– Application by a TSX-listed issuer and foreign resident purchaser for exemptive relief in relation to proposed distributions of securities in connection with a standby equity distribution agreement (often referred to as an “equity line of credit”). A draw down under an equity line may be considered to be an indirect distribution of securities of 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 10% 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, ss. 25(1), 25(2), 71(1), 71(2), 74(1), 133, 147.
National Instrument 44-101 Short Form Prospectus, s. 8.1.
Form 44-101 Short Form Prospectus, Item 20.
National Instrument 44-102 Shelf Distributions, ss. 5.5.2, 5.5.3, 11.1.

March 1, 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
ALLON THERAPEUTICS INC.
(Allon or the Company),
YA GLOBAL MASTER SPV LTD. (the Purchaser)
AND YORKVILLE ADVISORS, LLC
(the Purchaser Manager and, together with the
Company and the Purchaser, the Filers)**

DECISION

Background

- 1 The securities regulatory authority or regulator in each of the Jurisdictions (each a Decision Maker) has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the Legislation) that:
- (a) the following disclosure requirements under the Legislation (the Prospectus Disclosure Requirements) do not fully apply to the Company in connection with the Distributions (as defined below):
 - (i) the statement 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) 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 Distributions; and

- (c) the requirement that a dealer send a copy of the prospectus 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, 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 Distributions.

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 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, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

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

The Company

- 1. Allon is incorporated under the laws of Canada and has its head office located at Suite 506 – 1168 Hamilton Street, Vancouver, BC, V6B 2S2;
- 2. Allon is a clinical stage biotechnology company focused on developing the first drugs that impact the progression of neurodegenerative diseases;
- 3. Allon is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador (the Provinces) and is not in default of securities legislation in the Provinces;
- 4. Allon's authorized share capital currently consists of an unlimited number of common shares (the Shares), without par value, and an unlimited number of preferred shares, without par value and issuable in series, of which 78,066,666 Shares and no preferred shares were outstanding as at January 11, 2010;
- 5. the Shares are listed for trading on the Toronto Stock Exchange (the TSX); based on the closing price of \$0.37 of the Shares on the TSX on January 12, 2010, the current market capitalization of Allon is approximately \$28,884,666 million;
- 6. Allon 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;
- 7. Allon intends to file with the securities regulators in each of the Provinces a base shelf prospectus pertaining to various securities of the Company, including the Shares (the base shelf prospectus including any amendment or renewal, is referred to as the Base Shelf Prospectus);
- 8. the statements in subsections 5.5(2) and (3) of NI 44-102 included in the Base Shelf Prospectus will be qualified by adding the following: “, except in cases where an exemption from such delivery requirements has been obtained.” (the Additional Disclosure);

The Purchaser

- 9. The Purchaser is an exempt company with limited liability incorporated in the Cayman Islands;
- 10. the Purchaser is managed by the Purchaser Manager, a Delaware limited liability company, having its head office at 101 Hudson Street, Suite 3700 in Jersey City, New Jersey, USA;

11. neither the Purchaser nor the Purchaser Manager is a reporting issuer or 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 securities legislation in any jurisdiction of Canada;

The Distribution Agreement

12. Allon proposes to enter into a standby equity distribution agreement with the Purchaser (the Distribution Agreement) under which the Purchaser would agree to purchase, and the Company would have the right but not the obligation to issue and sell, up to C\$10 million of Shares (the Aggregate Commitment Amount) over a period of 36 months in a series of drawdowns;
13. under the Distribution Agreement, the Company has the sole ability to determine the timing and the amount of the investment for each drawdown, subject to a maximum investment amount per drawdown and the Aggregate Commitment Amount;
14. 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 average daily price of the Shares traded on the TSX over a period of five trading days following a drawdown notice sent by the Company (the Drawdown Pricing Period); Allon may fix in such drawdown notice a minimum purchase price below which it will not issue any Shares for any given trading day;
15. on the sixth trading day following the date of the drawdown notice (the Settlement Date), the Purchaser will pay the amount of the drawdown and the Company will issue the relevant number of Shares;
16. the Distribution Agreement will provide that, at the time of each drawdown notice and at each Settlement Date, the Company 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 Company and the Shares being distributed; the Company 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;
17. 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;
18. the Purchaser, its affiliates, associates, partners or insiders, will agree not to own at any time, directly or indirectly, more than 9.9% of the issued and outstanding Shares;
19. after receipt of a drawdown notice, the Purchaser may seek to sell Shares purchased under the drawdown, or engage in hedging strategies, in order to reduce the economic risk associated with the purchase of securities of the Company; 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 their 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, or subsidiary, 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 resale 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 Company 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 Allon;

The Prospectus Supplements

22. Allon intends to file with the securities regulator in each of the Provinces 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 disclosure required by subsection 9.1(3) of NI 44-102, (iv) other information required by NI 44-101 omitted from the Base Shelf Prospectus in accordance with NI 44-102, and (v) 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. In several of the provinces, 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 British Columbia Securities Commission on ●, 2010.

In several of the provinces, 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 such Shares to purchasers who purchase them from the Purchaser through the dealer(s) engaged by the Purchaser through the TSX (the TSX Purchasers) during the period that commences on the date of issuance of a drawdown notice to the Purchaser 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 Settlement Date (collectively, a 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 any Prospectus Supplement, the Company will provide for comment to the Decision Makers a draft of such Prospectus Supplement;

News Releases /Continuous Disclosure

28. upon execution of the Distribution Agreement, the Company will promptly issue and file a news release disclosing the existence and purpose of the Distribution Agreement and the Aggregate Commitment Amount; the news release will disclose that the Base Shelf Prospectus and Prospectus Supplement have been filed on SEDAR and specify how TSX Purchasers can obtain a copy; within ten days after execution of the Distribution Agreement, the Company will file a copy of it and a material change report;
29. promptly after the delivery of each drawdown notice to the Purchaser, the Company will issue and file a news release disclosing the amount of the drawdown, the maximum number of Shares to be issued and the minimum price per Share, if any;

Decisions, Orders and Rulings

30. at each Settlement Date, the Company will promptly issue and file a news release stating: (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 how to obtain a copy of these documents, and (iii) the Amended Statement of Rights; the Company will file a material change report within ten days of the Settlement Date if the Distribution constitutes a material change under applicable securities legislation;
31. the Company will disclose, in its annual financial statements and MD&A filed on SEDAR, the number and price of Shares sold to the Purchaser under the Distribution Agreement;

Deliveries upon Request

32. the Company will deliver to the Decision Makers and to the TSX, upon request, a copy of each drawdown notice delivered by the Company to the Purchaser under the Distribution Agreement; and
33. under 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 Company during the term of the Distribution Agreement.

Decisions

- 4 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 Company in connection with the Distributions, so long as:
 - (i) the Additional Disclosure is included in the Base Shelf Prospectus;
 - (ii) the Company files Prospectus Supplements that (A) qualify the Distributions, (B) include the disclosure required by subsection 9.1(3) of NI 44-102, and (C) include the Amended Statement of Rights;
 - (iii) the Company issues the news releases described in paragraphs 28, 29 and 30 above;
 - (iv) the number of Shares distributed by the Company 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, 10% 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 at the date of the Distribution Agreement; and
 - (v) the Company delivers to the Decision Makers and the TSX, upon request, a copy of each drawdown notice delivered by the Company 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 the Distributions, so long as:
 - (i) the Purchaser and the Purchaser Manager do not solicit offers to purchase the Shares in Canada and effect each Distribution to the TSX Purchasers through the TSX using one or more dealer(s) unaffiliated with the Purchaser, the Purchaser Manager or the Company;
 - (ii) no extraordinary commission or consideration is paid by the Purchaser or the Purchaser Manager to a person or company in respect of the Distributions to the TSX Purchasers; and
 - (iii) 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 the securities of the Company during the term of the Distribution Agreement;

- (c) the Prospectus Delivery Requirement does not apply to the Purchaser, the Purchaser Manager or the dealer(s) through whom the Purchaser distributes the Shares and, 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 Distributions, so long as the conditions (i) through (iii) provided in paragraph (b) of the decision are met;
- (d) the Confidential Materials will be held in confidence by the Decision Makers until the earliest of the following:
 - (i) the date on which the Company issues a news release disclosing the execution of the Distribution Agreement;
 - (ii) the date on which the Company 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;
- (e) this decision applies only to Distributions completed within 36 months after execution of the Distribution Agreement; and
- (f) this decision will terminate 36 months after execution of the Distribution Agreement.

“Martin Eady, CA”
Director, Corporate Finance
British Columbia Securities Commission

2.1.4 Burgundy Asset Management Ltd. on behalf of Burgundy European Foundation Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application by mutual funds for a decision under the simplified procedure in CSA Staff Notice 12-307 that they are not reporting issuers.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(b).
CSA Staff Notice 12-307 Applications for a Decision that an Issuer is not a Reporting Issuer.

May 3, 2010

Burgundy Asset Management Ltd.
c/o Borden Ladner Gervais LLP
Scotia Plaza, 40 King Street West
Toronto, Ontario, M5H 3Y4

Dear Sirs/Mesdames:

Re: Burgundy Asset Management Ltd. on behalf of Burgundy European Foundation Fund (the “Applicant”) – application for a decision under the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Prince Edward Island, Nova Scotia 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:

1. the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions in Canada and fewer than 51 securityholders in total in Canada;
2. no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
3. 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

4. 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.

“Darren McKall”
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.5 Keystone North America 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).

May 13, 2010

Fraser Milner Casgrain LLP
1 First Canadian Place
Suite 3900, 100 King Street West
Toronto, Ontario M5X 1B2

Attention: Michael Melanson

Re: Keystone North America Inc. (the Applicant) – application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories, and Nunavut (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.

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

2.1.6 Blackrock Asset Management Canada Limited et al.

Headnote

NP 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from mutual fund conflict of interest investment restrictions in ss. 111(2)(b), 111(2)(c)(ii) and 111(3) of the Act to allow pooled funds to invest in underlying pooled funds and public mutual funds under common management – Relief granted subject to certain conditions.

Applicable Legislative Provisions

Securities Act (Ontario), R.S.O. 1990, c. S.5, as am., ss. 111(2)(b), 111(2)(c)(ii), 111(3), 113.

May 14, 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
BLACKROCK ASSET MANAGEMENT
CANADA LIMITED
(the Filer)**

AND

**IN THE MATTER OF
THE POOLED FUNDS
(as defined below)**

DECISION

Background

The principal regulator in the Jurisdiction received an application from the Filer on behalf of each of the existing mutual funds and future mutual funds of which the Filer, or an affiliate of the Filer, is the investment fund manager to which National Instrument 81-102 – *Mutual Funds (NI 81-102)* does not apply (each, a **Pooled Fund** and, collectively, the **Pooled Funds**) for a decision exempting the Pooled Funds from the requirement in the securities legislation of the Jurisdiction that prohibits a mutual fund from knowingly making or holding an investment in:

- (a) any person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder, or

- (b) an issuer in which, any person or company who is a substantial securityholder of the mutual fund, its management company or its distribution company, has a significant interest,

in order to permit a Pooled Fund (a **Top Fund**) to invest in securities of another Pooled Fund (an **Underlying Fund**) or of a mutual fund (also, an **Underlying Fund**) to which NI 81-102 applies (an **NI 81-102 Fund**) of which the Filer, or an affiliate of the Filer, is the investment fund manager (the **Exemption Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

- (a) the Ontario 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* is intended to be relied upon in Alberta (the **Passport Jurisdiction**).

Interpretation

Terms defined in the securities legislation of the Jurisdiction and the Passport Jurisdiction (together, the **Jurisdictions**) or in National Instrument 14-101 – *Definitions* have the same meanings if used in this decision, unless otherwise defined.

Representations

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

1. The head office of the Filer is located in Toronto, Ontario.
2. The Filer is registered as a portfolio manager in the Jurisdiction and in the Passport Jurisdiction, as a commodity trading manager in the Jurisdiction and as an exempt market dealer in the Jurisdiction. The Filer expects that, in due course, it will be registered as an exempt market dealer in the Passport Jurisdiction and as an investment fund manager in the Jurisdiction and in the Passport Jurisdiction as necessary.
3. The Filer, or an affiliate of the Filer that is appropriately registered or exempt from registration, is, or will be, the investment fund manager of each of the Pooled Funds that is a Top Fund and the Filer, or an affiliate of the Filer that is appropriately registered or exempt from registration, is, or will be, the investment fund manager of each of the Pooled Funds and the NI 81-102 Funds that is an Underlying Fund.
4. Each of the Top Funds is, or will be, organized under the laws of the Jurisdiction and is, or will be, a “mutual fund in Ontario” under the legislation of the Jurisdiction and a “mutual fund” under the

- legislation of the Passport Jurisdiction. The Top Funds are not, or will not be reporting issuers in the Jurisdictions.
5. The Filer, or an affiliate of the Filer that is appropriately registered or exempt from registration, is, or will be, the portfolio adviser of each of the Top Funds and the Underlying Funds.
 6. Each of the NI 81-102 Funds is, or will be, subject to NI 81-102 and may also be subject to National Instrument 81-104 – *Commodity Pools*.
 7. Each Top Fund will manage its investments in an Underlying Fund with discretion to buy and sell units of the Underlying Fund, selected in accordance with the Top Fund’s investment objective, as well as to alter its holdings in any Underlying Fund in which it invests.
 8. Investing in the Underlying Funds will allow the Top Funds to achieve their investment objectives in the most cost effective way and will not be detrimental to the interests of other security-holders of the Underlying Funds. Such an investment can provide greater diversification for a Top Fund in particular asset classes, on a less expensive basis, than investing directly in the securities held by the applicable Underlying Fund. This investment structure will also allow investors with smaller investments to have access to a larger variety of investments than would otherwise be available.
 9. Securities of each of the Top Funds will be distributed only to “accredited investors”, within the meaning of National Instrument 45-106 – *Prospectus and Registration Exemptions*, or to other investors pursuant to exemptions from the prospectus requirement.
 10. Securities of an Underlying Fund will be acquired by a Top Fund in the secondary market or from the Underlying Fund under a prospectus or pursuant to an exemption from the prospectus requirement and the Filer, acting as an exempt market dealer, or another registered dealer will act as the market intermediary in respect of the acquisition.
 11. Purchasers of securities of a Top Fund will enter into an investment management agreement (the **IMA**) with the Filer governing their investment in any Top Fund. The IMA will provide authority to the Filer to invest in one or more Top Funds and may provide authority to the Filer to rebalance, when there is an investment in more than one Top Fund, from time to time.
 12. The investment objectives and restrictions applicable to a Top Fund are described in the Declaration of Trust and Supplemental Declaration of Trust of a Top Fund (together, the **Declaration of Trust**) as are the fees, compensation and expenses payable by a Top Fund and matters relating to the structure of the Top Fund, the calculation of net asset value, distributions, the powers and duties of the investment fund manager and all other matters material to the Top Fund. The Declaration of Trust also discloses that in pursuing its investment objectives a Top Fund may invest in an Underlying Fund as an investment strategy. All of the foregoing are discussed with a purchaser before the execution of an IMA and the purchaser is advised that a copy of the Declaration of Trust is available on request.
 13. Clients who hold securities of a Top Fund receive an account statement on a monthly basis showing the client’s holdings of securities of a Top Fund.
 14. Each of the Top Funds and the NI 81-102 Funds will prepare annual audited financial statements and interim unaudited financial statements in accordance with National Instrument 81-106 – *Investment Fund Continuous Disclosure (NI 81-106)* and will otherwise comply with the requirements of NI 81-106 applicable to them. Each of the Underlying Funds will prepare annual audited financial statements and interim unaudited financial statements. The holdings by a Top Fund of securities of an Underlying Fund will be disclosed in the financial statements of the Top Fund.
 15. The securityholders of a Top Fund will receive, on request, a copy of the prospectus or other offering document, if available, and the audited annual financial statements and interim unaudited financial statements of any Underlying Fund in which the Top Fund invests.
 16. There will be no sales fees or redemption fees payable by a Top Fund in respect of an acquisition, disposition or redemption of securities of an Underlying Fund by a Top Fund other than brokerage fees incurred on the purchase or disposition of securities of an Underlying Fund that are purchased or disposed of in the secondary market.
 17. There will be no management fees or incentive fees payable by a Top Fund that, to a reasonable person, would duplicate a fee payable by the Underlying Fund for the same service.
 18. The investment fund manager will not cause the securities of an Underlying Fund held by a Top Fund to be voted at any meeting of the securityholders of an Underlying Fund, except that it may, but is not required to, arrange for the securities of an Underlying Fund held by a Top Fund to be voted by the securityholders of the Top Fund.

Decisions, Orders and Rulings

19. An investment by a Top Fund in securities of an Underlying Fund will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Top Fund and the Underlying Fund. Top Fund other than brokerage fees incurred on the purchase or disposition of securities of an Underlying Fund that are purchased or disposed of in the secondary market.
20. No Top Fund will invest more than 10% of its net assets in an Underlying Fund that is a Pooled Fund unless the Pooled Fund invests less than 10% of its net assets in other mutual funds other than mutual funds that are money market funds or that issue index participation units. (d) There will be no management fees or incentive fees payable by a Top Fund that, to a reasonable person, would duplicate a fee payable by the Underlying Fund for the same service.
21. Underlying Funds that are NI 81-102 Funds are subject to the restrictions in NI 81-102 with respect to investments in other mutual funds. (e) The investment fund manager will not cause the securities of an Underlying Fund held by a Top Fund to be voted at any meeting of the securityholders of an Underlying Fund, except that it may, but is not required to, arrange for the securities of an Underlying Fund held by a Top Fund to be voted by the securityholders of the Top Fund.
22. The Exemption Sought is necessary because a Top Fund together with one or more related mutual funds, including other Top Funds, may be a substantial securityholder of an Underlying Fund.
23. A person who is a substantial securityholder of the Filer or a person who is a substantial securityholder of a Top Fund, may have a significant interest in an Underlying Fund. This could arise in a number of circumstances, including if such a person provides the seed capital for an Underlying Fund or an Underlying Fund is an appropriate investment for such a person as principal. Without the Exemption Sought, a Top Fund may be prohibited from investing in such Underlying Fund.
- "Wes M. Scott"
Commissioner
Ontario Securities Commission
- "James D. Carnwath"
Commissioner
Ontario Securities Commission

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 provided that the following conditions are satisfied:

- (a) Securities of the Top Funds are distributed in Canada solely to investors pursuant to an exemption from the prospectus requirements.
- (b) No Top Fund will invest more than 10% of its net assets in an Underlying Fund that is a Pooled Fund unless the Pooled Fund invests less than 10% of its net assets in other mutual funds other than mutual funds that are money market funds or that issue index participation units.
- (c) There will be no sales fees or redemption fees payable by a Top Fund in respect of an acquisition, disposition or redemption of securities of an Underlying Fund by a

2.1.7 Royal Mutual Funds Inc.

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from the requirements of under sections 11.1(1)(b) and 11.2(1)(b) of NI 81-102 to permit commingling of cash received for the purchase or redemption of mutual fund securities with cash received for the purchase and sale of other securities or instruments which the filer is permitted to sell, subject to certain conditions.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 11.1(1)(b), 11.2(1)(b), 19.1.

May 7, 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
ROYAL MUTUAL FUNDS INC.
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision (the **Exemption Sought**) under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption, pursuant to section 19.1 of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) from the provisions of subsection 11.1(1)(b) and subsection 11.2(1)(b) of NI 81-102 that prohibit a principal distributor and other service providers, or a participating dealer and other service providers, from commingling cash received for the purchase or redemption of mutual fund securities (**Mutual Fund Trust Monies**) with cash received for the purchase or sale of guaranteed investment certificates (**GICs**) and other securities or instruments which the Filer is permitted to sell (**Non-Mutual Fund Client Trust Monies**) (collectively, the **Commingling Prohibitions**).

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is to be relied upon in British Columbia, Manitoba, Quebec, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (the **Passport Jurisdictions**).

Interpretation

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

Representations

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

1. The Filer is a corporation governed by the laws of Canada and maintains its head office in the Province of Ontario.
2. The Filer is registered as a dealer in the category of mutual fund dealer (or the equivalent) in the Jurisdiction and in each of the Passport Jurisdictions, and is a member of the Mutual Fund Dealers Association of Canada (**MFDA**).
3. The Filer's principal business is trading in mutual funds, GICs and other securities or instruments that the Filer is permitted to sell pursuant to its mutual fund dealer registration or other registration.
4. The Filer makes available to its clients a high interest savings account product known as the RBC Investment Savings Account (**RISA**). The RISA is offered by Royal Bank of Canada, the parent company of the Filer. The RISA is available only through FundSERV.
5. The Filer acts as a participating dealer with respect to various third party mutual funds and acts as the principal distributor and/or a participating dealer with respect to mutual funds managed by RBC Asset Management Inc., an affiliate of the Filer.
6. As a member of the MFDA, the Filer is subject to the rules of the MFDA (**MFDA Rules**) on an ongoing basis, particularly those which set out requirements with respect to the handling and segregation of client cash. As a member of the MFDA, the Filer is expected to comply with all MFDA Rules and requirements.
7. The Filer maintains trust accounts (**Client Trust Accounts**) with a major Canadian financial institution into which all monies invested by or on behalf of its clients are paid and from which redemption proceeds or assets to be distributed are paid. The Client Trust Accounts are

designated as "trust accounts" by the financial institution at which they are held. These trust accounts are interest bearing and all of the interest earned on the cash in the trust accounts is paid out to securityholders or to each of the mutual funds to which the trust account pertains on a pro rata basis in compliance with subsection 11.2(4) of NI 81-102 (and as required by subsection 11.1(4) where the Filer is acting as a principal distributor). The Filer also ensures compliance with section 11.3 in the way in which the Client Trust Accounts are maintained.

8. In providing its services, the Filer has systems in place to be able to account for all of the monies it receives into and all of the monies that are to be paid out of its Client Trust Accounts in order to meet the policy objectives of sections 11.1 and 11.2 of NI 81-102.
9. While the Filer has had (and as of the date of this Decision, currently has) systems in place so that its distribution of GICs does not involve the commingling of Mutual Fund Trust Monies with cash received for the purchase and redemption of GICs, the Filer, through inadvertence, recently began commingling Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies when it commenced distribution of the RISA to its clients. The distribution process of the RISA involved the commingling of Mutual Fund Trust Monies with cash received for purchasing the RISA.
10. The Filer, to the best of its knowledge, is not in default of the Legislation or of securities legislation of the Passport Jurisdictions, other than the commingling of Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies in its distribution of the RISA to its clients as described above.
11. The Filer is seeking relief from the Commingling Prohibitions so that it would be permitted to pool Non-Mutual Fund Client Trust Monies with Mutual Fund Trust Monies in one or more Client Trust Accounts established under section 11.3 of NI 81-102. The commingling of Non-Mutual Fund Client Trust Monies with Mutual Fund Trust Monies facilitates significant administrative and systems economies that enable the Filer to enhance its level of service to its clients at less cost to the Filer.
12. In the absence of the Exemption Sought, the Filer is not permitted to commingle Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies.
13. The Filer will commingle Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies in a Client Trust Account when it receives instructions from clients to use their cash for the purchase of mutual fund securities and for the purchase of the RISA (or other non-mutual fund securities or instruments that the Filer is permitted to sell). When such cash is pooled into a Client Trust Account, the cash is held in the account for a period that does not exceed one day. The Filer will also commingle Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies in a Client Trust Account when it receives instructions from clients to redeem mutual fund securities and to make withdrawals from the RISA (or other non-mutual fund securities or instruments that the Filer is permitted to sell). When cash from such redemptions and withdrawals is pooled into a Client Trust Account, the cash again is held in the account for a period that does not exceed one day.
14. The Filer will continue to maintain proper records with respect to client cash in a commingled account, and will ensure that all Client Trust Accounts are reconciled, and that Mutual Fund Trust Monies and Non-Mutual Fund Client Trust Monies are properly accounted for daily.
15. Except for the Commingling Prohibitions, the Filer will comply with all other requirements prescribed in Part 11 of NI 81-102 with respect to the handling and segregation of client cash.
16. Mutual Fund Trust Monies and Non-Mutual Fund Client Trust Monies related to a transaction initiated by one of the Filer's clients will not be used to settle a transaction initiated by any other client.
17. The Filer believes that the interests of its clients are not prejudiced in any way by the commingling of Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies.
18. Prior to June 23, 2006, section 3.3.2(e) of the MFDA Rules (the **MFDA Commingling Prohibition**) also prohibited the commingling of Mutual Fund Trust Monies with Non-Mutual Fund Client Trust Monies. On June 23, 2006, the MFDA granted relief from the MFDA Commingling Prohibition to the Filer subject to the Filer obtaining similar relief from the Commingling Prohibitions from the Jurisdiction, the Passport Jurisdictions and other jurisdictions applicable at that time. Should the Exemption Sought be granted by the Jurisdiction and the Passport Jurisdictions, the Filer will provide the MFDA with notice that the Exemption Sought has been granted.
19. Effective July 1, 2005, the MFDA Investor Protection Corporation (MFDA IPC) commenced offering coverage, within defined limits, to customers of MFDA members against losses suffered due to the insolvency of MFDA members. The Filer does not believe that the Exemption

Sought will affect coverage provided by the MFDA IPC.

Decision

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

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that this decision, as it relates to the Jurisdiction or to a Passport Jurisdiction, will terminate upon the coming into force of any change in the MFDA IPC rules which would reduce the coverage provided by the MFDA IPC relating to the commingling of Mutual Fund Client Trust Monies and Non-Mutual Fund Client Trust Monies held in the Client Trust Accounts.

“Darren McCall”
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.8 Almaden Minerals Ltd.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, s. 9.1 – An issuer wants relief from the requirement to prepare its financial statement in accordance with Canadian GAAP in order to use IFRS before the January 1, 2011 changeover date – The issuer has assessed the readiness of its staff, board, audit committee, auditors and investors; the issuer will provide detailed disclosure regarding its early adoption of IFRS in its MD&A as set out in CSA Staff Notice 52-320; the issuer will restate any financial statements prepared in accordance with Canadian GAAP for interim periods for the fiscal year in which they intend to adopt IFRS together with related interim MD&A and certificates required by NI 52-109.

Applicable Legislative Provisions

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

May 13, 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
ALMADEN MINERALS LTD.
(the Filer)**

DECISION

Background

- 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting the Filer from the requirement of in section 3.1 of National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107) that financial statements be prepared in accordance with Canadian GAAP (the Exemption Sought), in order that the Filer may prepare its financial statements for financial periods beginning on or after January 1, 2010 in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IFRS-IASB).

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

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (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 (the Passport Jurisdiction), and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

- 3 This decision is based on the following facts represented by the Filer:
1. the Filer is a corporation under the *Business Corporations Act* (British Columbia) with head office located at Suite 1103 – 750 West Pender Street, Vancouver, BC V6C 2T8;
 2. the Filer is a reporting issuer in British Columbia, Alberta and Ontario;
 3. the Filer is not in default of its reporting issuer obligations under the Legislation or the securities legislation of the Passport Jurisdiction;
 4. the Filer's common shares are listed on the Toronto Stock Exchange under the symbol "AMM" and on the NYSE Alternext under the symbol "AAU";
 5. the Filer is an exploration stage company engaged in the acquisition, exploration and development of mineral properties primarily in Canada, the United States and Mexico;
 6. the Filer currently prepares its financial statements in accordance with Canadian generally accepted accounting principles (Canadian GAAP) and is required to reconcile its financial statements into generally accepted accounting principles in the United States (US GAAP) to comply with its American filing obligations;
 7. the Filer has not previously prepared financial statements that contain an explicit and unreserved statement of compliance with IFRS;
 8. the Canadian Accounting Standards Board has confirmed that publicly accountable enterprises will be required to prepare their financial statements in accordance with IFRS-IASB for financial statements relating to fiscal years beginning on or after January 1, 2011;
 9. NI 52-107 sets out acceptable accounting principles for financial reporting under the Legislation by domestic issuers, foreign issuers, registrants and other market participants; under NI 52-107, a domestic issuer must use Canadian GAAP; under NI 52-107, only foreign issuers may use IFRS-IASB;
 10. in CSA Staff Notice 52-321 *Early Adoption of International Financial Reporting Standards, Use of US GAAP and Reference to IFRS-IASB*, staff of the Canadian Securities Administrators recognized that some issuers may wish to prepare their financial statements in accordance with IFRS-IASB for periods beginning prior to January 1, 2011 and indicated that staff were prepared to recommend exemptive relief on a case by case basis to permit a domestic issuer to do so, despite section 3.1 of NI 52-107;
 11. subject to obtaining the Exemption Sought, the Filer intends to adopt IFRS-IASB for its financial statements for periods beginning on and after January 1, 2010;
 12. the Filer believes that adoption of IFRS-IASB will eliminate complexity and cost from the Filer's financial statement preparation process because the Filer is not required to reconcile the financial statements to US GAAP to comply with its American filing obligations;
 13. the Filer implemented a comprehensive IFRS-IASB conversion plan, including getting its staff to attend various trainings, engaging a consulting firm to document the internal control over financial reporting and disclosure controls and procedures surrounding the adoption of IFRS, and requesting the external auditors to review the related working papers and skeleton IFRS financial statements before January 1, 2010;
 14. the board of directors of the Filer approved early adoption of IFRS-IASB on March 16, 2010;
 15. the Filer has carefully assessed the readiness of its staff, board of directors, audit committee, auditors, investors and other market participants for the adoption of the Filer of IFRS-IASB for financial periods beginning on and after January 1, 2010 and has concluded that they are adequately prepared for the Filer's adoption of IFRS-IASB for periods beginning on January 1, 2010;
 16. the Filer has considered the implication of adopting IFRS-IASB for financial periods beginning on or after January 1, 2010 on its obligations under securities legislation including, but not limited to, those relating to CEO and CFO certificates, business acquisition reports, offering documents, and previously released material forward looking information;

17. the Filer will disseminate a news release on or before May 14, 2010 and in advance of the filing of the Filer's first interim IFRS financial statements on or after May 15, 2010 disclosing relevant information about its conversion to IFRS-IASB as contemplated by CSA Staff Notice 52-320 *Disclosure of Expected Changes in Accounting Policies Relating to Changeover to International Financial Reporting Standards*, including:
- (a) the key elements and timing of the Filer's changeover plan;
 - (b) the accounting policy and implementation decisions the Filer has made or will have to make;
 - (c) the exemptions available under IFRS 1 *First-time Adoption of International Financial Reporting Standards* (IFRS 1) that the Filer expects to apply in preparing financial statements in accordance with IFRS-IASB;
 - (d) major identified differences between the Filer's current accounting policies and those the Filer is required or expects to apply in preparing financial statements in accordance with IFRS-IASB; and
 - (e) the impact of adopting IFRS-IASB on the key line items in the Filer's financial statements for the year ending December 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 the decision.

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

- (a) the Filer prepares its annual financial statements for years beginning on or after January 1, 2010 in accordance with IFRS-IASB;
- (b) the Filer prepares its interim financial statements for interim periods beginning on or after January 1, 2010 in accordance with IFRS-IASB, except that if the Filer files interim financial statements prepared in accordance with Canadian GAAP for one or more interim periods for the financial year in which it adopts IFRS-IASB, the Filer will restate and re-file those interim financial statements in accordance with IFRS-IASB together with the related restated interim management's discussion and analysis and the certificates required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*;
- (c) the Filer provides the communication set out in paragraphs 17; and
- (d) the Filer's first IFRS-IASB financial statements for an interim period include an opening statement of financial position as at the date of transition to IFRS-IASB that is presented with prominence equal to the other statements that comprise those interim financial statements.

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

2.1.9 Vault Minerals 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 – requested relief granted.

Applicable Legislative Provisions

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

May 17, 2010

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, BRITISH COLUMBIA AND ALBERTA
(THE “JURISDICTIONS”)**

AND

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

AND

**IN THE MATTER OF
VAULT MINERALS INC.
(THE “FILER”)**

DECISION

Background

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

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

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

1. The Filer is a corporation amalgamated under the *Business Corporations Act* (Ontario) (“OBCA”) on April 20, 2010. The predecessor of the Filer, also Vault Minerals Inc. (the “Predecessor”), was amalgamated under the OBCA on January 1, 2006.
2. The Filer is a reporting issuer in the provinces of Alberta, British Columbia and Ontario.
3. The Filer’s registered and head offices are located in Ontario.
4. On April 20, 2010, the Predecessor, Queenston Mining Inc. (“Queenston”) and 2236019 Ontario Inc. (“Subco”), a wholly owned subsidiary of Queenston, entered into an amalgamation agreement and the Predecessor and Subco were amalgamated (the “Amalgamation”).
5. As a result of the Amalgamation, the Filer became a wholly-owned subsidiary of Queenston.
6. The Filer’s authorized capital consists of an unlimited number of common shares, of which 100 common shares are issued and outstanding and held by Queenston.
7. The Predecessor’s common shares were delisted from the TSX Venture Exchange on April 23, 2010.
8. No securities of the Filer are currently traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* and the Filer has no current intention to seek public financing by way of an offering of securities.
9. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, except that it did not file, on or before April 30, 2010, the following documents on SEDAR: (a) audited annual financial statements for the year ended December 31, 2009 (the “Annual Financial Statements”); (b) management’s discussion and analysis relating to the Annual Financial Statements; and (c) certificates required to be filed in respect of the Annual Financial Statements under National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*.
10. The Filer did not surrender its status as a reporting issuer in British Columbia pursuant to British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* (the “BC Instrument”) in order to avoid the 10-day waiting period under the BC Instrument.
11. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* because it is in default of certain

filing obligations under the Legislation as described in paragraph 9 above.

12. The Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer in any jurisdiction in Canada.

Decision

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

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

“Mary Condon”
Commissioner
Ontario Securities Commission

“Wesley Scott”
Commissioner
Ontario Securities Commission

2.1.10 Sterling Shoes Income Fund and Sterling Shoes Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – A fund is planning to convert from an income trust structure to a corporate structure by way of an plan of arrangement.

The fund wanted relief from the requirement in item 14.2 of Form 51-102F5 Information Circular to include certain prospectus-level disclosure (namely, financial statements of certain entities) in an information circular to be circulated in connection with the arrangement. – The fund is only internally restructuring, not adding or removing any assets or changing the shareholders' proportionate interest in the issuer's operations – The fund will provide sufficient information about the transaction for its securityholders to understand the restructuring.

The successor issuer wanted relief from the qualification criteria in section 2.2(d) of National Instrument 44-101 Short Form Prospectus Distributions so the successor issuer can file a short form prospectus. The successor issuer also wanted relief from section 8.1 of that Instrument so it can file a short form preliminary prospectus less than 10 days after it files a notice of intention.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1.

Form 51-102F5 Information Circular, item 14.2.

National Instrument 44-101 Short Form Prospectus Distributions, ss. 2.2(d), 2.8(1), 8.1.

May 17, 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
STERLING SHOES INCOME FUND (THE FUND)
AND STERLING SHOES INC. (NEWSTERLING)
(TOGETHER, THE APPLICANTS)**

DECISION

Background

1. The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Applicants for a decision under the securities legislation of the Jurisdictions (the Legislation):
 - (a) exempting the Fund from the requirement under Item 14.2 of Form 51-102F5 Information Circular (the Circular Form) of the Legislation to include in the management information circular (Information Circular) to be prepared by the Fund and delivered to the holders (Securityholders) of trust units (Units) and special voting units (Special Voting Units) in connection with a special meeting (Meeting) of Securityholders expected to be held in June 2010 for the purposes of considering a plan of arrangement under the *Canada Business Corporations Act* (the CBCA) resulting in the internal reorganization of the the Fund's trust structure into a corporate structure (the Conversion Transaction): (a) the financial statements of Sterling Shoes Limited Partnership (Partnership) for the financial years ended December 31, 2009, December 31, 2008 and December 31, 2007; (b) the corresponding management's discussion and analysis for the financial years ended December 31, 2009 and December 31, 2008; and (c) certain comparative statements of the Partnership and of NewSterling, the resulting entity of the proposed conversion, including (i) a comparative income statement, a statement of retained earnings, and a cash flow statements of NewSterling for the most

recent interim period ended more than 45 days before the date of the Information Circular and (ii) a balance sheet of NewSterling as at the end of the most recent interim period ended more than 45 days before the date of the Circular (the Circular Relief);

- (b) exempting NewSterling from the qualification criteria for short form prospectus eligibility contained in Subsection 2.2(d) of National Instrument 44-101 Short Form Prospectus Distributions (NI 44-101) following completion of the Conversion Transaction until the earlier of: (a) March 31, 2011; and (b) the date upon which NewSterling has filed both its annual financial statements and annual information form for the year ended December 31, 2010 pursuant to NI 51-102 Continuous Disclosure Obligations (NI 51-102) (the Qualification Relief); and
- (c) exempting NewSterling from the requirement to file a notice declaring its intention to be qualified to file a short form prospectus at least 10 business days prior to the filing of its first preliminary short form prospectus after the notice (the Prospectus Relief).

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

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

Interpretation

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

Representations

- 3. This decision is based on the following facts represented by the Applicants:

The Sterling Entities and SSI

- 1. the Fund is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of British Columbia pursuant to a trust indenture dated as of July 11, 2005;
- 2. the Fund is a reporting issuer (or the equivalent thereof) in each of the Jurisdictions and, to its knowledge, is currently not in default of any applicable requirements under the securities legislation thereunder;
- 3. the Fund is authorized to issue an unlimited number of Units and an unlimited number of Special Voting Units; as at May 3, 2010, the Fund had 5,313,488 Units and 1,328,372 Special Voting Units issued and outstanding; each Special Voting Unit entitles the holder thereof to a number of votes at any meeting of holders of Units equal to the number of Units which may be obtained upon the exchange of corresponding Class D limited partner units (Exchangeable Units) of the Partnership;
- 4. the Units are listed and posted for trading on the Toronto Stock Exchange (TSX) under the trading symbol "SSI.UN";
- 5. the Fund has \$25,000,000 principal amount of 6.50% convertible unsecured subordinated debentures outstanding (Debentures); the Debentures are listed on the TSX under the symbol "SSI.DB";
- 6. the Fund has filed an "AIF" and has "current financial statements" (as such terms are defined in NI 44-101) for the financial year ended December 31, 2009;
- 7. SSI Investments Inc. (SSI) holds all of the Special Voting Units; the Special Voting Units are not listed or posted for trading on any exchange or quotation and trade reporting system;
- 8. the Fund holds all of trust units and trust notes of SS Holdings Trust (Trust), an unincorporated, open-ended, limited purpose trust established under the laws of the Province of British Columbia pursuant to a trust indenture dated as of June 17, 2005, and all of the outstanding special voting common shares of Sterling Shoes GP Inc. (Sterling GP);

9. the Trust holds all of the Class C and Class E limited partner units of the Partnership and SSI holds all of the Exchangeable Units and Class A and B limited partner units of the Partnership; Exchangeable Units are exchangeable into Units on a one for one basis in accordance with the terms of the limited partnership agreement of the Partnership dated June 29, 2005 and the exchange agreement between the Fund, the Trust, the Partnership, Sterling GP and SSI dated June 12, 2005;
10. the Partnership is not a reporting issuer in any jurisdiction and its units, including the Exchangeable Units, are not listed or posted for trading on any exchange or quotation and trade reporting system;
11. the Fund does not carry on an active business, but holds, through the Class C and Class E limited partner units of the Partnership held by the Trust, an approximate 80% interest in the Partnership that carries on the speciality retail footwear business (the Business); the Exchangeable Units held by SSI represent approximately a 20% interest in the Partnership;
12. NewSterling is an indirect wholly-owned subsidiary of the Fund and will have conducted no business prior to the effective date (the Effective Date) of the Conversion Transaction;
13. prior to the Effective Date, NewSterling will not be a reporting issuer in any jurisdiction and its shares will not be listed or posted for trading on any exchange or quotation and trade reporting system;

Conversion Transaction

14. as part of the Conversion Transaction: (i) the Units, Special Voting Units and Exchangeable Units will be cancelled; (ii) common shares of NewSterling (Sterling Shares) will be distributed to holders of Units and Exchangeable Units on a one-for-one basis; (iii) NewSterling will assume all obligations of the Fund under the debenture indenture that governs the Debentures; (iv) the Fund and the Trust will be dissolved into NewSterling; (v) the Partnership will continue to carry on the Business it presently carries out on behalf of the Fund, and (vi) NewSterling will own, directly or indirectly, all of the existing assets and assume all of the existing liabilities of the Fund (including the Fund's outstanding Debentures) and the Trust, effectively resulting in the internal reorganization of the Fund's trust structure into a corporate structure;
15. following the completion of the Conversion Transaction: (i) the sole business of NewSterling will be the current business of the Fund; (ii) all equity holders of the Fund will own Sterling Shares, rather than Units now held by unitholders and Special Voting Units, Exchangeable Units and Class A and Class B limited partner units now held by SSI; (iii) NewSterling will be a reporting issuer or the equivalent under the securities legislation in all of the provinces of Canada; and (iv) the Sterling Shares and the Debentures will, subject to approval by the TSX, be listed on the TSX;
16. the Conversion Transaction will not result in a change in beneficial ownership of the assets and liabilities of the Fund and NewSterling will continue to carry on the Business through the Partnership following the Conversion Transaction; the Conversion Transaction will be an internal reorganization undertaken without dilution to the Securityholders; the Securityholders will, following completion of the Conversion Transaction, be the shareholders of NewSterling;
17. SSI and the former holders of Units will respectively hold approximately 20% and 80% of the Sterling Shares issued on the Effective Date;
18. pursuant to the Fund's constating documents, the CBCA and applicable securities laws, the Securityholders will be required to approve the Conversion Transaction at the Meeting; the Conversion Transaction must be approved by not less than two-thirds of the votes cast by Securityholders at the Meeting; the Meeting is anticipated to take place on June 24, 2010 and the Circular is expected to be mailed on or around May 25, 2010;
19. the Conversion Transaction will be accounted for on a continuity of interest basis and accordingly, following the Conversion Transaction, the comparative consolidated financial statements for NewSterling prior to the Conversion Transaction will reflect the financial position, and results of operation of cash flows as if NewSterling had always carried on the business formerly carried on by the Fund;
20. the Conversion Transaction will be a "restructuring transaction" under NI 51-102 in respect of the Fund and therefore will require compliance with Section 14.2 of the Circular Form;

Financial statements and MD&A disclosure in the Circular

21. Item 14.2 of the Circular Form requires, among other items, that the Circular contain the disclosure (including financial statements and management's discussion and analysis) prescribed under securities legislation and

- described in the form of prospectus that NewSterling would be eligible to use immediately prior to the sending and filing of the Circular for a distribution of its securities; therefore, the Circular must contain the disclosure in respect of NewSterling prescribed by Form 41-101F1 – *Information Required in a Prospectus* (the Prospectus Form) and by NI 41-101;
22. as NewSterling will not have been in existence for three years on the date of the Information Circular, Item 32.1(a) of the Prospectus Form requires that the financial statements of the Partnership be included as it is the predecessor entity that will form the business of NewSterling;
 23. Items 8.2(1)(a) and 8.2(2) of the Prospectus Form require the Fund to include management's discussion and analysis corresponding to each of the financial years ended December 31, 2009 and December 31, 2008 of the Partnership (the MD&A) in the Circular;
 24. Item 32.2(1) of the Prospectus Form requires the Fund to include certain annual financial statements of the Partnership in the Circular, including: (i) statements of income, retained earnings and cash flows of the Partnership for each of the financial years ended December 31, 2009, December 31, 2008 and December 31, 2007; and (ii) a balance sheet of the Partnership as at the end of December 31, 2009 and December 31, 2008 (the Partnership Financial Statements); in addition, Item 32.3(1) of the Prospectus Form requires the Fund to include certain comparative statements of the Partnership and of NewSterling in the Circular (the Interim Financial Statements), including (a) a comparative income statement, a statement of retained earnings, and a cash flow statements of NewSterling for the most recent interim period ended more than 45 days before the date of the Circular and (b) a balance sheet of NewSterling as at the end of the most recent interim period ended more than 45 days before the date of the Circular (the Partnership Financial Statements and the Interim Financial Statements are referred to collectively as the Financial Statements);
 25. subsection 4.2(1) of NI 41-101 requires that the Partnership Financial Statements required to be included in the Circular must be audited in accordance with National Instrument 52-107 – *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107);

Exemptions Sought

Circular Relief

26. NewSterling was established for the exclusive purpose of effecting the Conversion Transaction and will have no material assets (other than a nominal amount of cash) or business operations prior to the Effective Date;
27. the financial statements of the Fund are reported on a consolidated basis, which includes the financial results of the Partnership; the Partnership does not report its financial results independently from the consolidated financial statements of the Fund; the Financial Statements and the MD&A, if prepared, would not include the accounts of the Fund; there are transactions between the Fund and the Partnership that would be eliminated when consolidation is performed; to present the Financial Statements and the MD&A in the Information Circular, which would exclude accounts of the Fund, would present the effects of only one side of the financing activities between the Fund and the Partnership; this would result in intra-group liabilities and intra-group interest expense being reflected in the Financial Statements;
28. the Financial Statements and the MD&A are not relevant to the Securityholders for the purposes of considering the Conversion Transaction; once the Conversion Transaction is completed, the financial statements and management's discussion and analysis of NewSterling will be substantially and materially the same as the consolidated financial statements of the Fund filed in accordance with Part 4 of NI 51-102 because the financial position of the entity that exists both before and after the Conversion Transaction is substantially the same;
29. the Circular will contain prospectus level disclosure in accordance with the Prospectus Form (other than the Financial Statements and MD&A) and will contain sufficient information to enable a reasonable Securityholder to form a reasoned judgement concerning the nature and effect of the Conversion Transaction and the nature of the resultant public entity and reporting issuer from the Conversion Transaction, being NewSterling;

Prospectus Relief

30. subsection 2.7(2) of NI 44-101 contains an exemption for successor issuers from the qualification criteria for short form prospectus eligibility contained in Subsection 2.2(d) of NI 44-101, if an information circular relating to the restructuring transaction that resulted in the successor issuer was filed by the successor issuer or an issuer that was a party to the restructuring transaction, and such information circular (i) complied with applicable securities legislation, and (ii) included disclosure in accordance with Item 14.2 or 14.5 of the

Circular Form of the successor issuer; NewSterling cannot rely on this exemption because the Financial Statements and MD&A will not be included in the Information Circular if the Circular Relief is granted;

Prospectus filing following the Conversion Transaction

31. the Fund is qualified to file a prospectus in the form of a short form prospectus pursuant to Section 2.2 of NI 44-101 and is deemed to have filed a notice of intention to be qualified to file a short form prospectus under Section 2.8(4) of NI 44-101;
32. the Applicants anticipate that NewSterling may wish to file a preliminary short form prospectus following the completion of the Conversion Transaction, relating to the offering or potential offering of securities (including common shares, debt securities or subscription receipts) of NewSterling;
33. in anticipation of the filing of a preliminary short form prospectus, and assuming the Conversion Transaction has been completed, NewSterling intends to file a notice of intention to be qualified to file a short form prospectus (the Notice of Intention) following completion of the Conversion Transaction. In the absence of the Prospectus Relief, NewSterling will not be qualified to file a preliminary short form prospectus until 10 business days from the date upon which the Notice of Intention is filed;
34. pursuant to the qualification criteria set forth in Section 2.2 of NI 44-101 as modified in the Qualification Relief, following the Conversion Transaction, NewSterling will be qualified to file a short form prospectus pursuant to NI 44-101;
35. notwithstanding Section 2.2 of NI 44-101 as modified in the Qualification Relief, Section 2.8(1) of NI 44-101 provides that an issuer is not qualified to file a short form prospectus unless it has filed a notice declaring its intention to be qualified to file a short form prospectus at least 10 business days prior to the issuer filing its first preliminary short form prospectus;
36. the short form prospectus of NewSterling will incorporate by reference the documents that would be required to be incorporated by reference under Item 11 of Form 44-101 F1 in a short form prospectus of NewSterling, as modified by the Qualification Relief.

Decision

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

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

- (a) the Circular Relief is granted provided that the Information Circular discloses that NewSterling is a newly incorporated entity that has no material assets, income or liabilities;
- (b) the Qualification Relief is granted provided that any short form prospectus filed by NewSterling pursuant to NI 44-101 during the Qualification Relief specifically incorporates by reference:
 - (i) the Information Circular and any financial statements and related management's discussion and analysis of the Fund incorporated by reference into the Information Circular, and
 - (ii) any financial statements, management's discussion and analysis, material change reports or other documents that would have to be incorporated by reference in any short form prospectus filed by the Fund; and
- (c) the Prospectus Relief is granted provided that, at the time NewSterling files its Notice of Intention, NewSterling meets the requirements of Section 2.2 of NI 44-101, as modified by the Qualification Relief.

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

2.1.11 Franklin Templeton Investments Corp. et al.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund mergers – approval required because mergers do not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – continuing fund has different investment objectives than terminating funds – securityholders of terminating funds provided with timely and adequate disclosure regarding the mergers.

Applicable Legislative Provisions

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

May 17, 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
FRANKLIN TEMPLETON INVESTMENTS CORP.
(the “Manager”)**

AND

**TEMPLETON EUROPEAN CORPORATE CLASS
AND FRANKLIN JAPAN CORPORATE CLASS
(each a “Terminating Fund”, and together,
the “Terminating Funds”)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the “Application”) from the Manager and the Terminating Funds (together, the “Filers”) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the “Legislation”) for approval of the mergers (collectively, the “Mergers” and individually, a “Merger”) of the Terminating Funds into the Continuing Fund (as defined below) under section 5.5(1)(b) of National Instrument 81-102 (“NI 81-102”) (the “Approval Sought”).

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

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

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

Interpretation

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

“**Continuing Fund**” means Templeton International Stock Corporate Class;

“**Corporate Class Ltd.**” means Franklin Templeton Corporate Class Ltd.;

“**Effective Date**” means the effective date of the Mergers and is anticipated to be June 11, 2010 or as soon as practicable thereafter;

“**Fund**” or “**Funds**” means, individually or collectively, the Terminating Funds and the Continuing Fund; and

“**Underlying Funds**” means Templeton European Fund in respect of Templeton European Corporate Class and Franklin Japan Fund in respect of Franklin Japan Corporate Class.

Representations

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

1. The Manager is a corporation existing under the laws of Ontario. The Manager is the manager of each of the Funds. The registered head office of the Manager is located in Toronto, Ontario.
2. Corporate Class Ltd. is an open-ended mutual fund corporation incorporated under the laws of Alberta on June 1, 2001. Each of the Funds is a separate class of special shares of Corporate Class Ltd.
3. Securities of the Funds are currently qualified for sale by a simplified prospectus and annual information form dated June 18, 2009, as amended, which has been filed and receipted in the Jurisdiction and each of the Non-Principal Jurisdictions.
4. Each of the Funds is a reporting issuer in the Jurisdiction and each of the Non-Principal Jurisdictions. Neither the Filers nor the Continuing Fund are in default of the securities legislation in

- the Jurisdiction or in any of the Non-Principal Jurisdictions.
5. Other than circumstances in which the principal regulator or the securities regulatory authority of a Non-Principal Jurisdiction has expressly exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices set out in NI 81-102.
6. The net asset value for each series of the Funds is calculated on a daily basis on each day that the Toronto Stock Exchange is open for trading.
7. The Manager intends to implement the following Mergers:
- a) the merger of Templeton European Corporate Class into the Continuing Fund; and
 - b) the merger of Franklin Japan Corporate Class into the Continuing Fund.
8. Pursuant to the Mergers, securityholders of each Terminating Fund will receive securities with the same value and in the same series of the Continuing Fund as they currently own in the Terminating Fund.
9. Securityholders of the Terminating Funds will be asked to approve the Mergers at meetings to be held on June 4, 2010. The Manager, as the sole Class A common shareholder of Corporate Class Ltd., and the securityholders of the Continuing Fund will also approve the Mergers, as required under corporate law.
10. All costs attributable to the Mergers (consisting primarily of legal, proxy solicitation, printing and mailing costs) will be borne by the Manager and will not be borne by the Terminating Funds or the Continuing Fund.
11. Effective as of the close of business on June 4, 2010, the Terminating Funds will cease distribution of securities (except purchases under existing pre-authorized chequing plans). Following the Mergers, all systematic investment programs and systematic withdrawal programs, like pre-authorized chequing plans and systematic withdrawal programs that had been established with respect to the Terminating Funds, will be re-established on a series-for-series basis in the Continuing Fund unless securityholders advise the Manager otherwise. Securityholders may change or cancel any systematic program at any time and securityholders of Terminating Funds who wish to establish one or more systematic programs in respect of their holdings in the Continuing Fund may do so following the Mergers.
12. A material change report, press release and amendments to the simplified prospectus and annual information form of the Funds, which gave notice of the proposed Mergers, were filed via SEDAR on April 8, 2010.
13. A notice of meeting, a management information circular and a proxy in connection with meetings of securityholders were mailed to securityholders of the Terminating Funds and the Continuing Fund, and filed on SEDAR, on or about May 13, 2010.
14. Securityholders of a Terminating Fund will continue to have the right to redeem securities of the Terminating Fund for cash at any time up to the close of business on the business day immediately before the Effective Date. The management information circular mailed to securityholders of the Terminating Funds discloses that a securityholder's deferred sales charge schedule is not changed or eliminated as a result of the Mergers, and that investors who redeem their shares of the Terminating Fund may be subject to redemption charges as outlined in the simplified prospectus.
15. The Funds' independent review committee ("IRC") has reviewed and made a positive recommendation with respect to the Mergers, having determined that the Mergers, if implemented, achieve a fair and reasonable result for each Terminating Fund and the Continuing Fund. The decision of the IRC was included in the notices of meetings as required by section 5.1(2) of National Instrument 81-107.
16. On October 7, 2005, in connection with a prior fund merger, the Manager received an exemption from the requirement to deliver:
- a) the Franklin Templeton Investment Funds simplified prospectus to securityholders of terminating funds in connection with all future mergers of mutual funds managed by the Manager (the "Future Mergers") pursuant to paragraph 5.6(1)(f)(ii) of NI 81-102; and
 - b) the most recent annual and interim financial statements of the continuing fund to securityholders of the terminating funds in connection with all Future Mergers pursuant to paragraph 5.6(1)(f)(ii) of NI 81-102.
- (The relief outlined in (a) and (b) is referred to as the "Prospectus and Financial Statement Delivery Relief".)
17. In accordance with the conditions of the Prospectus and Financial Statement Delivery Relief, the material sent to securityholders of the

- Terminating Funds included a tailored simplified prospectus consisting of:
- a) the current Part A of the simplified prospectus of the Continuing Fund, and
 - b) the current Part B of the simplified prospectus of the Continuing Fund.
18. In accordance with the conditions of the Prospectus and Financial Statement Delivery Relief,
- a) the information circular sent to securityholders in connection with the Mergers provided sufficient information about the Mergers to permit securityholders to make an informed decision about the Mergers;
 - b) each Terminating Fund and Continuing Fund has an unqualified audit report in respect of its last completed financial period;
 - c) the information circular sent to securityholders in connection with a Merger prominently discloses that securityholders can obtain the most recent interim and annual financial statements of the Continuing Fund by accessing the SEDAR website at www.sedar.com, by accessing the Manager's website at www.franklin templeton.ca, by calling a toll-free number or by contacting the Manager at service@franklintempleton.ca; and
 - d) upon request by a securityholder for financial statements, the Manager will make best efforts to provide the securityholder with financial statements of the Continuing Fund in a timely manner so that the securityholder can make an informed decision regarding a Merger.
19. The Terminating Funds will merge into the Continuing Fund on the close of business on the Effective Date and the Continuing Fund will continue as a publicly offered open-end mutual fund governed by the laws of Alberta.
20. The assets of each Terminating Fund are substantially invested in its respective Underlying Fund. Prior to the Effective Date, each Terminating Fund will redeem or otherwise convert to cash and/or cash equivalents its entire investment in units of its Underlying Fund at the Underlying Fund's net asset value. Any realized capital gain or capital loss as a result of such redemptions is not expected to have a significant impact on Corporate Class Ltd.'s overall tax position.
21. The portfolio assets of each Terminating Fund to be acquired by the Continuing Fund will be acceptable to the portfolio adviser of the Continuing Fund and consistent with the investment objectives of the Continuing Fund.
22. The exchange by securityholders of their shares of the Terminating Funds into shares of the Continuing Fund will be carried out on a tax-deferred basis. No sales charges will be payable in connection with the exchange of shares of the Terminating Funds into shares of the Continuing Fund.
23. The shares of the Terminating Funds will be cancelled by Corporate Class Ltd., and each of the Terminating Funds will be terminated as soon as possible after the Mergers are implemented.
24. As the Manager is of the view that continued operation of the Terminating Funds is no longer viable, if the Mergers are not approved by securityholders, the Terminating Funds will be wound up and terminated on or about July 16, 2010 but in any event no later than July 31, 2010, as disclosed in the management information circular mailed to securityholders of the Terminating Funds.
25. Approval of the Mergers is required because the Mergers do not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102 in the following ways:
- a) the fundamental investment objectives of Templeton European Corporate Class are not substantially similar to those of the Continuing Fund; and
 - b) the fundamental investment objectives of Franklin Japan Corporate Class are not substantially similar to those of the Continuing Fund.
26. Except as noted herein, the Mergers will otherwise comply with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6(1) of NI 81-102.
27. The Filers submit that the Mergers will result in the following benefits:
- a) securityholders of the Terminating Funds and the Continuing Fund will enjoy increased economies of scale and lower fund operating expenses (which are borne indirectly by securityholders) as part of a larger combined Continuing Fund;

- b) the Mergers will eliminate the administrative and regulatory costs of operating each Terminating Fund as a separate mutual fund; and
- c) the Continuing Fund will have a portfolio of greater value, allowing for increased portfolio diversification opportunities.

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 Approval Sought is granted.

“Vera Nunes”
Assistant Manager, Investment Funds
Ontario Securities Commission

2.1.12 Vaaldiam Resources Ltd. – s. 1(10)(b)

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 – requested relief granted.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 1(10)(b).
CSA Staff Notice 12-307 Applications for a Decision that an Issuer is not a Reporting Issuer.

May 19, 2010

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA,
ONTARIO, QUEBEC, NEW BRUNSWICK,
NOVA SCOTIA, PRICE EDWARD ISLAND,
NEWFOUNDLAND AND LABRADOR,
YUKON TERRITORY, NORTHWEST TERRITORIES
AND NUNAVUT
(THE JURISDICTIONS)**

AND

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

AND

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

DECISION

Background

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

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

- (a) The Ontario Securities Commission is the principal regulator for this application; and
- (b) The decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

- (a) The Filer is a corporation governed by the *Canada Business Corporations Act* (the **CBCA**) with its registered and head office located at 55 University Avenue, Suite 1105, Toronto, Ontario.
- (b) The Filer is a reporting issuer in the Jurisdictions.
- (c) The Filer's authorized capital consists of an unlimited number of common shares without par value (the **Common Shares**).
- (d) On March 23, 2010, the Filer filed articles of arrangement pursuant to the CBCA and as a result became and is currently a wholly-owned subsidiary of Vaaldiam Mining Inc. (the **Parent**).
- (e) The Parent is an independent, publicly traded company which is listed on the Toronto Stock Exchange under the ticker symbol "VAA". The Parent is a reporting issuer under the Legislation.
- (f) Other than the Common Shares held by the Parent, the Filer has no other securities outstanding.
- (g) The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total in Canada.
- (h) The Common Shares were de-listed from the Toronto Stock Exchange following the close of trading on March 25, 2010.
- (i) No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
- (j) The Filer filed a notice in British Columbia under BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* stating that it will cease to be a reporting issuer in British Columbia. On March 31, 2010, the British Columbia Securities Commission sent a notice that it had received and accepted such notice and confirmed that non-reporting status was effective on April 8, 2010.
- (k) The Filer 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.

- (l) The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, except for the obligation to file: (i) its annual financial statements for the year ended December 31, 2009 and its Management's Discussion and Analysis in respect of such financial statements, as required under National Instrument 51-102 *Continuous Disclosure Obligations (NI 51-102)*, and the related certification of such financial statements as required under National Instrument 52-109 *Certification of Disclosure in Filer's Annual and Interim Filings*; and (ii) its annual information form for the year ended December 31, 2009 as required under NI 51-102, all of which became due on March 31, 2010.
- (m) The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* in order to apply for the Exemptive Relief Sought.
- (n) The Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.

Decision

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

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

"Mary G. Condon"
Commissioner
Ontario Securities Commission

"C. Wesley M. Scott"
Commissioner
Ontario Securities Commission

2.2 Orders

2.2.1 Burgundy Asset Management Ltd. et al. – s. 1(10)(b)

Headnote

Application by mutual funds under paragraph 1(10)(b) of the Act to cease being reporting issuers – Mutual funds not eligible to rely on simplified process set out in CSA Staff Notice 12-307 because beneficially owned by more than 50 persons – Mutual fund securities distributed by manager/portfolio manager exclusively to managed accounts fully managed by it – Mutual fund securities distributed on exempt basis to managed accounts pursuant to available regulatory exemption from dealer registration requirements and discretionary exemption from prospectus requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(b).
CSA Staff Notice 12-307 Applications for a Decision that an Issuer is not a Reporting Issuer.

April 23, 2010

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

AND

IN THE MATTER OF
BURGUNDY ASSET MANAGEMENT LTD.
 (“Burgundy”)

AND

BURGUNDY COMPOUND REINVESTMENT FUND,
BURGUNDY FOCUS ASIAN EQUITY FUND,
BURGUNDY TOTAL RETURN BOND FUND AND
BURGUNDY EAFE FUND
(collectively, the “Funds” and with Burgundy,
the “Filers”)

ORDER
Clause 1(10)(b) of the Act

UPON the Ontario Securities Commission (the “Commission”) having received an application from the Filers for an order under clause 1(10)(b) of the Act that, for the purposes of Ontario securities law, each Fund is not a reporting issuer (the “Requested Order”);

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

AND UPON the Filers representing to the Commission as follows:

1. Burgundy is incorporated under the laws of Ontario, with its head office in Toronto, Ontario.
2. Burgundy is registered as portfolio manager in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador and Quebec. Burgundy is also registered as an exempt market dealer in Ontario and in Newfoundland and Labrador.
3. Burgundy is currently the manager, trustee and portfolio manager of the Funds.
4. The Funds are not in default of securities legislation in Ontario.
5. Burgundy offers investment management and financial counselling services, primarily to high net worth individuals, institutions and foundations (each, a “Client”) through a managed account (“Managed Account”).
6. Each Client who wishes to receive the investment management services of Burgundy executes a written agreement (the “Investment Counsel Agreement”) whereby the Client appoints Burgundy to act as portfolio manager in connection with an investment portfolio of the Client with full discretionary authority to trade in securities for the Managed Account without obtaining the specific consent of the Client to execute the trade. The Investment Counsel Agreement further sets out how the Managed Account operates and informs the Client of Burgundy’s various rules, procedures and policies.
7. Burgundy sends each Client a quarterly statement showing current holdings and a summary of all transactions carried out in their Managed Account during the quarter.
8. The Funds are only distributed to Managed Account Clients of Burgundy and therefore not widely distributed. All investors in the Funds are invested through a Managed Account with Burgundy.
9. None of the Funds charge a commission or a management fee directly to investors. Instead, under the Investment Counsel Agreement between each Client and Burgundy, the Client agrees to pay Burgundy a management fee based upon a percentage of assets under management in the Managed Account (excluding assets invested in Burgundy’s money market funds which charge a management fee directly to investors). Terms of the fees are detailed in each Client’s Investment Counsel Agreement.
10. Each of the Funds is a reporting issuer only in Ontario as a result of having filed a prospectus only in Ontario.

11. The Funds currently distribute their securities to Managed Account Clients in Ontario pursuant to a simplified prospectus dated May 27, 2009 (the "**Ontario Prospectus**"), prepared pursuant to National Instrument 81-101 *Mutual Fund Prospectus Disclosure*.
12. The Funds currently distribute their securities to Managed Account Clients in the other jurisdictions of Canada (excluding Ontario) pursuant to the "accredited investor" exemption from the prospectus requirement for managed accounts contained in National Instrument 45-106 *Prospectus and Registration Exemptions* ("**NI 45-106**").
13. Absent an exemption, the Funds are prohibited in Ontario from distributing, and Burgundy is effectively prohibited from investing in, securities of the Funds for the Managed Accounts in Ontario, in circumstances where the individual Client who is the beneficial owner of the Managed Account is not otherwise qualified as an "accredited investor" or does not otherwise use the \$150,000 minimum investment exemption available under NI 45-106.
14. Pursuant to an order of the Commission dated December 1, 2009 (the "**Ontario Decision**"), Burgundy is now permitted to distribute securities of the Funds under an exemption from the prospectus requirements to Managed Account Clients in Ontario in circumstances where the Client is not an "accredited investor" and does not invest a minimum of \$150,000 in each Fund.
15. As a result of the Ontario Decision, Burgundy will not renew the Ontario Prospectus and instead proposes to distribute securities of the Funds to its Managed Account Clients pursuant to exemptions from the prospectus requirement.
16. Investors in the Funds are only comprised of, and will in the future only be comprised of, persons from the following categories:
- (a) Investors who qualify as "accredited investors", as defined in NI 45-106, other than pursuant to paragraph (q) of the definition;
 - (b) Outside of Ontario, investors who have entered into an Investment Counsel Agreement with Burgundy, making Burgundy the accredited investor on behalf of the Client's Managed Account pursuant to paragraph (q) of the "accredited investor" definition in NI 45-106; and
 - (c) Investors in Ontario who have entered into an Investment Counsel Agreement
- with Burgundy, where Burgundy is relying on the Ontario Decision.
17. The Funds have less than 15 securityholders in each of the jurisdictions of Canada, excluding Ontario and, in the case of Burgundy Focus Asian Equity Fund and Burgundy Total Return Bond Fund, excluding Quebec. With the exception of Burgundy EAFE Fund, the Funds have more than 51 securityholders in total in Canada.
18. The Funds are not eligible for relief pursuant to CSA Staff Notice 12-307 *Application for a Decision that an Issuer is not a Reporting Issuer* ("**CSAN 12-307**") solely because of the number of securityholders in each Fund.
19. Burgundy has sent a notice to all securityholders of the Funds on February 24, 2010, advising that the Funds have applied to cease to be reporting issuers and explaining the implications of such fact. As there are no redemption charges payable by securityholders in the Funds, Clients will be permitted to instruct Burgundy if they no longer wish to be invested in the Funds and there will be no fees associated with such change.
20. The financial statements of the Funds will be prepared and delivered to securityholders in accordance with the requirements of National Instrument 81-106 *Investment Fund Continuous Disclosure* ("**NI 81-106**"). The Funds intend to rely on the filing exemption set out in section 2.11 of NI 81-106.

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

IT IS HEREBY ORDERED pursuant to clause 1(10)(b) of the Act that, for the purposes of Ontario securities law, each Fund is not a reporting issuer.

"David L. Knight"
Commissioner
Ontario Securities Commission

"Margot C. Howard"
Commissioner
Ontario Securities Commission

2.2.2 Investment Industry Regulatory Organization of Canada v. Julius Caesar Phillip Vitug – s. 9(2) of the Securities Act and Rule 3 of the OSC Rules of Procedure

**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

**ORDER
(Subsection 9(2) of the Securities Act,
Rule 3 of the Ontario Securities Commission
Rules of Procedure (2009), 32 O.S.C.B. 10)**

WHEREAS on May 1, 2009, Julius Caesar Phillip Vitug (“Vitug”), applied under section 21.7 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), for a hearing and review of a decision of a hearing panel of the Ontario District Council of the Investment Industry Regulatory Organization of Canada (“IIROC”), dated May 31, 2009 (the “Hearing Panel Decision”);

AND WHEREAS on July 20, 2009, a hearing and review of the IIROC Decision was held before the Ontario Securities Commission (the “Commission”);

AND WHEREAS on April 26, 2010, the Commission issued its Reasons and Decision, dated April 23, 2010, dismissing the Application (the “Commission Decision”);

AND WHEREAS on April 27, 2010, Vitug requested that the Commission stay the Decision on an interim basis (the “Interim Stay Motion”) pending the outcome of a stay motion to be scheduled during the week of May 3, 2010 (the “Stay Motion”);

AND WHEREAS on April 28, 2010, the Interim Stay Motion was heard by the Commission, counsel for Vitug, counsel for IIROC and Staff of the Commission (“Staff”) being in attendance;

AND WHEREAS counsel for IIROC opposed the Interim Stay Motion and Staff took no position on the Interim Stay Motion;

AND WHEREAS, upon considering the submissions of counsel for Vitug, counsel for IIROC and Staff, the Commission ordered that the Decision is stayed on an interim basis, pursuant to subsection 9(2) of the Act, pending the outcome of the Stay Motion and that IIROC will reverse any actions it has taken with respect to the Decision; that the Stay Motion shall be heard by the Commission on May 5, 2010; and that Vitug shall bring this Order to the attention of his member firm.

AND WHEREAS on May 5, 2010, the Stay Motion was heard by the Commission, counsel for Vitug, counsel for IIROC and Staff being in attendance;

AND WHEREAS counsel for IIROC opposed the Stay Motion and Staff took no position on the Stay Motion;

AND WHEREAS, upon considering the submissions of counsel for Vitug, counsel for IIROC and Staff, the Commission is of the opinion that it is in the public interest to make this order;

IT IS ORDERED THAT:

1. The Interim Stay ordered by the Commission on April 28, 2010 is extended for 60 days following the release of this Order, and shall terminate immediately thereafter, subject to paragraph 2, below, and subject to any further order of the Commission.
2. The Stay shall terminate upon the expiry of the 30-day appeal period following the release of the Commission decision dated April 23, 2010 if Mr. Vitug has not commenced a timely appeal pursuant to subsection 9(1) of the Securities Act, subject to any further order of the Commission.

Dated at Toronto, Ontario this 14th day of May, 2010.

“Mary G. Condon”

“Paulette L. Kennedy”

2.2.3 World Color Press Inc. – s. 4.2 of OSC Rule 56-501 Restricted Shares

Headnote

OSC Rule 56-501 Restricted Shares – Reporting issuer request for exemption from certain minority approval requirements of Part 3 of Rule 56-501 for subordinate voting shares – issuer formed through statutory arrangement – full disclosure provided in management proxy circular.

Applicable Legislative Provisions

OSC Rule 56-501 Restricted Shares.

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

AND

**IN THE MATTER OF
WORLD COLOR PRESS INC.**

**ORDER
(Section 4.2 of
Ontario Securities Commission Rule 56-501)**

WHEREAS World Color Press Inc. (“**World Color Press**”) has applied to the Director (the “**Director**”) for an exemption from the requirements of Part 3 of Ontario Securities Commission Rule 56-501 – *Restricted Shares* (“**Rule 56-501**”) in connection with a stock distribution of securities under a plan of arrangement whereby Quad/Graphics, Inc. (“**Quad/Graphics**”) will acquire World Color Press following a share exchange and amalgamation;

AND WHEREAS World Color Press has represented to the Director that:

1. World Color Press is a corporation existing under the laws of Canada. The registered and principal office of World Color Press is located at 999 de Maisonneuve Boulevard West, Suite 1100, Montreal, Quebec, H3A 3L4.
2. World Color Press’ authorized share capital consists of common shares (“**Common Shares**”), Class A Convertible Preferred Shares (“**Preferred Shares**”), series I warrants and series II warrants. The Preferred Shares are convertible into Common Shares. Each series I warrant and each series II warrant is exercisable into one Common Share at a price of US\$0.01 per share in certain circumstances.
3. World Color Press is a reporting issuer in Ontario. The Common Shares are listed on the Toronto Stock Exchange under the symbols “WC” (trading in Canadian dollars) and “WC.U” (trading in U.S.

dollars). The Preferred Shares are not currently listed on an exchange in Canada or the United States. World Color Press is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

4. The SEDAR and SEDI filings in relation to World Color Press indicate that, as of the date hereof, two shareholders own more than 10% of the outstanding Common Shares on an undiluted basis. No holder beneficially owns or controls 20% or more of the Common Shares on an undiluted, partially diluted or fully-diluted basis.
5. No affiliates of World Color Press hold Common Shares or Preferred Shares of World Color Press directly or indirectly.
6. Based on reports from and discussions with Computershare Investor Services Inc., the registrar and transfer agent of World Color Press, reports from Broadridge Financial Solutions, Inc., publicly-filed reports and trackings of holdings by or on behalf of World Color Press, it is believed that, as of May 3, 2010, non-residents of Canada held not less than 60% of the outstanding Common Shares¹ and a majority of the outstanding Preferred Shares of World Color Press.
7. On January 26, 2010, World Color Press and Quad/Graphics announced that they had entered into a definitive arrangement agreement whereby Quad/Graphics will acquire World Color Press following a share exchange and amalgamation pursuant to a plan of arrangement under the *Canada Business Corporations Act* (the “**Transaction**”).
8. Quad/Graphics’ authorized capital consists of shares of class A common stock (“**Class A Common Stock**”), shares of class B common stock (“**Class B Common Stock**”), shares of class C common stock (“**Class C Common Stock**”) and shares of preferred stock (“**Preferred Stock**”).
9. Quad/Graphics is a privately-held U.S. company that is not currently listed on an exchange in Canada or the United States.
10. No residents of Canada hold shares of Quad/Graphics.
11. Quad/Graphics plans to amend its articles of incorporation at the time of the completion of the Transaction. Under its amended articles of incorporation, consistent with its current structure, Class A Common Stock will entitle the holder

¹ Excluding the Common Shares held in escrow pending the resolution of unsecured claims in connection with World Color Press’ prior insolvency proceedings.

- thereof to one vote per share, Class B Common Stock will entitle the holder thereof to ten votes per share and Class C Common Stock will entitle the holder thereof to ten votes per share. Currently, no Preferred Stock is outstanding. The Board of Directors of Quad/Graphics has the right to establish the terms of the Preferred Stock if and when such Preferred Stock is issued.
12. The Harry V. Quadracci family, partially through trusts and partially through direct ownership of shares of Class B Common Stock, currently controls and will continue to control Quad/Graphics following the closing of the Transaction. After giving effect to the Transaction, the ownership by the Quadracci family or trusts for their benefit of Class B Common Stock will result in their controlling over 50% of the votes attaching to Quad/Graphics' shares.
13. The charter provisions of Quad/Graphics will contain provisions relating to the transfer of the Class B Common Stock and the Class C Common Stock that will provide a form of coattail protection for the holders of the Class A Common Stock.
14. In connection with the Transaction, Quad/Graphics will become a registrant in the United States and has advised that it will seek a listing of its Class A Common Stock on a national securities exchange in the United States.
15. In connection with the Transaction, holders of World Color Press' Common Shares will exchange their Common Shares for Class A Common Stock and cash. The outstanding Preferred Shares that are not converted into Common Shares prior to the closing of the Transaction will be redeemed for cash on the closing of the Transaction. The outstanding warrants of World Color Press will be cashed out on the closing of the Transaction.
16. The arrangement agreement between Quad/Graphics and World Color Press dated as of January 25, 2010 requires that the Transaction be approved by two-thirds of the votes cast by holders of the Common Shares and of the Preferred Shares, voting together as a single class at a meeting called and held for such purpose (the "**Meeting**").
17. In connection with the solicitation by management of proxies in respect of the Meeting, World Color Press will prepare and send to its shareholders and file with the appropriate securities regulatory authorities a proxy circular/prospectus (the "**Circular**"). The Circular serves as (a) World Color Press' management proxy circular in connection with management's solicitation of proxies, and (b) a prospectus for Quad/Graphics which is part of a registration statement on Form S-4 filed with the U.S. Securities and Exchange Commission in relation to its issuance of Class A Common Stock in connection with the Transaction.
18. The Circular will contain prospectus-level disclosure with respect to World Color Press, Quad/Graphics and the Transaction, including a description of Quad/Graphics' share structure. The disclosure will include a detailed description of the differences between the Common Shares and the Class A Common Stock, including the voting rights attaching to such securities and the subordinate voting rights of the Class A Common Stock relative to the Class B Common Stock and the Class C Common Stock.
19. Following the closing of the Transaction, the former holders of Common Shares of World Color Press (including the former holders of Preferred Shares who have converted their Preferred Shares into Common Shares) will collectively own approximately 40% of the outstanding shares of Common Stock of Quad/Graphics. Based on current holdings of Common Shares, and assuming that there are no significant changes in such holdings as between Canadians and non-Canadians before the closing of the Transaction, it is expected that Canadians will hold less than 15% of Quad/Graphics' Common Stock at the closing of the Transaction.²
20. Quad/Graphics has advised that, following the closing of the Transaction, Quad/Graphics will not list the Class A Common Stock on the Toronto Stock Exchange. However, Quad/Graphics has advised that it will seek a listing for the Class A Common Stock on a national securities exchange in the United States.
21. Quad/Graphics has advised that it does not currently intend to distribute securities in Canada under a prospectus, rights offering circular or offering memorandum following the completion of the Transaction.
22. Quad/Graphics has advised that, following the closing of the Transaction, it intends to file in Canada the documents it files with the U.S. Securities and Exchange Commission as an SEC foreign issuer under National Instrument 71-102 – *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*.
23. The Class A Common Stock into which the Common Shares are exchangeable in connection with the Transaction are restricted shares for the purposes of Rule 56-501. The Transaction involves a stock distribution within the meaning of Rule 56-501 and Quad/Graphics will become a reporting issuer in each province of Canada as a

² Excluding the shares held in escrow pending the resolution of unsecured claims in connection with World Color Press' prior insolvency proceedings.

result of it. World Color Press will not seek minority approval for the Transaction and the conditions set out in section 3.2(2) will not be satisfied. The Circular will not contain all of the disclosure required by section 3.2(1)(e) of Rule 56-501.

24. World Color Press has no control person and all holders of its Common Shares will receive the same form of consideration in connection with the Transaction and will have their voting powers reduced to the same extent pro rata in favour of the shareholders of Quad/Graphics, a private arm's length purchaser. The Transaction does not involve the conversion of World Color Press into a company with a dual class share structure.
25. Following the closing of the Transaction, Quad/Graphics does not currently expect to distribute securities in Canada on a public or a private-placement basis and intends to comply with its Canadian continuous disclosure obligations by filing the documents it files with the U.S. Securities and Exchange Commission under the Multijurisdictional Disclosure System. Consequently, following the completion of the Transaction, Quad/Graphics will not be required to comply with any of the disclosure rules in Canadian securities law regarding restricted shares.
26. Non-residents of Canada hold a significant majority of the aggregate number of Common Shares and Preferred Shares³ and it is expected that Canadians will hold less than 15% of the outstanding shares of Common Stock of Quad/Graphics at the closing of the Transaction.⁴

AND WHEREAS the Director is satisfied that it would not be prejudicial to the public interest to grant the exemption requested;

IT IS ORDERED pursuant to section 4.2 of Rule 56-501 that World Color Press be and it is hereby exempted from the requirements of Part 3 of Rule 56-501 in connection with the Transaction.

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

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

³ Excluding the Common Shares held in escrow pending the resolution of unsecured claims in connection with World Color Press' prior insolvency proceedings.

⁴ Excluding the shares held in escrow pending the resolution of unsecured claims in connection with World Color Press' prior insolvency proceedings.

2.2.4 Rainy River Resources Ltd. – s. 1(11)(b)

Headnote

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

Statutes Cited

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

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

AND

**IN THE MATTER OF
RAINY RIVER RESOURCES LTD.**

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

UPON the application of Rainy River Resources Ltd. (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for an order pursuant to paragraph 1(11)(b) of the Act that the Applicant is a reporting issuer for the purposes of Ontario securities law;

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

AND UPON the Applicant representing to the Commission as follows:

1. The Applicant was incorporated under the former *Company Act* (British Columbia) on July 14, 1982 and transitioned under the *British Columbia Business Corporations Act* on December 15, 2004.
2. The Applicant's registered and head office is located at Suite 303 – 1620 West 8th Avenue, Vancouver, British Columbia, V6J 1V4.
3. The authorized capital of the Applicant consists of an unlimited number of common shares without par value (the **Common Shares**), of which 72,403,684 Common Shares are issued and outstanding as at the date hereof.
4. The Applicant is a reporting issuer under the Securities Act (British Columbia) (the **BC Act**) and the Securities Act (Alberta) (the **Alberta Act**).
5. As of the date hereof, the Applicant is not on the list of defaulting reporting issuers maintained

- pursuant to the BC Act or the Alberta Act, and, to the best of its knowledge, is not in default of any of its obligations under the BC Act or the Alberta Act or the rules and regulations made thereunder.
6. The Applicant is not currently a reporting issuer or the equivalent in any jurisdiction in Canada other than British Columbia and Alberta.
7. The continuous disclosure requirements of the BC Act and the Alberta Act are substantially the same as the requirements under the Act.
8. The continuous disclosure materials filed by the Applicant under the BC Act and the Alberta Act since November 17, 1997 are available on the System for Electronic Document Analysis and Retrieval (**SEDAR**).
9. The Applicant's Common Shares are listed and posted for trading on the TSX Venture Exchange (**TSX-V**) under the symbol "RR". The Applicant's securities are not traded on any other stock exchange or trading or quotation system.
10. The Applicant is not in default of any of the rules, regulations or policies of the TSX-V.
11. The TSX-V requires all of its listed issuers, which are not otherwise reporting issuers in Ontario, to assess whether they have a significant connection with Ontario, as defined in Policy 1.1 of the TSX Venture Exchange Corporate Finance manual, and, upon first becoming aware that it has a significant connection to Ontario, to promptly make a *bona fide* application to the Commission to be designated a reporting issuer in Ontario.
12. The Applicant has determined that it has a significant connection to Ontario since 13,815,059 Common Shares, representing approximately 24% of the total number of equity securities of the Applicant, are owned by registered and beneficial shareholders resident in Ontario.
13. The Applicant does not have a shareholder which holds sufficient securities of the Applicant to affect materially the control of the Applicant.
14. Neither the Applicant nor any of its officers or directors has:
- (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;
 - (b) entered into a settlement agreement with a Canadian securities regulatory authority; or
 - (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
15. Neither the Applicant nor any of its officers or directors is or has been the subject of:
- (a) any known ongoing or concluded investigation by a Canadian securities regulatory authority, or a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or
 - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangement or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the preceding 10 years.
16. None of the officers or directors of the Applicant is or has been at the time of such event an officer or director of any other issuer which is or has been subject to:
- (a) any cease trade or similar orders, or orders that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or
 - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the preceding 10 years.

AND UPON the Commission being satisfied that to do so is in the public interest;

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

DATED this 18th day of May, 2010.

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

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
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

REASONS AND DECISION ON A STAY MOTION
(Subsection 9(2) of the Securities Act,
Rule 3 of the Ontario Securities Commission
Rules of Procedure (2009), 32 O.S.C.B. 10)

Hearing: May 5, 2010

Decision: May 14, 2010

Panel: Mary G. Condon – Commissioner and Chair of the Panel
Paulette L. Kennedy – Commissioner

Counsel: Alistair Crawley – For Mr. Vitug
Jocelyn Loosemore

Natalija Popovic – For IIROC
Tamara Brooks
Milton Chan

Jon Feasby – For Staff of the Ontario Securities Commission

REASONS AND DECISION ON A STAY MOTION

I. INTRODUCTION

[1] On April 26, 2010, the Ontario Securities Commission (the "**Commission**") issued a decision dated April 23, 2010 (the "**Commission Decision**") dismissing the application of Julius Caesar Phillip Vitug ("**Vitug**" or the "**Applicant**") for a hearing and review of a decision of a hearing panel of the Ontario District Council (the "**Hearing Panel**") of the Investment Industry Regulatory Organization of Canada ("**IIROC**") dated March 31, 2009 (the "**Hearing Panel Decision**").

[2] The allegation brought by IIROC Staff before the Hearing Panel was that "In or about April 2003 to August 2005, [Vitug] 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." In the Hearing Panel Decision, the Hearing Panel concluded that the allegation had been made out and ordered that a penalty hearing be scheduled.

[3] The penalty hearing was held on June 24, 2009 and the Decision and Reasons as to Penalty was issued on July 7, 2009 (the "**Penalty Decision**"). The Hearing Panel ordered that Vitug be permanently banned from approval in any category under IIROC's rules, and that he pay a fine of \$350,000 to IIROC. Vitug was also ordered to pay \$80,000 to IIROC towards its costs. The Hearing Panel dismissed Vitug's motion to stay the penalty hearing pending the outcome of Vitug's application to the Commission for a hearing and review of the Hearing Panel Decision pursuant to section 21.7 of the *Securities Act*, R.S.O. 1990, c. S.5 (the "**Act**"). However, with the consent of IIROC Staff, the Hearing Panel stayed the implementation of the penalties ordered until the termination of the Commission hearing.

[4] Immediately upon receipt of the Commission Decision dismissing Vitug's application for a hearing and review of the Hearing Panel Decision, IIROC moved to implement the Penalty Decision by terminating Vitug's registration.

[5] On April 27, 2010, Vitug brought a motion for a stay of the Commission Decision on an interim basis pending the outcome of a stay motion to be scheduled during the following week (the "**Interim Stay Motion**"). IIROC opposed the Interim Stay Motion. Staff of the Commission ("**Commission Staff**") took no position. After a hearing on April 28, 2010, the Commission ordered a stay of the Commission Decision on an interim basis (the "**Interim Stay**") pending the outcome of a motion to stay the Commission Decision pending an appeal (the "**Stay Motion**").

[6] Upon considering the written and oral submissions of Vitug and IIROC, Staff having taken no position at the hearing of the Stay Motion on May 5, 2010, we find that the public interest is best served by granting a short extension of the Interim Stay for the limited purpose of allowing Vitug sufficient time to commence an appeal and bring a stay motion before the Divisional Court. The Stay shall terminate upon the expiry of the 30-day appeal period following the release of the Commission Decision if Vitug has not commenced an appeal by that time. If Vitug brings a timely appeal, our Order extends the Interim Stay for sixty (60) days following the release of this decision, subject to further order of the Commission, to allow for a stay motion to be brought before the Divisional Court, should the Applicant wish to do so.

[7] Our reasons are as follows.

II. POSITIONS OF THE PARTIES

A. Vitug

[8] Vitug submits that a stay of a decision pending an appeal is the usual course followed by administrative tribunals. He notes that subsection 25(1) of the *Statutory Powers and Procedure Act*, R.S.O. 1990, c. S.22 ("SPPA") states:

An appeal from a decision of a tribunal to a court or other appellate body operates as a stay in the matter unless,

- (a) another Act or a regulation that applies to the proceeding expressly provides to the contrary; or
- (b) the tribunal or the court or other appellate body orders otherwise.

[9] However, as Vitug acknowledges, by virtue of subsection 9(2) of the Act, the automatic stay provision in the SPPA does not apply to Commission proceedings. Subsection 9(1) of the Act states that a person directly affected by a final decision of the Commission "may appeal to the Divisional Court within 30 days after the later of the making of the final decision or the issuing of the reasons for the final decision." Subsection 9(2) states:

Despite the fact that an appeal is taken under this section, the decision appealed from takes effect immediately, but the Commission or the Divisional Court may grant a stay until disposition of the appeal.

[10] Vitug submits this provision was introduced in 1973, in response to the Act becoming subject to the SPPA, and reflected a concern that an automatic stay of a cease trade order would frustrate the Commission's effort to stop the distribution of a security that is contrary to the public interest, and that an issuer might commence an appeal, without any intention of proceeding with it, for the purpose of obtaining a stay (Ontario, Legislative Assembly, *Official Report of Debates (Hansard)*, 3 April, 1973, at 472-474).

[11] Vitug submits that granting a stay of the Commission Decision pending the outcome of an appeal to the Divisional Court is consistent with both the procedural protections set out in the SPPA and the Commission's mandate to act in the public interest. He notes that a stay pending appeal was granted in *Re Rex Diamond et al.* (2009), 32 O.S.C.B. 10302 and *Re Rowan et al.* (unreported decision of Ont. Div. Ct., January 12, 2010, Court File No. 615/09).

[12] Vitug notes that in *RJR MacDonald Inc. v. Canada (Attorney General)*, [1994] 1 S.C.R. 311, at para. 43 ("**RJR MacDonald**"), the issue was whether to stay the effect of facially valid legislation pending a constitutional challenge, and he submits that the principles set out by the Supreme Court of Canada in that case should not be rigidly applied when the issue is whether to stay a disciplinary decision pending the outcome of an appeal. Vitug submits that the Commission should consider the factors set out in *RJR MacDonald* with a view to determining whether granting a stay is appropriate in the public interest.

[13] In *RJR MacDonald*, the Supreme Court of Canada summarized the test for a stay as follows:

Metropolitan Stores adopted a three-stage test for courts to apply when considering an application for either a stay or an interlocutory injunction. First, a preliminary assessment must be made of the merits of the case to ensure that there is a serious question to be tried. Secondly, it must be determined whether the applicant would suffer irreparable harm if the application were refused. Finally, an assessment must be made as to which of the parties would suffer greater harm from the granting or refusal of the remedy pending a decision on the merits.

(*RJR MacDonald, supra*, at para. 43, referring to *Manitoba (Attorney General) v. Metropolitan Stores (MTS) Ltd.*, [1987] 1 S.C.R. 110)

[14] With respect to the first criterion (serious question to be tried), Vitug did not address his grounds for appeal in his written submissions. At the hearing of the Stay Motion, he submitted that his appeal of the Commission Decision is likely to focus on three main areas: (i) continued application of the standard of review set out in the Commission's decision in *Canada Malting Co.* (1986), 9 O.S.C.B. 3565 and discussed at paras. 43-51 of the Commission Decision, despite the elimination of the internal IIROC appeal from decisions of District Council hearing panels; (ii) adequacy of the Hearing Panel's reasons for decision, in light of further developments in the law on the adequacy of reasons in the disciplinary context, for example, in *Law Society of Upper Canada v. Neinstein* (2010), 99 O.R. (3d) 1 (Ont. C.A.); and (iii) specific findings in the Hearing Panel Decision that were not addressed or that received deference in the Commission Decision.

[15] With respect to the second criterion, Vitug submits that he will suffer irreparable harm if the stay is not granted, because if his registration is terminated, he will lose his job, which is predicated on his being registered, and suffer irreparable damage to his reputation and career. If he is ultimately successful on appeal, he will already have lost his clients, who will have transferred to other investment advisors. Vitug also states that his clients will be adversely affected as they will "have to find a new investment advisor and transfer their accounts."

[16] On the other hand (turning to the balance of convenience), Vitug submits that granting a stay pending appeal poses no risk to the public for the following reasons:

- (a) Vitug has been subject to strict supervision since July 2009, which means that all trades must be pre-approved by his branch manager and that any handling of client securities and payment and the issuance of cheques be approved by management.
- (b) The conduct underlying the Hearing Panel Decision occurred before August of 2005, nearly five years ago.
- (c) The findings in the Hearing Panel Decision were that Vitug had an undisclosed financial interest and undisclosed financial dealings in accounts of his aunt and father-in-law, who are at non-arm's length to Vitug, and neither client complained about his conduct. The Hearing Panel Decision included no findings of harm to the public.

- (d) The Hearing Panel itself stayed the penalty decision pending the outcome of these proceedings, and took no steps to lift the stay prior to release of the Commission Decision.
- (e) Vitug has been working in a registered capacity without incident for more than a year since the Hearing Panel Decision was released on April 7, 2009.

[17] Vitug submits that nothing has changed since the Hearing Panel stayed the Penalty Decision, and that the stay he seeks in this motion will simply maintain the status quo to allow him a meaningful exercise of his statutory right of appeal. At the time of the April 28, 2010 hearing of the Interim Stay Motion and the May 5, 2010 hearing of the Stay Motion, he had not yet commenced an appeal, but he notes that subsection 9(2) gives him 30 days to do so.

B. IIROC Staff

[18] IIROC Staff oppose the Stay Motion. They submit that a stay is an extraordinary remedy that should only be granted in the clearest of cases, and that Vitug has not satisfied the legal test.

[19] IIROC Staff submit that pursuant to subsection 9(2) of the Act, a stay pending appeal is not automatic, but may be granted by Commission in the exercise of its inherent jurisdiction. Vitug must satisfy the three-part test in *RJR MacDonald*.

[20] IIROC Staff submit that Vitug has failed to identify any serious question to be tried on appeal. They submit that Vitug has had his hearing before the Hearing Panel, and that an independent panel of the Commission dismissed Vitug's application for a hearing and review of the Hearing Panel Decision. Moreover, Vitug did not seek a hearing and review of the Penalty Decision.

[21] IIROC Staff submit that Vitug has not provided evidence that denying the stay will cause him irreparable harm. He has not, for example, brought evidence as to his financial circumstances. With respect to any alleged harm to his clients, IIROC Staff submit that Vitug has not provided evidence of any steps he has taken to protect the interests of his clients since the Penalty Decision was issued in July 2009.

[22] On the contrary, IIROC Staff submit that staying the Commission Decision will harm the public interest. They submit that in the Hearing Panel Decision, the Hearing Panel made very serious findings about Vitug, including that he "acted deceitfully for his own personal benefit", "evaded member firm scrutiny", that his conduct "placed him in business circumstances that raised a real or apparent conflict of interest to the detriment of others", and that his "acts were intentional and his deceit was motivated by personal financial gain" (Hearing Panel Decision, paras. 155-159). Further, in the Penalty Decision, the Hearing Panel found, amongst other things, that Vitug "does not appear to be concerned about the truth", "has shown no remorse for his actions", and "is not the type of person that anyone should want in the securities industry" (Penalty Decision, paras. 12, 13 and 16). In light of these findings, and particularly the fact that the conduct occurred in accounts held outside the scope of his employment, IIROC Staff submit that strict supervision by Vitug's employer provides insufficient comfort that the public interest can be protected during the period of a stay.

[23] IIROC Staff also dispute Vitug's claim that he has continued working without complaint since the events that gave rise to the IIROC proceedings, and presented evidence of other client complaints against him. Vitug took strong exception to these allegations, which were not at issue in the IIROC proceedings that resulted in the Hearing Panel Decision and Penalty Decision, or in any other IIROC proceeding.

C. Staff

[24] Commission Staff took no position in the proceeding.

III. ANALYSIS

[25] We have considered the submissions presented by Vitug and IIROC Staff. We note that subsection 9(1) of the Act provides an appeal as of right from a Commission Decision. We also note that, pursuant to subsection 9(2) of the Act, a stay pending appeal is not automatic, but may be granted by the Commission or the Divisional Court. In deciding this Stay Motion, we have considered the three-stage test set out in *RJR MacDonald* in the context of our public interest mandate.

[26] We do not find it appropriate to consider the alleged client complaints about Vitug that were not at issue in the Hearing Panel Decision. It was not brought to our attention that IIROC has commenced any further proceedings against Vitug in respect of the alleged client complaints or that they have been heard by an IIROC hearing panel. We note that the Hearing Panel itself stayed the Penalty Decision in July 2009, on consent, and that IIROC Staff have not sought to terminate that stay or alter the strict supervision under which Vitug has been working since that time.

[27] We are limited in our ability to determine whether there is a serious question to be tried because Vitug had not commenced an appeal by the time of the hearing of the Stay Motion. In any event, the decisive factor for us in this case is that it is for the Divisional Court – not the Commission – to determine the merits of Vitug’s appeal from the Commission Decision. We find that in this case the Divisional Court is in a better position than we are to determine whether there is a serious question to be tried and whether a stay should be granted.

[28] Accordingly, while we are not satisfied, based on the limited materials available, that we should grant an indefinite stay pending appeal, we find that the public interest is best served by granting a short extension of the Interim Stay for the limited purpose of allowing Vitug to commence any appeal to the Divisional Court within 30 days of the release of the Commission Decision and, within 60 days of the release of this decision, to bring a motion for a stay before that Court. To emphasize the need for expeditious action, this stay shall terminate automatically at the end of the 30-day appeal period set out in subsection 9(2) if an appeal has not been commenced by that time. Assuming that a timely appeal is commenced, the stay shall nonetheless terminate automatically at the end of 60 days following release of this decision. These orders are subject to such further Order as the Commission or the Divisional Court may find appropriate.

IV. CONCLUSION

[29] Therefore, for the reasons given above, it is ordered that:

1. The Interim Stay ordered by the Commission on April 28, 2010 is extended for 60 days following the release of this Order, and shall terminate immediately thereafter, subject to paragraph 2, below, and subject to any further order of the Commission.
2. The Stay shall terminate upon the expiry of the 30-day appeal period following the release of the Commission decision dated April 23, 2010 if Mr. Vitug has not commenced a timely appeal pursuant to subsection 9(1) of the Securities Act, subject to any further order of the Commission.

Dated at Toronto, Ontario this 14th day of May, 2010.

“Mary G. Condon”

“Paulette L. Kennedy”

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Voice Mobility International, Inc.	05 May 10	17 May 10	17 May 10	
Golden Sunset Trail Inc.	07 May 10	19 May 10	19 May 10	
Airesurf Networks Holdings Inc.	07 May 10	19 May 10	19 May 10	
MPL Communications Inc.	07 May 10	19 May 10	19 May 10	
Z-Gold Exploration Inc.	07 May 10	19 May 10	19 May 10	
Zaruma Resources Inc.	13 May 10	25 May 10		
Dynamic Resources Corp.	14 May 10	26 May 10		
Hydralogic Systems Inc.	14 May 10	26 May 10		
SeaMiles Limited	14 May 10	26 May 10		
Richards Oil & Gas Limited	14 May 10	26 May 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
Freeport Capital Inc.	05 May 10	17 May 10	17 May 10		
SonnenEnergy Corp.	06 May 10	18 May 10	18 May 10		
Newlook Industries Corp.	06 May 10	18 May 10	18 May 10		
U.S. Silver Corporation	07 May 10	19 May 10		21 May 10	
TriNorth Capital Inc.	07 May 10	19 May 10	19 May 10		
Win-Eldrich Mines Limited	07 May 10	19 May 10	19 May 10		
Ecosse Energy Corp.	13 May 10	25 May 10			
Diamond International Exploration Inc.	14 May 10	26 May 10			
MedX Health Corp.	17 May 10	28 May 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		
Homeland Energy Group Ltd.	06 April 10	19 Apr 10	19 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		
Freeport Capital Inc.	05 May 10	17 May 10	17 May 10		
SonnenEnergy Corp.	06 May 10	18 May 10	18 May 10		
Newlook Industries Corp.	06 May 10	18 May 10	18 May 10		
U.S. Silver Corporation	07 May 10	19 May 10		21 May 10	
TriNorth Capital Inc.	07 May 10	19 May 10	19 May 10		
Win-Eldrich Mines Limited	07 May 10	19 May 10	19 May 10		
Ecosse Energy Corp.	13 May 10	25 May 10			
Diamond International Exploration Inc.	14 May 10	26 May 10			
MedX Health Corp.	17 May 10	28 May 10			

Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see www.carswell.com).

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
04/16/2010	42	Aeroports de Montreal - Bonds	150,000,000.00	N/A
04/19/2010	103	AgriMarine Holdings Inc. - Units	4,434,000.00	22,170,000.00
04/22/2010	1	Allbritton Communications Company - Notes	500,650.00	500.00
04/27/2010	3	American Renal Holdings Inc. - Notes	1,716,958.25	1,700.00
04/12/2010	11	Ansell Capital Corp. - Units	635,000.00	3,175,000.00
04/27/2010	2	Apollo Investment Corporation - Common Shares	5,361,171.00	425,000.00
04/29/2010 to 04/30/2010	84	Archer Petroleum Corp. - Common Shares	3,090,150.00	6,867,000.00
04/29/2010	53	Arizona Acquisition Fund Inc. - Common Shares	1,388.70	13,887.00
04/29/2010	53	Arizona Capital Fund Inc. - Bonds	1,388,700.00	13,887.00
04/28/2010	1	Axela Inc. - Debentures	200,400.00	N/A
04/22/2010	1	Berry Plastics Corporation - Notes	7,509,750.00	7,500.00
04/21/2010	3	Blackwood Realty Fund I Limited Partnership - Loans	6,000,000.00	N/A
04/28/2010	4	BNP Paribas Arbitrage Issuance B.V. - Certificate	152,994.77	1,460.00
04/19/2010	23	Bold Ventures Inc. - Common Shares	370,000.00	N/A
04/19/2010	1	BonTerra Resources Inc. - Common Shares	140,000.00	1,000,000.00
03/27/2010	1	Brenntag AG - Common Shares	5,167,500.00	75,000.00
04/20/2010	63	Canadian Rigger Energy Inc. - Common Shares	1,168,000.00	11,680,000.00
04/20/2010	3	Canadian Rigger Energy Inc. - Common Shares	30,000.00	200,002.00
04/28/2010	5	CCO Holdings, LLC/CCO Holdings Capital Corp. - Notes	20,200,000.00	N/A
04/30/2010	20	Coastport Capital Inc. - Units	548,750.00	4,390,000.00
04/23/2010	1	Copper Reef Mining Corporation - Common Shares	75,000.00	375,000.00
04/13/2010	6	Degilev Capital Corp. - Common Shares	717,202.56	6,336,688.00
05/01/2010	1	Development Notes Limited Partnership - Units	210,000.00	210,000.00
04/16/2010	5	Diablo Technologies Inc. - Preferred Shares	1,800,000.00	N/A
04/21/2010 to 04/26/2010	4	Eagle Landing Capital Inc. - Units	307,587.00	14,647.00

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
04/23/2010	1	Emgold Mining Corporation - Units	350,000.00	1,400,000.00
04/21/2010	23	Exploration Lounor Inc. - Common Shares	220,000.00	N/A
05/04/2010	2	E*Trade Financial Corporation - Common Shares	196,658.00	172,000,000.00
04/21/2010	70	First Gold Exploration Inc. - Units	2,000,000.00	10,000,000.00
05/01/2010	7	First Leaside Fund - Units	508,034.00	508,034.00
05/01/2010	2	First Leaside Fund - Units	104,746.00	104,746.00
05/03/2010	1	First Leaside Ultimate Limited Partnership - Units	74,331.88	73,349.00
05/03/2010	3	First Leaside Universal Limited Partnership - Units	405,000.00	405,000.00
04/28/2010	2	First Leaside Wealth Management Inc. - Preferred Shares	180,000.00	180,000.00
04/22/2010	12	First Mexican Resources Inc. - Common Shares	322,500.00	1,290,000.00
04/27/2010	9	Forterra Environmental Corp. - Debentures	488,939.35	N/A
04/29/2010	1	Fulton Financial Corporation - Common Shares	4,242,788.00	400,000.00
04/15/2010	3	Georgian Partners Growth Fund I, LP - Limited Partnership Interest	1,125,000.00	N/A
12/04/2009 to 01/28/2010	2	Georgian Partners Growth Fund (Founders) I LP - Limited Partnership Interest	175,000.00	N/A
04/27/2010	164	Gran Columbia Gold, S.A. - Common Shares	22,500,000.00	90,000,000.00
04/21/2010	1	Gray Television, Inc. - Notes	97,928.06	100.00
04/23/2010	176	Great Bear Resources Ltd. - Units	9,250,000.00	0.00
04/27/2010	15	Green Timbers Limited Partnership - Bonds	181,974,839.00	181,947,839.00
04/28/2010	5	Happy Creek Minerals Ltd. - Units	1,000,000.00	3,076,921.00
04/23/2010	74	Harvest Gold Corporation - Common Shares	1,300,000.00	13,000,000.00
04/21/2010	96	Headplay International Inc. - Units	8,137,000.00	8,137,000.00
04/19/2010	2	Healthscreen Solutions Incorporated - Units	1,300,000.00	N/A
04/19/2010	2	IGW Mortgage Investment Corporation - Preferred Shares	40,000.00	40,000.00
04/19/2010 to 04/23/2010	20	IGW Real Estate Investment Trust - Units	503,156.76	502,586.59
04/23/2010	68	Indicator Minerals Inc. - Flow-Through Shares	1,146,800.00	N/A
04/23/2010	17	International PBX Ventures Ltd. - Units	483,500.00	2,417,500.00
04/01/2010 to 04/06/2010	36	International Tower Hill Mines Ltd. - Common Shares	30,000,000.00	5,000,000.00
04/20/2010	2	International Wire Group, Inc. - Notes	11,867,921.62	120,000.00
04/27/2010	18	Investicare Seniors Housing Corp. - Units	412,500.00	N/A

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
04/15/2010	23	Ironhorse Oil & Gas Inc. - Flow-Through Shares	5,156,400.20	3,683,143.00
04/29/2010	11	Kenai Resources Ltd. - Units	700,000.00	5,000,000.00
04/15/2010	2	Lateegra Gold Corp. - Common Shares	30,500.00	100,000.00
04/21/2010 to 04/28/2010	64	Lateegra Gold Corp. - Units	1,377,750.00	3,111,000.00
04/28/2010	4	Levi Strauss & Co. - Notes	4,253,760.00	4,200.00
04/14/2010	4	Lovitt Resources Inc. - Units	87,750.00	195,000.00
04/16/2010	15	Manchester A Limited Partnership - Limited Partnership Units	3,800,000.00	38.00
03/02/2010	10	Midas Gold Inc. - Common Shares	604,071.00	2,925,000.00
04/29/2010	11	Morrison Laurier Mortgage Corporation - Preferred Shares	195,000.00	19,500.00
04/19/2010	3	Newcastle Minerals Ltd. - Common Shares	121,500.00	1,350,000.00
04/29/2010	7	North American Limestone Corporation - Common Shares	769,728.50	N/A
04/20/2010	23	North Arrow Minerals Inc. - Units	986,580.00	5,481,000.00
04/29/2010	2	Open Access Limited - Units	500,000.00	20.00
05/03/2010	1	Orillia Power Distribution Corporation - Debentures	2,100,000.00	1.00
04/22/2010	12	Palisade Vantage Fund - Units	524,735.84	58,046.00
04/16/2010	298	PanWestern Energy Inc. - Warrants	24,017,000.00	51,100,000.00
04/16/2010	298	PanWestern Energy Inc. - Warrants	24,017,000.00	N/A
04/09/2010	1	PharmaNet Development Group Inc. - Notes	3,125,231.25	N/A
05/06/2010	2	Phillips-Van Heusen Corporation - Notes	1,565,550.00	2.00
02/05/2010 to 04/16/2010	42	PI Energy Corp. - Common Shares	40,000,005.00	26,666,670.00
04/12/2010	3	Pier 27 Toronto (North) Inc. - Loans	18,000,000.00	N/A
04/28/2010	88	PJV Resources Inc. - Receipts	22,948,275.00	65,566,000.00
04/16/2010	12	Plasco Energy Group Inc. - Units	1,043,576.88	69,567.00
04/21/2010	1	Prophecy Resource Corp. - Units	398,545.00	675,500.00
04/23/2010 to 05/04/2010	88	Quia Resources Inc. - Units	3,868,977.00	N/A
04/28/2010	1	RBS Global, Inc./Rexnord LLC - Notes	7,070,000.00	1.00
04/29/2010	109	Renegade Petroleum Ltd. - Receipts	40,005,000.00	11,430,000.00
04/28/2010	4	Rockex Limited - Common Shares	190,000.00	380,000.00
04/15/2010	1	ROI Private Capital Trust Series R - Units	750,000.00	7,283.07

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
04/07/2010	20	RTL- Westcan Limited Partnership - Notes	130,000,000.00	N/A
04/23/2010	5	Samaranta Mining Corporation - Common Shares	390,000.00	N/A
04/23/2010	2	Silvercove Capital (Canada) Inc. - Preferred Shares	75,000.00	150,000.00
04/28/2010	78	SkyWest Energy Corp. - Receipts	20,613,504.00	N/A
04/13/2010	8	Sofame Technologies Inc. - Units	250,000.00	N/A
05/03/2010	1	Standard Pacific Corp. - Notes	2,026,800.00	1.00
04/21/2010	1	STR Holdings Inc. - Common Shares	1,138,125.00	60,700.00
04/12/2010 to 04/22/2010	17	Stratabound Minerals Corp. - Flow-Through Shares	1,532,687.50	6,811,943.00
04/30/2010	1	Susser Holdings, L.L.C and Susser Finance Corporation - Notes	3,499,706.07	3,500.00
05/04/2010	2	Synovus Financial Corp. - Common Shares	1,558,920.00	255,000.00
05/04/2010	2	Synovus Financial Corp. - Units	2,298,600.00	N/A
05/03/2010	2	TCL Funding Limited Partnership - Notes	70,000,000.00	N/A
04/30/2010	1	Telcordia Technologies, Inc. - Notes	1,515,000.00	1,500,000.00
04/12/2010	1	TenXc Wireless Inc. - Debentures	1,293,870.00	N/A
04/12/2010	2	TenXc Wireless (Delaware) Inc. - Debentures	1,293,870.00	N/A
04/30/2010	2	The PMI Group, Inc. - Common Shares	2,794,500.00	450,000.00
03/30/2010	2	The PMI Group, Inc. - Notes	858,500.00	2.00
10/13/2007 to 02/26/2010	14	Tonus Select Fund - Units	3,853,565.49	N/A
04/21/2010 to 04/22/2010	21	Transition Metals Corp. - Common Shares	815,000.00	6,125,000.00
04/15/2010	1	UBS AG, London Branch - Certificate	150,382.50	150.00
04/27/2010	1	UBS AG, London Branch - Certificate	14,498.76	14.00
04/28/2010	7	UBS AG, London Branch - Certificate	349,840.40	3,710.00
04/27/2010	2	UBS AG, London Branch - Notes	1,550,000.00	1,150.00
04/20/2010	16	Vancouver Fraser Port Authority - Debentures	100,000,000.00	N/A
04/23/2010	13	Walton AZ Mystic Vista Investment Corporation - Common Shares	277,550.00	27,755.00
04/30/2010	6	Walton AZ Mystic Vista Limited Partnership - Limited Partnership Units	222,893.84	22,256.00
04/23/2010	34	Walton AZ Verona Investment Corporation - Common Shares	588,750.00	58,875.00
04/23/2010	4	Walton AZ Verona Limited Partnership - Units	633,766.73	63,345.00

Notice of Exempt Financings

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price (\$)	No of Securities Distributed
04/23/2010	71	Walton Southern U.S. Land Investment Corporation - Common Shares	1,937,340.00	193,734.00
04/30/2010	77	Walton Southern U.S. and Investment Corporation - Common Shares	1,563,750.00	156,375.00
04/23/2010	11	Walton Southern U.S. Land LP - Limited Partnership Units	2,209,224.06	220,812.00
04/29/2010	2	Wimberly Fund - Units	10,606.00	10,606.00
05/03/2010	1	York Total Return Unit Trust - Trust Units	50,659.87	50,659.87

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Allied Nevada Gold Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 17, 2010
NP 11-202 Receipt dated May 17, 2010

Offering Price and Description:

\$273,000,000.00 - 13,000,000 Shares of Common Stock
Price: \$21.00 per Common Share

Underwriter(s) or Distributor(s):

Cormark Securities Inc.
GMP Securities L.P.
Canaccord Genuity Corp.
Dundee Securities Corporation
Desjardins Securities Inc.
National Bank Financial Inc.

Promoter(s):

-

Project #1582727

Issuer Name:

American Express Canada Credit Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Base Shelf Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

Cdn \$3,500,000,000.00 - Medium Term Notes (unsecured)
Rates on Application

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Merrill Lynch Canada Inc.
RBC Dominion Securities Inc.
TD Securities Inc.

Promoter(s):

-

Project #1581923

Issuer Name:

Brompton Split Banc Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 12, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

Warrants to Subscribe for up to * Units at a Subscription
Price of \$ *, each Unit consisting of one Class A Share and
one Preferred Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1580202

Issuer Name:

Contrans Group Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 18, 2010
NP 11-202 Receipt dated May 18, 2010

Offering Price and Description:

\$50,000,006.00 - 5,208,334 Class A Subordinate Voting
Shares PRICE: \$9.60 PER SUBORDINATE VOTING
SHARE

Underwriter(s) or Distributor(s):

Cormark Securities Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
TD Securities Inc.

Promoter(s):

-

Project #1583559

Issuer Name:

Crescent Point Energy Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated May 18, 2010
NP 11-202 Receipt dated May 18, 2010

Offering Price and Description:

\$375,150,000.00 - 9,150,000 Common Shares Price:
\$41.00 per Common Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1583654

Issuer Name:

CU Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Base Shelf Prospectus dated May 17, 2010
NP 11-202 Receipt dated May 18, 2010

Offering Price and Description:

\$1,700,000,000.00 - Debentures (Unsecured) Rates on Application

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
TD Securities Inc.

Promoter(s):

-

Project #1583538

Issuer Name:

Dundee Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 18, 2010
NP 11-202 Receipt dated May 18, 2010

Offering Price and Description:

\$100,040,000.00 - 4,100,000 REIT Units, Series A Price: \$24.40 per Unit

Underwriter(s) or Distributor(s):

TD Securities Inc.
Scotia Capital Inc.
Dundee Securities Corporation
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Brookfield Financial Corp.
Canaccord Genuity Corp.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
National Bank Financial Inc.
Raymond James Ltd.

Promoter(s):

-

Project #1583372

Issuer Name:

Greenfields Petroleum Corporation
Principal Regulator - Alberta

Type and Date:

Preliminary Long Form Prospectus dated May 7, 2010
NP 11-202 Receipt dated May 12, 2010

Offering Price and Description:

Up to \$40,000,000.00 - Up to * Common Shares at \$ * per Common Share

Underwriter(s) or Distributor(s):

FirstEnergy Capital Corp.
Raymond James Ltd.
Haywood Securities Inc.

Promoter(s):

Richard E. MacDougal
Alex T. Warmath
John W. Harkins

Project #1580131

Issuer Name:

Life & Banc Split Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 12, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

Warrants to Subscribe for up to* Units at a Subscription Price of \$*, each Unit consisting of one Class A Share and one Preferred Share

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1580222

Issuer Name:

Minera IRL Limited
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 13, 2010
NP 11-202 Receipt dated May 13, 2010

Offering Price and Description:

UP TO \$25,000,000.00 - * ORDINARY SHARES Price: \$ * per Offered Share

Underwriter(s) or Distributor(s):

Cormark Securities Inc.
CIBC World Markets Inc.
Jennings Capital Inc.
National Bank Financial Inc.

Promoter(s):

-

Project #1580386

Issuer Name:

Minera IRL Limited
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Short Form Prospectus dated May 17, 2010
NP 11-202 Receipt dated May 17, 2010

Offering Price and Description:

UP TO \$25,000,000.00 - * ORDINARY SHARES

Underwriter(s) or Distributor(s):

Cormark Securities Inc.
CIBC World Markets Inc.
Jennings Capital Inc.
National Bank Financial Inc.

Promoter(s):

-

Project #1580386

Issuer Name:

Richmont Mines Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Base Shelf Prospectus dated May 12, 2010
NP 11-202 Receipt dated May 12, 2010

Offering Price and Description:

\$25,000,000.00:

Common Shares
Warrants
Subscription Receipts
Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1579518

Issuer Name:

NEXX Systems, Inc.
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Long Form PREP Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

Cdn\$ * - * SHARES OF COMMON STOCK PRICE Cdn\$ *
PER SHARE

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.
CIBC World Markets Inc.
Macquarie Capital Markets Canada Ltd.
TD Securities Inc.

Promoter(s):

-

Project #1561419

Issuer Name:

SEMAFO INC.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated May 18, 2010
NP 11-202 Receipt dated May 18, 2010

Offering Price and Description:

\$104,250,000.00 -15,000,000 Common Shares Price:
\$6.95 per Common Share

Underwriter(s) or Distributor(s):

Jennings Capital Inc.
CIBC World Markets Inc.
Macquarie Capital Markets Canada Ltd.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Haywood Securities Inc.
Clarus Securities Inc.
Scotia Capital Inc.

Promoter(s):

-

Project #1583536

Issuer Name:

Primaris Retail Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

\$85,202,500.00 - 4,925,000 Units Price: \$17.30 per Unit

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Genuity Corp.
National Bank Financial Inc.
Macquarie Capital Markets Canada Ltd.
Raymond James Ltd.

Promoter(s):

-

Project #1581628

Issuer Name:

Sprott Physical Gold Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form PREP Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

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

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Morgan Stanley Canada Limited

Promoter(s):

Sprott Asset Management LP

Project #1581593

Issuer Name:

T.B. Mining Ventures Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated May 17, 2010
NP 11-202 Receipt dated May 18, 2010

Offering Price and Description:

\$300,000.00 - 1,500,000 Common Shares Price: \$0.20 per
Common Share

Underwriter(s) or Distributor(s):

Jones, Gables & Company Limited

Promoter(s):

Daniel R. Mechis

Project #1582953

Issuer Name:

Bank of Nova Scotia, The
Principal Regulator - Ontario

Type and Date:

Final Base Shelf Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 17, 2010

Offering Price and Description:

\$8,000,000,000.00:
Debt Securities (subordinated indebtedness)
Preferred Shares
Common Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1577668

Issuer Name:

BMO Equal Weight REITs Index ETF
BMO Junior Oil Index ETF
BMO Junior Gas Index ETF
BMO Equal Weight US Health Care Hedged to CAD Index
ETF (formerly BMO US Health Care
Hedged to CAD Index ETF)
BMO Equal Weight US Banks Hedged to CAD Index ETF
(formerly BMO US Banks Hedged to CAD
Index ETF)
BMO Long Federal Bond Index ETF
BMO Real Return Bond Index ETF
BMO Emerging Markets Bond Hedged to CAD Index ETF
Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated May 17, 2010
NP 11-202 Receipt dated May 18, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

BMO Asset Management Inc.

Project #1563445

Issuer Name:

Churchill 10 Debenture Corp.
Churchill 10 Real Estate Limited Partnership
Principal Regulator - British Columbia

Type and Date:

Final Long Form Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 18, 2010

Offering Price and Description:

Minimum: \$5,000,000.00 (4,000 Units); Maximum:
\$30,000,000.00 (24,000 Units) \$1,250 per Unit
Minimum Subscription: \$5,000

Underwriter(s) or Distributor(s):

Dundee Securities Corporation
Raymond James Limited
Scotia Capital Inc.

Promoter(s):

Churchill Real Estate Inc.
Project #1554893/1554890

Issuer Name:

C&C Energy Canada Ltd.
Principal Regulator - Alberta

Type and Date:

Final Long Form Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

Cdn\$65,000,001.50 (7,647,059 Common Shares);
Secondary Offering: Cdn\$34,999,999.50 (4,117,647
Common Shares): Price: Cdn\$8.50 per Common Share

Underwriter(s) or Distributor(s):

FirstEnergy Capital Corp.
GMP Securities L.P.
Canaccord Genuity Corp.
Cormark Securities Inc.
Haywood Securities Inc.
Macquarie Capital Markets Canada Ltd.
Scotia Capital Inc.

Promoter(s):

-

Project #1559787

Issuer Name:

B, Series F, Series T(A) and Series T(B) Units
Hartford Balanced Growth Portfolio
(Series A, Series B, Series F, Series T(A) and Series T(B) Units)
Hartford Balanced Portfolio
(Series A, Series B, Series F, Series T(A) and Series T(B) Units)
Hartford Conservative Portfolio
(Series A, Series B, Series F, Series T(A) and Series T(B) Units)
Hartford Capital Appreciation Fund
(Series A, Series B, Series D, Series F, Series I, Series T(A) Series T(B) Units)
Hartford Global Leaders Fund
(Series A, Series B, Series D, Series F, Series I, Series T(A) Series T(B) Units)
Hartford International Equity Fund
(Series A, Series B, Series F, Series I, Series T(A) and Series T(B) Units)
Hartford U.S. Dividend Growth Fund
(Series A, Series B, Series D, Series F, Series I, Series T(A) Series T(B) Units)
Hartford U.S. Stock Fund
(Series A, Series B, Series D, Series F and Series I Units)
Hartford Canadian Dividend Fund
(Series A, Series B, Series D, Series F, Series I, Series T(A) Series T(B) Units)
Hartford Canadian Dividend Growth Fund
(Series A, Series B, Series D, Series F and Series I Units)
Hartford Canadian Stock Fund
(Series A, Series B, Series D, Series F, Series I, Series T(A) Series T(B) Units)
Hartford Canadian Value Fund
(Series A, Series B, Series D, Series F, Series I, Series T(A) Series T(B) Units)
Hartford Canadian Balanced Fund
(Series A, Series B, Series D, Series F, Series I, Series T(A) Series T(B) Units)
Hartford Global Balanced Fund
(Series A, Series B, Series D, Series F, Series I, Series T(A) Series T(B) Units)
Hartford Canadian Bond Fund
(Series A, Series B, Series D, Series F and Series I Units)
Hartford Global High Income Fund
(Series A, Series B, Series F and Series I Units)
Hartford Canadian Money Market Fund
(Series A, Series B and Series D Units, and DCA Series A, DCA Series B, DCA Series D and DCA Series F issuable in versions (currently only Twelve Month Version 2 and Six Month Version 5 of each DCA Series available))
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated May 14, 2010
NP 11-202 Receipt dated May 17, 2010

Offering Price and Description:

Net Asset Value

Underwriter(s) or Distributor(s):

Promoter(s):

Project #1559761

Issuer Name:

Homburg Canada Real Estate Investment Trust
Principal Regulator - Quebec

Type and Date:

Final Long Form Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 17, 2010

Offering Price and Description:

\$160,000,000.00 - 16,000,000 Units Price: \$10.00 Per Unit

Underwriter(s) or Distributor(s):

TD Securities Inc.
National Bank Financial Inc.
Desjardins Securities Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
Canaccord Financial Ltd.
HSBC Securities (Canada) Inc.
Dundee Securities Corporation
Beacon Securities Ltd.

Promoter(s):

Homburg Invest Inc.
Homberg Canada Inc.

Project #1562039

Issuer Name:

Class A, F and I Units of:
Jov Bond Fund
Jov Leon Frazer Dividend Fund
Class A, F and T Units of:
Jov Fiera Conservative Tactical Portfolio
Jov Fiera Balanced Tactical Portfolio
Jov Fiera Growth Tactical Portfolio
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated May 10, 2010
NP 11-202 Receipt dated May 13, 2010

Offering Price and Description:

Class A, F, I and T Units @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

JovFinancial Solutions Inc.

Project #1559928

Issuer Name:

National Bank of Canada
Principal Regulator - Quebec

Type and Date:

Final Base Shelf Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 17, 2010

Offering Price and Description:

CDN\$3,500,000,000.00 - Medium Term Notes – Debt Securities (Unsubordinated Indebtedness)

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
CIBC World Markets Inc.
Desjardins Securities Inc.
RBC Dominion Securities Inc.

Promoter(s):

-

Project #1576527

Issuer Name:

PanWestern Energy Inc.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
Cormark Securities Inc.
GMP Securities L.P.
Canaccord Financial Ltd.
FirstEnergy Capital Corp.

Promoter(s):

-

Project #1577523

Issuer Name:

Norrep Performance 2010 Flow-Through Limited Partnership
Principal Regulator - Alberta

Type and Date:

Final Long Form Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

\$50,000,000 (Maximum Offering) - a maximum of 5,000,000 Limited Partnership Units @ \$10.00/Unit
\$5,000,000 (Minimum Offering) - A minimum of 500,000 Limited Partnership Units @ \$10.00/Unit

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
GMP Securities L.P.
Macquarie Capital Markets Canada Ltd.
Raymond James Ltd.

Promoter(s):

Hesperian Capital Management Ltd.

Project #1561365

Issuer Name:

Pathway Mining 2010 Flow-Through Limited Partnership (Limited Partnership Units)
Principal Regulator - Ontario

Type and Date:

Amendment dated May 6, 2010 to Final Long Form Prospectus dated February 26, 2010
NP 11-202 Receipt dated May 12, 2010

Offering Price and Description:

\$30,000,000.00 (Maximum Offering); \$5,000,000.00 (Minimum Offering) - A Maximum of 3,000,000 and a Minimum of 500,000 Limited Partnership Units
Minimum Subscription: 250 Limited Partnership Units
Subscription Price: \$10.00 per Limited Partnership Unit

Underwriter(s) or Distributor(s):

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

Promoter(s):

Pathway Mining 2009-II Inc.

Project #1518529

Issuer Name:

Prosperata Capital Preservation Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated May 11, 2010
NP 11-202 Receipt dated May 17, 2010

Offering Price and Description:

Series A and Series F Units

Underwriter(s) or Distributor(s):

Global Prosperata Funds Inc.

Promoter(s):

Global Prosperata Funds Inc.

Project #1536032

Issuer Name:

Pure Industrial Real Estate Trust
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated May 12, 2010
NP 11-202 Receipt dated May 13, 2010

Offering Price and Description:

\$20,300,000.00 - 5,800,000 Units Price: \$3.50 Per Unit

Underwriter(s) or Distributor(s):

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

Promoter(s):

Sunstone Industrial Advisors Inc.

Project #1576282

Issuer Name:

RBC Dominion Securities Canadian Focus List Portfolio
(Series A and Series F Units)
Principal Regulator - Ontario

Type and Date:

Amended and Restated Simplified Prospectus and Annual
Information Form dated May 7, 2010 (the amended
prospectus) amending and restating the Simplified
Prospectus and Annual Information Form dated September
18, 2009

NP 11-202 Receipt dated May 13, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

First Defined Portfolio Management Co.

Promoter(s):

FIRST DEFINED PORTFOLIO MANAGEMENT CO.

Project #1456775

Issuer Name:

Renegade Petroleum Ltd.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated May 12, 2010
NP 11-202 Receipt dated May 12, 2010

Offering Price and Description:

\$40,005,000.00 - 11,430,000 Common Shares issuable on
exchange of outstanding Subscription Receipts
Price: \$3.50 per Subscription Receipt

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Genuity Capital Markets
Dundee Securities Corporation
Macquarie Capital Markets Canada Ltd.
Paradigm Capital Inc.
FirstEnergy Capital Corp.
Peters & Co. Limited

Promoter(s):

-

Project #1574852

Issuer Name:

Series A and Series F securities of:
SENTRY SELECT LAZARD GLOBAL INFRASTRUCTURE
FUND
and

Series A, Series B, Series F and Series I securities of:
SENTRY SELECT MONEY MARKET CLASS (Class of
shares of Sentry Select Corporate Class Ltd.)
SENTRY SELECT MONEY MARKET FUND
Principal Regulator - Ontario

Type and Date:

Amendment #3 dated May 7, 2010 to Final Simplified
Prospectuses and Annual Information Form dated June 15,
2009

NP 11-202 Receipt dated May 17, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Sentry Select Capital Inc.

Promoter(s):

Sentry Select Capital Inc.

Project #1416042

Issuer Name:

TERASEN GAS INC.
Principal Regulator - British Columbia

Type and Date:

Final Base Shelf Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

\$600,000,000.00 - MEDIUM TERM NOTE DEBENTURES
(Unsecured)

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #1577374

Issuer Name:

TimberWest Forest Corp.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated May 11, 2010
NP 11-202 Receipt dated May 12, 2010

Offering Price and Description:

\$60,000,000.00 - 12,000,000 Stapled Units Price: \$5.00
per Offered Unit

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

Promoter(s):

-

Project #1574698

Issuer Name:

WestFire Energy Ltd.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated May 14, 2010
NP 11-202 Receipt dated May 14, 2010

Offering Price and Description:

\$30,000,000.00 - 3,750,000 Common Shares Price: \$8.00
per Common Share

Underwriter(s) or Distributor(s):

Macquarie Capital Markets Canada Ltd.
Raymond James Ltd.
CIBC World Markets Inc.
Mackie Research Capital Corporation
GMP Securities L.P.
Wellington West Capital Markets Inc.

Promoter(s):

-

Project #1577657

Issuer Name:

BMO Small Cap Index ETF
Principal Jurisdiction - Ontario

Type and Date:

Final Long Form Prospectus dated May 17, 2010
Withdrawn on May 17, 2010

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

BMO Asset Management Inc.

Project #1563445

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Jones Heward Investment Counsel Inc./ Jones Heward Conseiller en Valeurs Inc. To: BMO Asset Management Inc./BMO Gestion D'Actifs Inc.	Exempt Market Dealer, Portfolio Manager & Commodity Trading Manager	May 5, 2010
Suspension of registration pursuant to s.10.3 of NI 31-103	The Investment House of Canada	Mutual Fund Dealer Exempt Market Dealer	May 12, 2010
Change of Category	Casgrain & Compagnie Limitee / Casgrain & Company Limited	From: Exempt Market Dealer To: Investment Dealer	May 12, 2010
Change of Category	Ned Goodman Investment Counsel Limited	From: Portfolio Manger To: Exempt Market Dealer, Portfolio Manager, and Investment Fund Manager	May 14, 2010

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Chapter 13

SROs, Marketplaces and Clearing Agencies

13.3 Clearing Agencies

13.3.1 CDS Notice and Request for Comments – Material Amendments to CDS Procedures – Issue and Entitlement Procedures – Other Securities

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

MATERIAL AMENDMENTS TO CDS PROCEDURES

ISSUE AND ENTITLEMENT PROCEDURES – OTHER SECURITIES

REQUEST FOR COMMENTS

A. DESCRIPTION OF THE PROPOSED CDS PROCEDURE AMENDMENTS

The amendments being proposed will provide qualified CDS participants with the ability to issue and maintain security positions in CDSX in an uncertificated format. These changes will provide another option for issuers to issue their securities and is a further step supporting the Canadian capital markets' move towards a dematerialized environment.

On August 3, 2010, CDS will be implementing new eligibility fees to discourage the issuance of new securities in certificated form and to cover the costs and risks to CDS involved in receiving and processing physical certificates for custody. The new fees will be applied at the time that CDS is requested to make an issue eligible for its clearing and depository services and will be based on whether a certificate is held by CDS. The new fees are as follows:

- \$1,000 for an issue where CDS receives one or more definitive certificates for custody
- \$500 for a book-entry-only (BEO) issue where CDS receives one or more global certificates for custody
- \$0 for issues received by CDS to be held in an uncertificated format, either by CDS, a transfer agent or a qualified participant

At the time that the new eligibility fees were announced, CDS began discussions with some of its participants who are also issuing agents for their clients. Those discussions centered on the options that an issuer had for issuing their securities and the impact the new fees would have on them. In the current environment the issues managed by the participants are typically issued in the BEO format and are represented by one or more global certificates held in CDS's vaults. Examples of the type of security issued in this manner are the medium-term note (MTN) issues. Once the new fee is implemented, this type of issuance would attract the \$500 fee for each security issued.

At the same time as these discussions were taking place CDS was also undertaking a project to review money market processes. As a result of the money market project a number of rules and procedures were revised to provide clarity to the roles and responsibilities of a money market issuing agent. Those rules and procedures came into effect on April 5, 2010. In a review of those rules and procedures CDS concluded that they also would accommodate non-money market securities and therefore provide an option for participants to issue other securities in an uncertificated format.

Under CDS's rules there are clear definitions for the roles that a participant can perform when acting as an issuing agent, with specific qualification criteria for each of the roles. The roles that participants could undertake are: ISIN Activator, Security Validator, Entitlement Processor and Custodian. For money market securities a participant must assume three of those roles: ISIN Activator, Security Validator and Custodian, with the Entitlement Processor as an option. For other types of securities, a participant may fulfill one or more of these roles, except the ISIN Activator role, which would remain a CDS activity. All participants must submit an application if they want to perform any of the roles of ISIN Activator, Security Validator or Custodian.

If a qualified participant were to undertake the role of Security Validator they could issue the non-money market securities in an uncertificated format and therefore would not attract the new eligibility fee for those issues. In performing the Security Validator role a participant confirms all deposit and withdrawal requests in CDSX and must reconcile the issuer's register with CDS's records.

Participants also may decide to assume the roles of Entitlement Processor or Custodian, if the qualifications are met. The Custodian role would only be required if that participant was to hold one or more physical certificates for the issue. In the event that the participant holds the certificate(s) as custodian, CDS would consider this to be a case of dealing with an uncertificated security for the purpose of deciding the applicable eligibility fee, provided that CDS is not charged a custody fee.

B. NATURE AND PURPOSE OF THE PROPOSED CDS PROCEDURE AMENDMENTS

For money market securities there are procedures in place that detail the processes and controls that must be followed for participants to comply with the applicable rules associated with those securities. Since non-money market issuing agents would be assuming most of the same roles and responsibilities, CDS determined that a new set of procedures comparable to the procedures applicable for money market securities should be created to accommodate these types of securities.

The new procedures document the roles and responsibilities of Security Validator, Custodian and Entitlement Processor and the standards and controls to be applied for each of those roles. The application for participants has been amended to include the non-money market processes so that a single application may be used by interested participants. Schedule A has been amended to allow participants to select the option of acting as security validator or custodian for non-money market securities. In addition, two changes have been made to respond to problems identified when the initial participants completed the applications: (i) section 3 now requires a participant to insert the name of its parent when the participant's qualification relies on that parent's status; (ii) the execution format has been clarified. Also, standards and an annual certification have been created to accommodate other securities.

C. IMPACT OF THE PROPOSED CDS PROCEDURE AMENDMENTS

(a) CDS Clearing

CDS Clearing will monitor all participants who qualify for any of the roles as outlined in section C.2 below.

(b) CDS Participants

CDS participants who wish to apply for any of these roles must meet the qualifications outlined in the rules and procedures. Participants will also have to review their issuer's documentation to determine if those issues can be held in an uncertificated format or if they must remain in a certificated state.

Any participants that apply for these roles must also implement the standards and controls associated with the roles.

(c) Other Market Participants

There is no impact to other market participants.

(d) Securities and Financial Markets in General

There is no impact to the securities or financial markets in general.

C.1 Competition

These changes are not expected to have an impact on competition, either for CDS or its participants. The participants that could benefit from the ability to perform these roles are already the issuing agents for their securities.

C.2 Risks and Compliance Costs

As part of the money market project CDS will be implementing a number of processes and controls to improve the system and controls and enhance CDS's ability to monitor compliance by the issuing agents. These changes include the production and review of exception reports and undertaking suitable follow-up actions and the collection and review of annual sign-offs from the participants regarding their money market holdings as custodians. Similar processes and controls will be used for non-money market issues held by qualified participants.

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

As these changes are unique to processing in Canada and for use with CDSX, comparisons with other jurisdictions are not applicable.

D. DESCRIPTION OF THE PROCEDURE DRAFTING PROCESS

D.1 Development Context

The procedures have been drafted to create a procedure guide specifically for non-money market issuing agents to provide them with the processes and standards that will apply if they assume any of the defined roles.

D.2 Procedure Drafting Process

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

These amendments were reviewed and approved by the SDRC on April 29, 2010

D.3 Issues Considered

The impact of the fees on the ability of CDS's participants to continue to offer these services to their issuers was the issue considered.

D.4 Consultation

The proposed changes are a consequence of discussions with issuers and their issuing agents and the impact of the new eligibility fees on those issuers. At its meeting on March 2, 2010, CDS's executive management group, the Strategy Group, reviewed and approved the approach that resulted in the amendments being proposed.

D.5 Alternatives Considered

The alternative to making the proposed changes would be to maintain the status quo. The potential result of the status quo would be that the issuers of non-money market issues, such as MTNs, would have to look beyond their current arrangements with the participants that act as their issuing agents to other providers, such as transfer agents or CDS's registrar and paying agent (RPA) service, in order to issue and maintain their client's securities in uncertificated form. As the status quo would have limited issuers' choices, the proposed changes were considered appropriate in order to allow issuers the choice of maintaining their current relationships with their issuing agents and issue their securities in uncertificated form.

D.6 Implementation Plan

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

The amendments to Participant Procedures may become effective upon approval of the amendments by the Recognizing Regulators following public notice and comment.

E. TECHNOLOGICAL SYSTEMS CHANGES

E.1 CDS

These changes will not result in any technological changes for CDS's systems.

E.2 CDS Participants

CDS participants that decide to apply for any of the roles must ensure that they can provide CDS with the nightly reconciliation file that is used to balance each issue's register with CDS's records. It is likely that, in most cases, the participants that apply for these roles will also be money market issuers and therefore will have already developed the programs and processes required to provide the reconciliation file to CDS. CDS also offers an on-line version of the reconciliation file for those participants that decide not to develop the more robust file version of the reconciliation record.

E.3 Other Market Participants

These changes do not impact any other market participants.

F. COMPARISON TO OTHER CLEARING AGENCIES

Since these changes are unique to processing in Canada and for use with CDSX, comparisons with other clearing agencies are not applicable.

G. PUBLIC INTEREST ASSESSMENT

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

H. COMMENTS

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

Mike Polak
Director, Operations Support
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Fax: 416-365-3856
e-mail: mpolak@cds.ca

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

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

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

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

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

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

I. PROPOSED CDS PROCEDURE AMENDMENTS

Access the proposed marked-up amendments to the CDS Procedures on the User documentation revisions web page (<http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-blacklined?Open>) and to the CDS Forms (if applicable) on Forms online (Click View by Form Category and in the Select a Form Category list, click External review) on the CDS Services web page (www.cdsservices.ca).

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